chorus

Fourth Quarter and Year-end 2025

Management's Discussion and Analysis of Results of Operations and Financial Condition

Chorus Aviation Inc.

chorus

INTRODUCTION

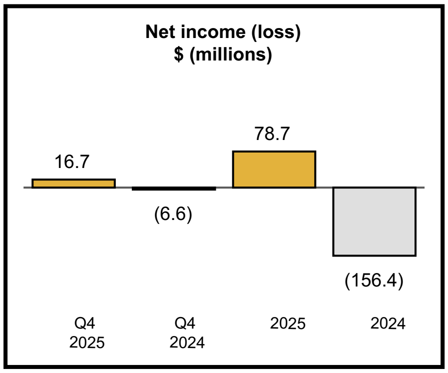
In this MD&A, references to Chorus refer, as the context may require, to one or more of Chorus Aviation Inc. and its current and former subsidiaries, including partnerships in which the Corporation holds a majority of the equity interests. Where this MD&A discusses the CPA, references to Chorus are exclusively intended to refer to Jazz. Please refer to Section 23 - Glossary of Terms for definition of capitalized terms and acronyms used in this MD&A.

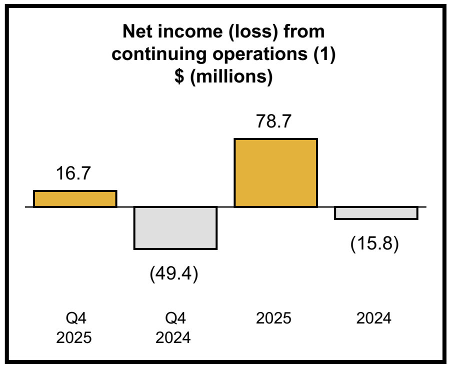
This MD&A, which presents a discussion of the financial condition and results of operations for Chorus, should be read in conjunction with the accompanying audited consolidated financial statements of Chorus and the notes therein for the years ended December 31, 2025 and 2024 and Chorus' Annual Information Form dated February 12, 2026. All financial information has been prepared in accordance with GAAP, as set out in the CPA Canada Handbook, except for any financial information specifically denoted otherwise. Except as otherwise noted or where the context may otherwise require, this MD&A is prepared as of February 12, 2026.

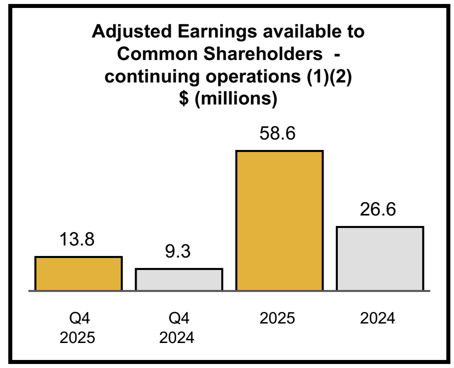
The earnings and cash flows of Chorus are affected by certain risks. For a description of those risks, please refer to the discussion of specific risks in Section 7 – Capital Structure and Section 9 – Risk Factors.

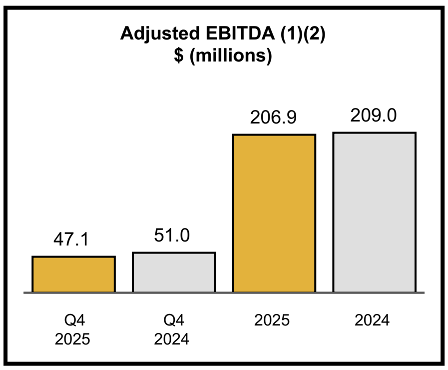
Except where the context otherwise requires, all amounts are stated in Canadian dollars.

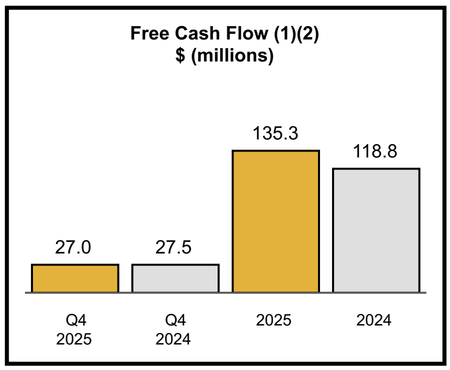
1 OVERVIEW

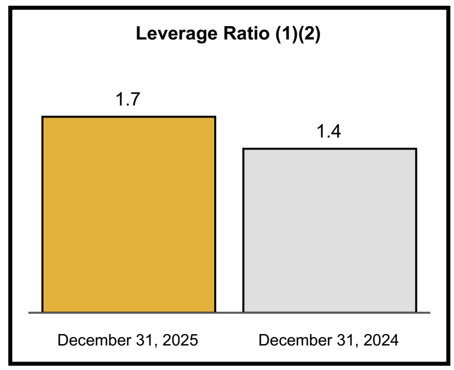












(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) These are non-GAAP financial measures or non-GAAP ratios that are not recognized measures for financial statement presentation under GAAP. As such, they do not have standardized meanings, may not be comparable to similar measures presented by other issuers and should not be considered a substitute for or superior to GAAP results. Refer to Section 17 – Non-GAAP Financial Measures for further information, including the composition and use of such non-GAAP financial measures and ratios.

