



Cargojet Announces First Quarter Financial Results

Mississauga, ON, April 23, 2025 - Cargojet Inc. ("Cargojet" or the "Corporation") (TSX: CJT) today announced financial results for the first quarter ended March 31, 2025.

- Record first quarter 2025 revenue of \$249.9 million, an increase of 8.1% - compared to \$231.2 million in the same quarter of 2024.
- First quarter 2025 Adjusted EBITDA⁽¹⁾ of \$80.8 million compared to \$78.4 million in the same quarter of 2024 driving a 32.3% Adjusted EBITDA margin.
- Net earnings of \$48.0 million in the quarter versus \$32.5 million in the same quarter of 2024, an improvement of 47.7% year-over-year and an increase in Earnings per share (basic) of 58.2% to \$3.07 during the quarter.
- During the quarter ended March 31, 2025 the Company purchased for cancellation an aggregate of 272,922 Voting Shares under the Normal Course Issuer Bid (NCIB) for a total cost of \$32.2 million.
- Achieved record On-time Arrival Performance of 99.1% within fifteen minutes of scheduled arrival time during the quarter.

"Cargojet's diversified portfolio of Domestic, Charters and ACMI offerings continued to perform well in the first quarter, posting a combined growth of 16.1%. With the backdrop of trade wars and expected decoupling of North American supply chains, more cargo is expected to enter Canada directly from the rest of the world to mitigate the uncertainty of tariffs. These results demonstrate the unique and complimentary structure of our various revenue segments. We continue to identify new opportunities and remain at the forefront of helping customers adjust to new global supply chains." said Jamie Porteous, Co-Chief Executive Officer.

"Through a disciplined approach to cost management, we are continuing to maintain strong margins while exceeding our on-time-arrival performance targets set by our customers. Despite rising inflationary pressures, currency volatility and geopolitical tensions, our focus remains on helping customers deliver on their commitments to their end-customers. Our agility to adapt to a fast-changing environment continues to be recognized as the key differentiator, allowing us to win more business in a highly competitive global air cargo industry." said Pauline Dhillon, Co-Chief Executive Officer.

Total revenue for the quarter was \$249.9 million compared to first quarter 2024 revenue of \$231.2 million. Revenue from domestic network, ACMI and All-in Charter for the quarter was \$210.2 million compared to \$181.0 million for the same period in 2024.

Adjusted EBITDA¹ for the quarter was \$80.8 million compared to the first quarter 2024 Adjusted EBITDA of \$78.4 million. Net earnings for the quarter were \$48.0 million compared to \$32.5 million for the same period in 2024.

Net cash from operating activities of \$64.8 million during the quarter compared to \$80.3 million for the same period in 2024.

FIRST QUARTER RESULTS

Financial highlights

(Canadian dollars in millions, except where indicated)

	Three Month Period Ended			
	March 31,			
	2025	2024	Change	%
Domestic network, ACMI and charter revenues	\$210.2	\$181.0	\$29.2	16.1%
Total revenues	\$249.9	\$231.2	\$18.7	8.1%
Net earnings	\$48.0	\$32.5	\$15.5	47.7%
Adjusted net earnings⁽¹⁾	\$25.3	\$28.3	(\$3.0)	-10.5%
EPS Diluted	\$2.87	\$1.84	\$1.03	56.0%
Adjusted EPS⁽¹⁾	\$1.62	\$1.69	(\$0.07)	-4.1%
Adjusted EBITDA⁽¹⁾	\$80.8	\$78.4	\$2.4	3.1%
Adjusted EBITDA margin ⁽¹⁾ - (%)	32.3%	33.9%	-1.6%	
Net cash from operating activities	\$64.8	\$80.3	(\$15.5)	-19.3%
Free cash flow⁽¹⁾	(\$45.9)	\$168.7	(\$214.6)	-127.2%

(1) Non-GAAP measures. See "Non-GAAP Financial Measures" section.

(1) Non-GAAP Measures

Below is a description of certain non-GAAP financial measures and non-GAAP financial ratios used by the Corporation to provide readers with additional information on its financial and operating performance. Non-GAAP financial ratios are ratios or percentages that are calculated using a non-GAAP financial measure. Such measures are not recognized measures for financial statement presentation under GAAP, do not have standardized meanings, may not be comparable to similar measures presented by other entities and should not be considered a substitute for or superior to GAAP results.

