



## Cargojet Announces Second Quarter Financial Results

Mississauga, ON, August 6, 2025 - Cargojet Inc. ("Cargojet" or the "Corporation") (TSX: CJT) today announced financial results for the second quarter ended June 30, 2025.

For the second quarter ended June 30, 2025:

- Total revenues, driven by a 14% increase in Domestic revenues and 22% growth in Charter revenues, came in at \$238.2 million, an increase of \$7.4 million or 3.2% compared to the same period of previous year.
- Adjusted EBITDA<sup>(1)</sup> (earnings before interest, taxes, depreciation and amortization) was \$80.2 million, an increase of \$1.1 million or 1.4% compared to the same quarter of previous year.
- Net loss was \$3.2 million, a decrease of \$21.8 million or 87.2% compared to a net loss of \$25.0 million for the second quarter of 2024.
- Achieved another record On-time Arrival Performance of 99.5% within fifteen minutes of scheduled arrival time during the quarter.

"Cargojet posted strong overall revenues despite ongoing uncertainty and a weakening economic outlook, underscoring the strength of our network. Softness in the ACMI segment from weaker European traffic was more than offset by robust domestic and charter revenue growth, and with the EU-US trade deal now in place, we expect the EU-US corridor to reopen and generate new ACMI and charter opportunities in the coming quarters, said Jamie Porteous, Co-Chief Executive Officer.

"Ensuring that we can deliver shareholder value in any economic cycle remains a clear priority. Our company wide cost management and productivity initiatives produced a year-on-year improvement in adjusted EBITDA and sequential improvement of 140 basis-point increase in adjusted EBITDA margins, despite a 10% drop in block hours flown during Q2 versus the prior year,." said Pauline Dhillon, Co-Chief Executive Officer.

Second Quarter 2025 Financial Results:

- Total revenue \$238.2 million
- Total expenses \$212.3 million
- Operating earnings \$2.1 million with adjusted EBITDA of \$80.2 million
- Net cash flows from operating activities of \$28 million
- Net loss of \$3.2 million and adjusted<sup>(1)</sup> earnings per share of \$1.02

## SECOND QUARTER RESULTS

### Financial highlights

	Three Month Periods Ended June 30,				Six Month Periods Ended June 30,			
	2025	2024	Change	%	2025	2024	Change	%
(Canadian dollars in millions, except where indicated)								
Domestic network, ACMI and charter	\$204.6	\$191.3	\$13.3	7.0%	\$414.8	\$372.3	\$42.5	11.4%
Total revenues	\$238.2	\$230.8	\$7.4	3.2%	\$488.1	\$462.0	\$26.1	5.6%
Net (loss) earnings	(\$3.2)	(\$25.0)	\$21.8	87.2%	\$44.8	\$7.5	\$37.3	497.3%
Adjusted net earnings <sup>(1)</sup>	\$15.7	\$7.0	\$8.7	124.3%	\$41.0	\$35.4	\$5.6	15.8%
EPS Diluted	(\$0.21)	(\$1.53)	\$1.32	86.3%	\$2.80	\$0.46	\$2.34	508.7%
Adjusted EPS <sup>(1)</sup>	\$1.02	\$0.43	\$0.59	137.2%	\$2.64	\$2.16	\$0.48	22.2%
Adjusted EBITDA <sup>(1)</sup>	\$80.2	\$79.1	\$1.1	1.4%	\$161.0	\$157.5	\$3.5	2.2%
Adjusted EBITDA margin <sup>(1)</sup> - (%)	33.7%	34.3%	(0.6%)		33.0%	34.1%	(1.1%)	
Net cash from operating activities	\$28.0	\$48.5	(\$20.5)	(42.3%)	\$92.8	\$128.8	(\$36.0)	(28.0%)
Free cash flow <sup>(1)</sup>	(\$72.5)	\$0.5	(\$73.0)	(14,600.0%)	(\$118.4)	\$169.2	(\$287.6)	(170.0%)

(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, fair value write-down of assets held for sale and property, plant and equipment, 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 June 30, 2025 and is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