Q4 2025 Quarter Highlights:

- Net income of $16.7 million compared to a loss of $6.6 million for Q4 2024.
- Net income from continuing operations of $16.7 million compared to a net loss of $49.4 million for Q4 2024 primarily due to a positive change in unrealized foreign exchange gains of $28.2 million and the absence of the costs recognized in 2024 related to the redemption of the Preferred Shares of $28.0 million and a 2024 aircraft impairment of $10.5 million.
- Adjusted Earnings available to Common Shareholders of $13.8 million compared to $9.3 million for Q4 2024, primarily due to lower net interest expense partially offset by lower Adjusted EBITDA.
- Adjusted Earnings available to Common Shareholders of $0.57 per Common Share, basic, compared to $0.34 for Q4 2024.
- Adjusted EBITDA of $47.1 million compared to $51.0 million for Q4 2024.
- Free Cash Flow of $27.0 million compared to $27.5 million for Q4 2024.
- Free Cash Flow per Common Share, basic of $1.10 compared to $1.01 for Q4 2024.

- Leverage Ratio of 1.7 compared to 1.4 at December 31, 2024, due to additional cash held at December 31, 2024 as a result of a $58.9 million prepayment of revenue relating to January 2025.

Annual Financial Highlights:

- Net income of $78.7 million compared to a net loss of $156.4 million for 2024.
- Net income from continuing operations of $78.7 million compared to a net loss of $15.8 million for 2024 primarily due to a change in unrealized foreign exchange gains of $43.7 million and the absence of the costs recognized in 2024 related to the redemption of the Preferred Shares of $28.0 million and the 2024 aircraft impairment of $10.5 million.
- Adjusted Earnings available to Common Shareholders of $58.6 million compared to $26.6 million for 2024, primarily due to lower net interest expense.
- Adjusted Earnings available to Common Shareholders of $2.27 per Common Share, basic, compared to $0.97 for 2024.
- Adjusted EBITDA of $206.9 million compared to $209.0 million for 2024.
- Free Cash Flow of $135.3 million compared to $118.8 million for 2024.
- Free Cash Flow per Common Share, basic of $5.25 compared to $4.34 for 2024.

Highlights:

On February 12, 2026, Chorus entered into an agreement to acquire Kadex Aero Supply Limited (“**Kadex**”), a distributor of aircraft parts and supplies primarily serving the turboprop market, for a purchase price of approximately $50.0 million, subject to customary adjustments inclusive of contingent consideration. Of this total, $43.0 million will be funded on closing through the use of the Operating Credit Facility and cash on hand. The remainder of the purchase price will be payable over the next two years subject to meeting certain performance targets. The acquisition is anticipated to be immediately accretive to Chorus’ earnings and Free Cash Flow and to deliver investment returns in the mid teens. The transaction is expected to close in the second quarter of 2026 and is subject to the satisfaction of customary conditions to closing. (Refer to Section 4 - Outlook and Section 24 - Caution Regarding Forward-looking Financial Information.)

On February 12, 2026, Chorus announced an increase to its quarterly cash dividend from $0.08 to $0.11 per Common Share, basic payable on March 31, 2026 to Common Shareholders of record on March 13, 2026. In the third quarter of 2025, Chorus initiated and paid a quarterly cash dividend of $0.08 per Common Share, basic.

Chorus announced the renewal of the normal course issuer bid (“**NCIB**”) concurrent with the publication of this MD&A. Please refer to the Corporation’s news release dated February 12, 2026 for information regarding the renewal of the NCIB.

In 2025, Chorus enhanced Shareholder value by completing two substantial issuer bids (the “**SIBs**”) and the NCIB, collectively repurchasing 3,759,929 Common Shares for a total of $85.2 million (refer to Section 7 - Capital Structure). Chorus’ Adjusted Earnings Available to Common Shareholders per Common Share, basic increased by $1.30 per Common Share or 144% on a year-over-year basis due to increased earnings and the share repurchases.

Chorus reduced its long-term debt in 2025 by $182.4 million through the repurchase of the Series B Debentures for $72.5 million, the partial repurchase of the Series C Debentures for $37.8 million and the repayment of Amortizing Term Loans of $72.1 million which reduced its annual net interest costs by $23.1 million or 62.6%.