"Adjusted EBITDA" is used by the Corporation to assess earnings before interest, taxes, depreciation, amortization, gain or loss on disposal of capital assets, share-based compensation, gain or loss on disposal of property, plant and equipment and assets held for sale, impairment and gain on insurance claim, fair value increase or decrease on stock warrant, amortization of stock warrant contract assets, gain or loss on fair value or settlement of swap derivatives, unrealized foreign exchange gains or losses, gains or losses on settlement of debts, share of gain or loss in associate, and provision for employee pension, as these costs can vary significantly among airlines due to differences in the way airlines finance their aircraft and other assets. The most directly comparable financial measure disclosed in the Corporation's financial statements is net earnings.

"Adjusted EBITDA margin" is defined as Adjusted EBITDA as a percentage of revenue. Adjusted EBITDA margin is commonly used in the airline industry and is used by the Corporation as a means to measure the operating margin excluding certain items as described above.

"Free Cash Flow" is used by the Corporation to evaluate its financial strength and performance of its business, indicating the amount of cash the Corporation can generate from operations after capital expenditures. Free Cash Flow is defined as cash flows from operating activities less purchases of property, plant and equipment plus proceeds from disposals of property, plant and equipment and assets held for sale, and insurance proceeds related to these assets.

"Adjusted net earnings" and "Adjusted net earnings per share" ("Adjusted EPS") are used to assess the overall financial performance of its business. Prior to the third quarter of 2024, adjusted net earnings and adjusted EPS are defined as net earnings and net earnings per basic share excluding impairment and gain on insurance claim, fair value increase or decrease on stock warrant, amortization of stock warrant contract assets, gain or loss on swap derivatives, and unrealized foreign exchange gain or loss.

These items are excluded as they may distort the analysis of certain business trends and render comparative analysis to other airlines less meaningful. In the third quarter of 2024, the company updated the definition to further exclude the tax impact of the adjustments where applicable as the net earnings and net earnings per share are also after-tax. Wherever presented, prior periods adjusted net earnings and Adjusted EPS are updated accordingly.

Reconciliations of non-GAAP measures are provided below and in the “Non-GAAP Measures” section of the Corporation’s Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) for the three month period ended March 31, 2025 and is available on SEDAR+ at www.sedarplus.ca.

(Unaudited - Canadian dollars in millions, except where indicated)	Three Month Period Ended	
	March 31,	
	2025	2024
Calculation of EBITDA and Adjusted EBITDA	\$	\$
Net earnings	48.0	32.5
Add:		
Interest	12.0	15.3
Provision of deferred taxes	1.9	5.1
Depreciation of property, plant and equipment	42.5	44.8
EBITDA	104.4	97.7
Add:		
Share-based compensation	(4.0)	1.0
Gain on disposal of property, plant and equipment	(0.9)	(18.5)
Impairment and gain on insurance claim	-	1.1
Fair value adjustment on warrant valuation and amortization of stock warrant contract assets	(34.0)	(11.7)
Loss on swap derivative	14.3	7.8
Unrealized foreign exchange loss	1.1	1.3
Share of gain in associate	(0.3)	(0.3)
Employee pension	0.2	-
Adjusted EBITDA	80.8	78.4
Revenue	249.9	231.2
Adjusted EBITDA margin	32.3%	33.9%

(Unaudited - Canadian dollars in millions)	Three Month Period Ended	
	March 31,	
	2025	2024
Calculation of Free Cash Flow	\$	\$
Net cash from operating activities	64.8	80.3
Purchase of property, plant and equipment ⁽¹⁾	(111.9)	(12.9)
Proceeds from disposal of property, plant and equipment and assets held for sale	1.2	101.3
Free cash flow	(45.9)	168.7

(Unaudited - Canadian dollars in millions, except where indicated)	Three Month period ended	
	March 31,	
	2025	2024
Calculation of Adjusted Earnings and Adjusted EPS	\$	\$
Net earnings	48.0	32.5
Add:		
Impairment and gain on insurance claim	-	1.1
Fair value adjustment on stock warrant and amortization of stock warrant contract assets	(34.0)	(11.7)
Loss on swap derivative	14.3	7.8
Unrealized foreign exchange loss	1.1	1.3
Tax impact on items listed above	(4.1)	(2.7)
Adjusted net earnings	25.3	28.3
Weighted average number of shares - basic (in millions of shares)	15.6	16.7
Adjusted EPS	1.62	1.69

Notice on Forward Looking Statements:

Certain statements contained herein constitute "forward-looking statements", including with respect to the Corporation's intention to continue rationalizing costs and capital expenditures to generate cash, strengthen strategic customer relationships, and drive shareholder value. Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "intends," "anticipates," "should," "estimates," "expects," "believes," "indicates," "targeting," "suggests" and similar expressions. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Reference should be made to the Corporation's most recent Annual Information Form ("AIF") filed with the Canadian securities regulators, and its most recent Annual Consolidated Financial Statements and Notes thereto and related MD&A, for a summary of major risks. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if our estimates or assumptions prove inaccurate. The Corporation cautions that the list of risk factors and uncertainties described in the AIF and MD&A is not exhaustive and other factors could also adversely affect its results. Readers are urged to carefully consider the risks, uncertainties and assumptions in evaluating the forward-looking information and are cautioned not to place undue reliance on such information. The forward-looking information contained herein represents our expectations as of the date hereof (or as the date they are otherwise stated to be made), and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws. In the event that we update any forward-looking statement, no inference should be made that we will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

All references to "\$" in this press release are to Canadian dollars.

About Cargojet

Cargojet is Canada's leading provider of time sensitive premium air cargo services to all major cities across North America, providing Dedicated, ACMI and International Charter services and carries over 25,000,000 pounds of cargo weekly. Cargojet operates its network with its own cargo fleet of 41 aircraft.

For further information, please contact investor relations at investorrelations@cargojet.com

FINANCIAL INFORMATION AND OPERATING STATISTICS HIGHLIGHTS

(Canadian dollars in millions, except where indicated)

		Three Month Period Ended March 31,			
		2025	2024	Change	%
Domestic network, ACMI and charter revenues		\$210.2	\$181.0	\$29.2	16.1%
Fuel surcharge and other revenues		\$45.2	\$55.5	(\$10.3)	-18.7%
Total revenues excluding warrant amortization		\$255.4	\$236.5	\$18.9	8.0%
Amortization of stock warrant contract assets		(\$5.5)	(\$5.3)	(\$0.2)	3.7%
Total revenues		\$249.9	\$231.2	\$18.7	8.1%
Direct expenses		\$197.1	\$186.5	\$10.6	5.7%
Gross margin		\$52.8	\$44.7	\$8.1	18.1%
Gross margin - (%)		21.1%	19.3%	1.8%	
Selling, general and administrative expenses		\$16.3	\$17.4	(\$1.1)	-6.3%
Net finance costs and other gains and losses		(\$13.1)	(\$10.0)	(\$3.1)	-31.0%
Share of gain in associate		(\$0.3)	(\$0.3)	-	-
Earnings before income taxes		\$49.9	\$37.6	\$12.3	32.7%
Income taxes		1.9	\$5.1	(\$3.2)	-62.9%
Net earnings		\$48.0	\$32.5	\$15.5	47.7%
Adjusted net earnings⁽¹⁾		\$25.3	\$28.3	(\$3.0)	-10.5%
Earnings per share					
	Basic	\$3.07	\$1.94	\$1.13	58.2%
	Diluted	\$2.87	\$1.84	\$1.03	56.0%
	Adjusted ⁽¹⁾	\$1.62	\$1.69	(\$0.07)	-4.1%
Adjusted EBITDA⁽¹⁾		\$80.8	\$78.4	\$2.4	3.1%
Adjusted EBITDA margin ⁽¹⁾ - (%)		32.3%	33.9%	-1.6%	
Net cash from operating activities		\$64.8	\$80.3	(\$15.5)	-19.3%
Free cash flow⁽¹⁾		(\$45.9)	\$168.7	(\$214.6)	-127.2%
Operating statistics⁽²⁾					
Operating days ⁽³⁾		49	49	-	0.0%
Average domestic network revenue per operating day ⁽⁴⁾		2.14	1.84	0.30	16.3%
Block hours ⁽⁵⁾		17,336	17,315	21	0.1%
	B757-200	17	17	-	
	B767-200	3	3	-	
	B767-300	21	21	-	
	Cargo operating fleet	41	41	-	-
Head count		1,935	1,854	81	4.4%

1. Non-GAAP measures. See "Non-GAAP Financial Measures" section.
2. The definitions for the Operating statistics included in this table are provided in the notes below.
3. Operating days refer to the days on which the full domestic network air cargo network is in operation. The Corporation's domestic network air cargo network operates primarily from Monday to Thursday with a reduced network operating on Friday, weekends and on certain weekdays that are adjacent to certain statutory holidays.
4. Average domestic network revenue per operating day refers to total domestic network revenues earned by the Corporation's per operating day.
5. Block hours refer to the total duration of a flight from the time the aircraft releases its brakes when it initially moves from the airport parking area prior to flight, to the time the brakes are set when it arrives at the airport parking area after the completion of the flight.