(Unaudited - Canadian dollars in millions, except where indicated)	Three Month Periods Ended		Six Month Periods Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Calculation of EBITDA and Adjusted EBITDA</b>	\$	\$	\$	\$
Net (loss) earnings	(3.2)	(25.0)	44.8	7.5
Add:				
Interest	11.7	15.2	23.7	30.5
Provision of deferred taxes	5.3	11.6	7.2	16.7
Depreciation of property, plant and equipment	44.5	42.5	87.0	87.3
<b>EBITDA</b>	<b>58.3</b>	<b>44.3</b>	<b>162.7</b>	<b>142.0</b>
Add:				
Share-based compensation	5.2	9.7	1.2	10.7
Loss (gain) on disposal of property, plant and equipment	-	1.2	(0.9)	(17.3)
Fair value write-down of assets held for sale and property, plant and equipment	7.0	-	7.0	1.1
Fair value adjustment on warrant valuation and amortization of stock warrant contract assets	21.5	53.9	(12.5)	42.2
(Gain) loss on swap derivative	(7.0)	(30.4)	7.3	(22.6)
Unrealized foreign exchange (gain) loss	(3.6)	0.7	(2.5)	2.0
Share of gain in associate	(1.2)	(0.3)	(1.5)	(0.6)
Employee pension	-	-	0.2	-
<b>Adjusted EBITDA</b>	<b>80.2</b>	<b>79.1</b>	<b>161.0</b>	<b>157.5</b>
Revenue	238.2	230.8	488.1	462.0
<b>Adjusted EBITDA margin</b>	<b>33.7%</b>	<b>34.3%</b>	<b>33.0%</b>	<b>34.1%</b>

(Unaudited - Canadian dollars in millions)	Three Month Periods Ended		Six Month Periods Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Calculation of Free Cash Flow</b>	\$	\$	\$	\$
Net cash from operating activities	28.0	48.5	92.8	128.8
Purchase of property, plant and equipment <sup>(1)</sup>	(100.5)	(48.0)	(212.4)	(60.9)
Proceeds from disposal of property, plant and equipment and assets held for sale	-	-	1.2	101.3
<b>Free cash flow</b>	<b>(72.5)</b>	<b>0.5</b>	<b>(118.4)</b>	<b>169.2</b>

(Unaudited - Canadian dollars in millions, except where indicated)	Three Month periods ended		Six Month periods ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Calculation of Adjusted Earnings and Adjusted EPS</b>	\$	\$	\$	\$
<b>Net (loss) earnings</b>	(3.2)	(25.0)	44.8	7.5
Add:				
Fair value write-down of assets held for sale and property, plant and equipment	7.0	-	7.0	1.1
Fair value adjustment on stock warrant and amortization of stock warrant contract assets	21.5	53.9	(12.5)	42.2
(Gain) loss on swap derivative	(7.0)	(30.4)	7.3	(22.6)
Unrealized foreign exchange (gain) loss	(3.6)	0.7	(2.5)	2.0
Tax impact on items listed above	1.0	7.9	(3.1)	5.2
<b>Adjusted net earnings</b>	<b>15.7</b>	<b>7.0</b>	<b>41.0</b>	<b>35.4</b>
<b>Weighted average number of shares - basic (in millions of shares)</b>	<b>15.4</b>	<b>16.4</b>	<b>15.5</b>	<b>16.4</b>
<b>Adjusted EPS</b>	<b>1.02</b>	<b>0.43</b>	<b>2.64</b>	<b>2.16</b>

#### 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 a fleet of all Boeing aircraft.

For further information, please contact investor relations at [investorrelations@cargojet.com](mailto:investorrelations@cargojet.com)

## FINANCIAL INFORMATION AND OPERATING STATISTICS HIGHLIGHTS

(Unaudited - Canadian dollars in millions, except where indicated)