Chorus executed agreements to sell nine Dash 8-400s as the aircraft exit the fleet in accordance with the CPA, subject to customary conditions to closing as well as the completion of contractual maintenance events. Chorus sold one of the three aircraft that were previously expected to close in the fourth quarter. The remaining eight aircraft sales are anticipated to close between February and July 2026. The estimated net proceeds from the sale of the remaining aircraft are approximately US $56.3 million. (refer to Section 24 - Caution Regarding Forward-Looking Information).

In January 2026, Elisen, was awarded a contract by the Quebec Ministry of Transport and Sustainable Mobility to reconfigure a Bombardier Challenger 650 for medical emergency air transport.

Fourth Quarter Summary

In the fourth quarter of 2025, Chorus reported Adjusted EBITDA from continuing operations of $47.1 million, a decrease of $3.9 million compared to the fourth quarter of 2024 primarily due to:

- a decrease in aircraft leasing revenue under the CPA of $3.0 million primarily due to expected changes in lease rates on certain aircraft;
- a decrease in Voyageur’s parts sales, contract flying and MRO activity; and
- a decrease in capitalization of major maintenance overhauls on owned aircraft of $3.5 million; partially offset by
- a decrease in general administrative expenses primarily attributable to lower overhead costs; and
- a decrease in stock-based compensation of $1.4 million due to the recognition of the immediate vesting of certain restricted share units in Q2 2024 related to the sale of the RAL business and a decrease in the Common Share price offset by the change in fair value of the Total Return Swap (refer to Section 7 - Capital Structure - Equity Price Risk).

Adjusted Net Income from continuing operations was $13.8 million for the quarter, an increase of $4.5 million compared to the fourth quarter of 2024 primarily due to:

- a decrease in net interest costs of $6.6 million primarily related to the repayment of the Series A Debentures and the Series B Debentures and the partial repurchase of the Series C Debentures in the first quarter of 2025;
- a decrease in depreciation expense of $1.0 million primarily attributable to a change in depreciation estimates on certain aircraft; and
- a decrease of $0.8 million in income tax expense; partially offset by
- a $3.9 million decrease in Adjusted EBITDA as previously described.

Net income from continuing operations was $16.7 million, an increase of $66.1 million compared to the fourth quarter of 2024 primarily due to:

- the previously noted increase in Adjusted Net Income of $4.5 million;
- a realized foreign exchange loss of $31.3 million recognized in 2024 on the settlement of Preferred Shares;
- a positive change in net unrealized foreign exchange of $28.2 million;
- impairment provisions recognized in 2024 of $10.5 million primarily related to the part-out of certain of Voyageur’s non-operational owned aircraft; and
- interest accretion recognized in 2024 on Preferred Shares of $10.4 million; partially offset by
- a realized foreign exchange gain recognized in 2024 of $13.7 million related to US dollar denominated cash held between the dates December 6, 2024 and December 31, 2024 being the dates Chorus received the net proceeds from the Transaction and the redemption of the Preferred Shares, respectively; and

- an increase in income tax, including tax on adjusted items of $5.1 million primarily related to a $3.1 million non-capital loss carryback adjustment.

Annual Summary

Chorus reported Adjusted EBITDA from continuing operations of $206.9 million for the year ended December 31, 2025, a decrease of $2.2 million compared to the same prior year period primarily due to:

- a decrease in aircraft leasing revenue under the CPA of $9.6 million primarily due to expected changes in lease rates on certain aircraft partially offset by a higher US dollar exchange rate; and
- a decrease in capitalization of major maintenance overhauls on owned aircraft of $6.8 million; partially offset by
- a decrease in general administrative expenses primarily attributable to lower overhead costs;
- a decrease in stock-based compensation of $4.1 million due to the recognition of the immediate vesting of certain restricted share units in Q2 2024 related to the sale of the RAL business and a decrease in the Common Share price offset by the change in fair value of the Total Return Swap (refer to Section 7 - Capital Structure - Equity Price Risk); and
- an increase in Voyageur’s parts sales, contract flying and MRO activity.

Adjusted Net Income from continuing operations of $58.6 million, an increase of $14.2 million compared to the same prior year period primarily due to:

- a decrease in net interest costs of $23.1 million primarily related to the repayment of the Series A Debentures and the Series B Debentures and the partial repurchase of the Series C Debentures in the first quarter of 2025; partially offset by
- a $2.2 million decrease in Adjusted EBITDA as previously described;
- an increase of $4.8 million in income tax expense primarily due to the increase in EBT, adjusted to remove non-taxable unrealized foreign exchange gains and certain non-deductible expenses;
- an increase in depreciation expense of $1.4 million primarily attributable to capital expenditures offset by a change in depreciation estimates on certain aircraft; and
- a negative change in foreign exchange of $0.5 million.