	Three Month Periods Ended				Six Month Periods Ended			
	June 30,				June 30,			
	2025	2024	Chang	%	2025	2024	Change	%
Domestic network, ACMI and charter revenues	\$204.6	\$191.3	\$13.3	7.0%	\$414.8	\$372.3	\$42.5	11.4%
Fuel surcharge and other revenues	\$38.3	\$44.9	(\$6.6)	(14.7%)	\$83.5	\$100.4	(\$16.9)	(16.8%)
Total revenues excluding warrant amortization	\$242.9	\$236.2	\$6.7	2.8%	\$498.3	\$472.7	\$25.6	5.4%
Amortization of stock warrant contract assets	(\$4.7)	(\$5.4)	\$0.7	(13.0%)	(\$10.2)	(\$10.7)	\$0.5	(4.7%)
Total revenues	\$238.2	\$230.8	\$7.4	3.2%	\$488.1	\$462.0	\$26.1	5.6%
Direct expenses	\$188.7	\$185.7	\$3.0	1.6%	\$385.8	\$372.2	\$13.6	3.7%
<b>Gross margin</b>	<b>\$49.5</b>	<b>\$45.1</b>	<b>\$4.4</b>	<b>9.8%</b>	<b>\$102.3</b>	<b>\$89.8</b>	<b>\$12.5</b>	<b>13.9%</b>
Gross margin - (%)	20.8%	19.5%	1.2%		21.0%	19.4%	1.5%	
Selling, general and administrative expenses	\$23.6	\$23.6	-	-	\$39.9	\$41.0	(\$1.1)	(2.7%)
Net finance costs and other gains and losses	\$25.0	\$35.2	(\$10.2)	(29.0%)	\$11.9	\$25.2	(\$13.3)	(52.8%)
Share of gain in associate	(\$1.2)	(\$0.3)	(0.90)	(300.0%)	(\$1.5)	(\$0.6)	(\$0.9)	(150.0%)
<b>Earnings (loss) before income taxes</b>	<b>\$2.1</b>	<b>(\$13.4)</b>	<b>\$15.5</b>	<b>115.7%</b>	<b>\$52.0</b>	<b>\$24.2</b>	<b>\$27.8</b>	<b>114.9%</b>
Income taxes	5.3	\$11.6	(\$6.3)	(54.2%)	\$7.2	\$16.7	(\$9.5)	(56.8%)
<b>Net (loss) earnings</b>	<b>(\$3.2)</b>	<b>(\$25.0)</b>	<b>\$21.8</b>	<b>87.2%</b>	<b>\$44.8</b>	<b>\$7.5</b>	<b>\$37.3</b>	<b>497.3%</b>
<b>Adjusted net earnings<sup>(1)</sup></b>	<b>\$15.7</b>	<b>\$7.0</b>	<b>\$8.7</b>	<b>124.3%</b>	<b>\$41.0</b>	<b>\$35.4</b>	<b>\$5.6</b>	<b>15.8%</b>
(Loss) earnings per share								
Basic	(\$0.21)	(\$1.53)	\$1.32	86.3%	\$2.89	\$0.46	\$2.43	528.3%
Diluted	(\$0.21)	(\$1.53)	\$1.32	86.3%	\$2.80	\$0.46	\$2.34	508.7%
Adjusted <sup>(1)</sup>	\$1.02	\$0.43	\$0.59	137.2%	\$2.64	\$2.16	\$0.48	22.2%
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$80.2</b>	<b>\$79.1</b>	<b>\$1.1</b>	<b>1.4%</b>	<b>\$161.0</b>	<b>\$157.5</b>	<b>\$3.5</b>	<b>2.2%</b>
Adjusted EBITDA margin <sup>(1)</sup> - (%)	33.7%	34.3%	(0.6%)		33.0%	34.1%	(1.1%)	
<b>Net cash from operating activities</b>	<b>\$28.0</b>	<b>\$48.5</b>	<b>(\$20.5)</b>	<b>(42.3%)</b>	<b>\$92.8</b>	<b>\$128.8</b>	<b>(\$36.0)</b>	<b>(28.0%)</b>
<b>Free cash flow<sup>(1)</sup></b>	<b>(\$72.5)</b>	<b>\$0.5</b>	<b>(\$73.0)</b>	<b>(14,600.0%)</b>	<b>(\$118.4)</b>	<b>\$169.2</b>	<b>(\$287.6)</b>	<b>(170.0%)</b>
<b>Operating statistics<sup>(2)</sup></b>								
Operating days <sup>(3)</sup>	50	51	(1)	(2.0%)	99	100	(1)	(1.0%)
Average domestic network revenue per operating day <sup>(4)</sup>	2.05	1.75	0.30	17.1%	2.09	1.79	0.30	16.8%
Block hours <sup>(5)</sup>	15,840	17,623	(1,783)	(10.1%)	33,185	34,938	(1,753)	(5.0%)
B757-200	17	17	-		17	17	-	
B767-200	3	3	-		3	3	-	
B767-300	23	21	2.0		23	21	2.0	
Cargo operating fleet	43	41	2.0	4.9%	43	41	2.0	4.9%
Head count	1,817	1,874	(57)	(3.0%)	1,817	1,874	(57)	(3.0%)

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.