Net income from continuing operations of $78.7 million, an increase of $94.5 million compared to the same prior year period primarily due to:

- the previously noted increase in Adjusted Net Income of $14.2 million;
- a positive change in net unrealized foreign exchange of $43.7 million;
- a realized foreign exchange loss of $31.3 million recognized in 2024 on the settlement of Preferred Shares;
- impairment provisions recognized in 2024 of $10.5 million primarily related to the part-out of certain of Voyageur’s non-operational owned aircraft; and
- interest accretion on Preferred Shares recognized in 2024 of $10.4 million; partially offset by
- a realized foreign exchange gain recognized in 2024 of $13.7 million related to US dollar denominated cash held between the dates December 6, 2024 and December 31, 2024 being the dates Chorus received the net proceeds from the Transaction and the redemption of the Preferred Shares, respectively; and
- a decrease in income tax recovery, including tax on adjusted items of $2.0 million.

Adjusted Earnings available to Common Shareholders from continuing operations was $58.6 million, an increase of $32.0 million compared to the same prior year period primarily due to:

- the previously noted increase in Adjusted Net Income of $14.2 million; and
- the elimination of Preferred Share dividends of $17.8 million due to the redemption of the Preferred Shares.

2 ABOUT CHORUS

The Corporation is a holding company which owns the following principal operating subsidiaries: Jazz Aviation, the largest regional airline in Canada and provider of regional air services under the Air Canada Express brand; Voyageur Aviation, a leading provider of specialty charter, aircraft modifications, parts provisioning and in-service support services; Cygnet Aviation Academy, an industry leading accredited training academy preparing pilots for direct entry into airlines; and Elisen & Associates, a leading provider of aerospace engineering and certification services.

On February 12, 2026, Chorus entered into an agreement to acquire Kadex Aero Supply Limited ("**Kadex**"), a distributor of aircraft parts and supplies primarily serving the turboprop market. The transaction is expected to close in the second quarter of 2026 and is subject to the satisfaction of customary conditions to closing. (Refer to Section 24 - Caution Regarding Forward-Looking Information.)

Together, the Corporation's subsidiaries provide services that encompass every stage of an aircraft's lifecycle, including: contract flying; aircraft refurbishment, engineering and certification services, modification, repurposing and transition; aircraft and component maintenance, disassembly, and parts provisioning; aircraft acquisition and leasing; and pilot training.

The Corporation's subsidiaries operate in the following four sectors of the aviation industry:

a) Contract flying: Jazz and Voyageur both provide contract flying services.

   Jazz is the largest regional airline in Canada and operates more flights into more airports in Canada through its scheduled services under the CPA with Air Canada than any other Canadian airline. Air Canada makes all decisions with respect to flight scheduling and ticket sales, and bears all of the market risk associated with fluctuations in passenger ticket revenues.

   Voyageur provides charter services and specialized contract flying, such as medical, logistical and humanitarian flights, to international and Canadian customers.

b) Aircraft leasing: Jazz currently earns leasing revenue under the CPA from aircraft and spare engines owned by Jazz or other Chorus affiliates. Voyageur also earns revenue from leasing aircraft to third parties.

c) MRO, part sales and technical services: Jazz provides 24/7 MRO services and is certified on Dash 8, CRJ, and Embraer aircraft. Voyageur provides specialty MRO and engineering services on Dash, ATR, CRJ, Embraer, Diamond, Challenger, and Beechcraft King Air aircraft products. Voyageur also focuses on aircraft disassembly and aircraft parts provisioning to customers globally. Elisen provides aerospace engineering and certification services.

d) Pilot training: Cygnet is a pilot academy in Canada that, through an arrangement with CAE Inc., enables cadets to achieve their Integrated Airline Transport Pilot License and acquire an airline specific type training.

Jazz earns margin under the CPA in three ways:

1. Fixed Margin

Jazz earns a Fixed Margin based on the number of Covered Aircraft under the CPA that does not vary based on flight activity.

2. Performance Incentives

Jazz has the opportunity to earn Performance Incentives under the CPA for achieving certain performance targets in relation to controllable on-time performance, controllable flight completion, customers arriving with luggage and customer service.

3. Aircraft leasing under the CPA

Jazz earns aircraft leasing revenue under the CPA from the following owned assets: 34 Dash 8-400s, 14 CRJ900s, and five spare engines.

Jazz bills for Controllable Costs (which are offset by Controllable Cost Revenue) and Pass-Through Costs (which are offset by Pass-Through Revenue) as follows:

a) Controllable Cost Revenue

Jazz and Air Canada negotiate rates ("**Controllable Cost Revenue**") for the Controllable Costs Jazz expects to incur which are estimated based on certain variables to operate Air Canada Express services under the CPA. Jazz's exposure to variances between the Controllable Cost Revenue Jazz receives from Air Canada to cover annually negotiated Controllable Costs, and Jazz's actual Controllable Costs incurred in performing its services for Air Canada is limited to $2.0 million annually (referred to as the "**Controllable Cost Guardrail**").

b) Pass-Through Revenue

Jazz receives Pass-Through Revenue, which is based on Pass-Through Costs reimbursed by Air Canada.

Pass-Through Costs include operational expenses that are reimbursed by Air Canada such as airport and navigation fees, and certain aircraft maintenance, materials and supplies. Jazz does not incur fuel or food and beverage costs related to CPA flying, as these are charged directly to Air Canada.

Aircraft fleet under the CPA

As of December 31, 2025, the number of Covered Aircraft was 106. From January 1, 2026 through December 31, 2035, Air Canada will determine the composition of the Covered Aircraft fleet on the condition that the fleet must have a minimum of 80 aircraft with 75-78 seats (refer to Section 24 - Caution Regarding Forward-Looking Information).

3 STRATEGY

Chorus' vision is to be a world leader and trusted Canadian partner of a diversified portfolio of companies with deep experience and expertise in aviation, aerospace and defence.

Chorus' mission is to accumulate and grow a portfolio of businesses in the aviation, aerospace, and defence sectors that work together to deliver strong free cash flows and create value for our Shareholders. Our disciplined capital allocation will focus on returning capital to Shareholders, investing in strong return opportunities and maintaining a flexible balance sheet.

Chorus' areas of strategic focus are:

- Specialty MRO and Engineering Services
- Part Sales and Component Repair and Overhaul
- Pilot Training
- Defence and Agency Sales
- Flying Operations

Chorus' balanced approach is designed to deliver long-term value for our Shareholders.

4 OUTLOOK

The discussion that follows includes forward-looking information. Chorus' outlook is provided for the purpose of providing information about current expectations for 2026. This information may not be appropriate for other purposes (refer to Section 24 - Caution Regarding Forward-Looking Information).

The table below presents Chorus' outlook for 2026, including projections for Adjusted EBITDA, Free Cash Flow, repayment of Amortizing Term Loans, Free Cash Flow after repayment of Amortizing Term Loans and key metrics related to aircraft leasing under the CPA. The CPA provides a Fixed Margin to Jazz regardless of flying levels; therefore, any variations in flying are not expected to have any impact on Jazz's earnings. In addition, Jazz receives compensation for aircraft leased under the CPA that generates predictable Free Cash Flows. Jazz aircraft have amortizing debt that will be fully paid-off at the end of the original lease term under the CPA. At the end of each lease, Jazz will either extend the lease, sell or part-out each aircraft. Subsequent aircraft leases will continue to produce predictable Free Cash Flow at lower rates, however these aircraft will be unencumbered.

(in thousands of Canadian dollars)	**Annual Forecast[(1)]** **2026** **$**	
	From	**To**
Adjusted EBITDA[(2)(3)]	170,000	185,000
Free Cash Flow[(2)(3)]	100,000	110,000
Repayment of Amortizing Term Loans[(4)]	(64,000)	(64,000)
Free Cash Flow after repayment of Amortizing Term Loans[(2)(3)(4)]	36,000	46,000

Fixed Margin[(5)]	43,900	43,900
Aircraft leasing under the CPA	104,000	105,000
Wholly-owned aircraft leased under the CPA (end of period)[(6)]	39	39
Wholly-owned aircraft leased under the CPA available for sale[(6)]	8	8

(1) The forecast uses a foreign exchange rate of 1.3500.
(2) These are non-GAAP financial measures that are not recognized measures for financial statement presentation under GAAP. As such, they do not have standardized meanings, may not be comparable to similar measures presented by other issuers and should not be considered a substitute for or superior to GAAP results. Refer to Section 17 – Non-GAAP Financial Measures for further information, including the composition and use of such non-GAAP financial measures and ratios.
(3) The forecast is based on projected earnings under existing contracts and future market lease rates. The forecast also includes the impact of the anticipated acquisition of Kadex.
(4) Scheduled debt payments are based on current debt repayments schedule for aircraft leased under the CPA and the Nova Scotia job funds loan and excludes principal payments on the Series C Debentures of $47.2 million and the Operating Credit Facility.
(5) The Fixed Margin will be $43.9 million in 2026 with no further changes expected thereafter.
(6) During 2025, Chorus entered into agreements to sell nine of these aircraft. One aircraft sale closed in December 2025 and the remaining eight aircraft are anticipated to close between February and July 2026, subject to customary conditions to closing as well as the completion of contractual maintenance events.

Portfolio of Aircraft Leasing under the CPA

- Current fleet of 47 wholly-owned aircraft and five spare engines
- Current net book value of $720.5 million
- Future contracted lease revenue US $300.6 million[1,2]
- Current weighted average fleet age of 9.4 years[3]

chorus

- Current weighted average remaining lease term of 4.0 years[3]
- Long-term debt of $261.3 million (US $190.6 million)
- 100% of debt has a fixed rate of interest
- Current weighted average cost of borrowing of 3.29%

1 Refer to Section 24 - Caution Regarding Forward-Looking Information.
2 The estimates are based on agreed lease rates in the CPA.
3 Fleet age and remaining lease term is calculated based on the weighted average of the aircraft net book value.

Covered Aircraft

The actual and forecasted Covered Aircraft under the CPA for 2025 to 2026 is as follows:

		Actual December 31, 2025	Change 2026	Forecast 2026
Dash 8-400	Aircraft Leased under the CPA	33	(8)	25
	Other Covered Aircraft	5	(5)	—
		38	(13)	25
CRJ900	Aircraft Leased under the CPA	14	—	14
	Other Covered Aircraft	21	(5)	16
		35	(5)	30
CRJ200	Aircraft Leased under the CPA	—	—	—
	Other Covered Aircraft(1)	8	(8)	—
		8	(8)	—
E175	Aircraft Leased under the CPA	—	—	—
	Other Covered Aircraft	25	—	25
		25	—	25
Total	Aircraft Leased under the CPA(2)(3)	47	(8)	39
	Other Covered Aircraft	59	(18)	41
		106	(26)	80

(1) The eight CRJ200s as of December 31, 2025 are currently non-operational under the CPA.
(2) After 2026, the 39 owned aircraft leased under the CPA have lease expiry dates from 2027 to 2033. Air Canada will determine the composition of the Covered Aircraft fleet on the condition that the fleet must have a minimum of 80 aircraft with 75-78 seats. As leases in respect of owned aircraft mature, the minimum 80 Covered Aircraft fleet will be composed of owned aircraft with lease extensions and/or other Covered Aircraft sourced by Air Canada.
(3) Lease expiry dates for owned aircraft are as follows: Dash 8-400s: six expiries in November 2027, seven expiries in 2028 and 12 expiries in 2030; and for CRJ900s: five in 2028, eight in 2032 and one in 2033.

Jazz has started the initial phase of an extensive cabin refurbishment program for aircraft operated under the Air Canada Express brand. This refurbishment program includes upgraded Wi-Fi connectivity, larger overhead storage bins, new lightweight seats, in-seat power supply, and refreshed cabin interiors for the E-175s and CRJ900s. In addition, a select number of Dash 8-400s will receive Wi-Fi connectivity for Toronto Billy Bishop service along with Jazz's previous announcement in May 2024 that its Dash 8-400 fleet would receive new lightweight seats as part of an emissions reduction initiative. All 39 owned aircraft leased under the CPA after 2026 are included in this passenger cabin refurbishment program with all costs associated with the program to be paid by Air Canada.

chorus

Capital Expenditures

Capital expenditures in 2026 are expected to be as follows:

(in thousands of Canadian dollars)	Year ended December 31, 2025 $	Annual Forecast 2026 $		
Capital expenditures, excluding aircraft acquisitions	18,651	24,000	to	29,000
Capitalized major maintenance overhauls[1]	11,623	3,000	to	8,000
Aircraft acquisitions and improvements	4,618	9,500	to	14,500
	34,892	36,500	to	51,500

(1) Actual 2025 includes $5.8 million which forms part of Controllable Costs. The 2026 plan includes between $1.0 million to $5.0 million of costs that are expected to be included in and recovered through the Controllable Costs.

5 FLEET

The following table provides the total number of aircraft from continuing operations as at December 31, 2025:

	Total	Owned
Covered Aircraft Leased Under the CPA		
Dash 8-400[1]	33	33
CRJ900	14	14
Total Covered Aircraft Leased Under the CPA	47	47
Other Covered Aircraft		
CRJ200[2]	8	—
CRJ900	21	—
Dash 8-400	5	—
E175	25	—
Total Other Covered Aircraft	59	—
Voyageur Aircraft		
CRJ200	5	5
King Air 200	3	3
King Air 350	1	1
Dash 8-100[3]	2	2
Dash 8-300[3]	10	10
Total Voyageur Aircraft	21	21
Total[4]	127	68

(1) Chorus sold one Dash 8-400 to a third party during the fourth quarter of 2025.
(2) The eight CRJ200s are currently non-operational under the CPA.
(3) Voyageur reclassified one Dash 8-100 and one Dash 8-300 from non-operational aircraft to operational aircraft.
(4) Excludes 12 Diamond aircraft operated by Cygnet and five non-operational aircraft.

chorus

6 CONSOLIDATED FINANCIAL ANALYSIS

This section provides detailed information and analysis about Chorus' performance from continuing operations for the three months and year ended December 31, 2025 compared to the three months and year ended December 31, 2024.

	Three months ended December 31,				Year ended December 31,			
(expressed in thousands of Canadian dollars)	**2025** $	**2024[(1)]** $	**Change** $	**Change** %	**2025** $	**2024[(1)]** $	**Change** $	**Change** %
Operating revenue	320,190	353,155	(32,965)	(9.3)	1,316,498	1,404,954	(88,456)	(6.3)
Operating expenses	299,214	339,851	(40,637)	(12.0)	1,216,893	1,312,308	(95,415)	(7.3)
Operating income	20,976	13,304	7,672	57.7	99,605	92,646	6,959	7.5
Net interest expense	(3,394)	(20,479)	(17,085)	(83.4)	(13,798)	(47,385)	(33,587)	(70.9)
Foreign exchange gain (loss)	5,614	(40,126)	45,740	114.0	12,814	(47,968)	60,782	126.7
Gain on property and equipment	9	76	(67)	(88.2)	19	96	(77)	(80.2)
Income (loss) before income tax	23,205	(47,225)	70,430	(149.1)	98,640	(2,611)	101,251	(3,877.9)
Income tax expense	(6,502)	(2,200)	(4,302)	195.5	(19,901)	(13,152)	(6,749)	51.3
Net income (loss) from continuing operations	16,703	(49,425)	66,128	(133.8)	78,739	(15,763)	94,502	(599.5)
Net income (loss) from discontinued operations, net of taxes	—	42,829	(42,829)	(100.0)	—	(140,686)	140,686	(100.0)
Net income (loss)	16,703	(6,596)	23,299	(353.2)	78,739	(156,449)	235,188	(150.3)
Net income attributable to non-controlling interest	—	1,012	(1,012)	(100.0)	—	2,051	(2,051)	(100.0)
Net income (loss) attributable to Shareholders	16,703	(7,608)	(24,311)	319.5	78,739	(158,500)	237,239	(149.7)
Adjusted EBITDA[(2)]	47,124	50,990	(3,866)	(7.6)	206,883	209,037	(2,154)	(1.0)
Adjusted EBT[(2)]	17,181	13,495	3,686	27.3	78,536	59,551	18,985	31.9
Adjusted Net Income[(2)]	13,827	9,342	4,485	48.0	58,635	44,446	14,189	31.9

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) These are non-GAAP financial measures that are not recognized measures for financial statement presentation under GAAP. As such, they do not have standardized meanings, may not be comparable to similar measures presented by other issuers and should not be considered a substitute for or superior to GAAP results. Refer to Section 17 – Non-GAAP Financial Measures for further information, including the composition and use of such non-GAAP financial measures and ratios.

Three months ended December 31, 2025

For the three months ended December 31, 2025, consolidated operating revenue decreased $33.0 million or 9.3%, compared to the same period last year and was attributable to reductions in Controllable Cost Revenue of $22.0 million, a decrease in parts sales, contract flying, MRO and other revenue of $6.3 million primarily due to Voyageur, a decrease in aircraft leasing revenue under the CPA of $3.0 million and decreased Pass-Through Revenue of $1.1 million.

Operating expenses decreased $40.6 million or 12.0% for the three months ended December 31, 2025 compared to the same period last year primarily due to decreased engine overhaul maintenance events of $20.6 million, decreased depreciation expense due to an impairment recorded in the fourth quarter of 2024 of $10.5 million, decreased costs related to parts sales and MRO activity, decreased general administrative expenses and decreased Pass-Through Costs, partially offset by a decrease in capitalization of major maintenance overhauls on owned aircraft and increased salaries, wages and benefits due to a new collective agreement for its maintenance employees offset by fewer FTEs and decreased stock-based compensation.

Net interest expense decreased $17.1 million or 83.4% for the three months ended December 31, 2025 compared to the same period last year primarily due to the absence of interest accretion on the Preferred Shares incurred in the fourth quarter of 2024, the repayment of the Series A Debentures and Series B Debentures, the partial repurchase of the Series C Debentures in the first quarter of 2025 and lower average debt balances resulting from payments on long-term debt offset by a draw in the current quarter under the Operating Credit Facility.

Foreign exchange gains increased $45.7 million for the three months ended December 31, 2025 compared to foreign exchange losses in the same period last year primarily related to foreign exchange gains on long-term debt. The December 31, 2025 closing exchange rate for USD to CAD was 1.3706 compared to 1.3921 at September 30, 2025. The December 31, 2024 closing exchange rate for USD to CAD was 1.4389 compared to 1.3499 at September 30, 2024.

Income tax expense increased $4.3 million for the three months ended December 31, 2025 compared to the same period last year primarily due to the increase in EBT, adjusted to remove non-taxable unrealized foreign exchange losses and certain non-deductible expenses and a $3.1 million non-capital loss carryback adjustment.

Year ended December 31, 2025

For the year ended December 31, 2025, consolidated operating revenue decreased $88.5 million or 6.3%, compared to the same period last year. Decreased revenue was primarily attributable to reductions in Controllable Cost Revenue of $85.3 million and a decrease in aircraft leasing revenue under the CPA of $9.6 million; partially offset by an increase in parts sales, contract flying, MRO and other revenue of $5.4 million primarily due to Voyageur and increased Pass-Through Revenue of $2.6 million.

Operating expenses decreased $95.4 million or 7.3% for the year ended December 31, 2025 compared to the same period last year primarily due to decreased engine overhaul maintenance events of $70.8 million, decreased depreciation expense due to an impairment recorded in the fourth quarter of 2024 of $10.5 million, decreased salaries, wages and benefits due to fewer FTEs and decreased stock-based compensation offset by higher costs related to a new collective agreement for its maintenance employees and decreased general administrative expenses; partially offset by increased costs related to parts sales and MRO activity, a decrease in capitalization of major maintenance overhauls on owned aircraft and increased Pass-Through Costs.

Net interest expense decreased $33.6 million or 70.9% for the year ended December 31, 2025 compared to the same period last year primarily due to the absence of interest accretion on the Preferred Shares incurred in the fourth quarter of 2024, the repayment of the Series A Debentures and Series B Debentures, the partial repurchase of the Series C Debentures in the first quarter of 2025 and lower average debt balances resulting from payments on long-term debt partially offset by a draw in the current quarter under the Operating Credit Facility.

Foreign exchange gains increased $60.8 million for the year ended December 31, 2025 compared to foreign exchange losses in the same period last year primarily related to foreign exchange gains on long-term debt. The December 31, 2025 closing exchange rate for USD to CAD was 1.3706 compared to 1.4389 at December 31, 2024. The December 31, 2024 closing exchange rate for USD to CAD was 1.4389 compared to 1.3226 at December 31, 2023.

Income tax expense increased $6.7 million for the year ended December 31, 2025 compared to the same period last year primarily due to the increase in EBT, adjusted to remove non-taxable unrealized foreign exchange gains and certain non-deductible expenses.

7 CAPITAL STRUCTURE

Chorus' capital structure currently consists primarily of Common Shares and debt consisting of Series C Debentures, senior secured amortizing facilities, the Operating Credit Facility, the Bi-Lateral Credit Facility and lease liabilities.

On September 30, 2025, Chorus redeemed all of its outstanding Series B Debentures for $28.7 million principal amount plus accrued and unpaid interest thereon.

Following the closing of the RAL Transaction in December 2024, Chorus repaid at maturity all of its outstanding Series A Debentures, redeemed all of the outstanding Preferred Shares and repaid the balance outstanding under the Operating Credit Facility. In February 2025, Chorus purchased for cancellation $43.8 million principal amount of Series B Debentures and $37.8 million principal amount of Series C Debentures.

The substantial improvement in Chorus' capital structure resulting from the redemption of the Preferred Shares and repayment of the Series A Debentures and Series B Debentures as well as the partial repurchase of the Series C Debentures provides the Corporation with greater financial flexibility. (Refer to Section 24 - Caution Regarding Forward-Looking Information.)

Chorus' objective when managing its capital structure is to maintain adequate liquidity and flexibility, while obtaining the lowest cost of capital available. It manages foreign exchange and interest rate risk in its capital structure by borrowing when appropriate in currencies other than the Canadian dollar to align with underlying revenue streams and fixing interest rates on its debt.

Chorus uses debt to reduce its cost of capital. The amount of debt available to Chorus is a function of earnings and/or equity, tangible asset backing, ability to service the debt and market accepted norms for businesses in this sector.

Chorus maintains flexibility in its capital structure by regularly reviewing forecasts, multi-year business plans, and making any required changes to its debt and equity on a proactive basis. These changes can include issuing or repurchasing equity, issuing new secured or unsecured debt, modifying the term of existing debt facilities or repaying existing debt from cash generated from operations and/or proceeds from the sale of surplus assets.

Chorus' capital structure was as follows as at December 31, 2025 and December 31, 2024.

(expressed in thousands of Canadian dollars)	**December 31, 2025 $**	**December 31 2024 $**	**Change $**
Equity			
Capital	344,043	394,774	(50,731)
Contributed surplus	897,900	925,566	(27,666)
Deficit	(761,002)	(836,996)	75,994
Exchange differences on foreign operations	2,530	1,555	975
Equity component of Series B Debentures	—	2,683	(2,683)
Warrants	24,366	24,366	—
	507,837	511,948	(4,111)
Long-term debt	360,481	507,827	(147,346)
Lease liabilities	13,675	8,552	5,123
Total capital	881,993	1,028,327	(146,334)

As at February 6, 2026 and December 31, 2025, the issued and outstanding shares of Chorus, were as follows:

	February 6, 2026	**December 31, 2025**
Total issued and outstanding Common Shares	23,415,381	23,415,381
Common Shares potentially issuable:		
Stock-based compensation plans	397,907	397,907
2022 Warrants(1)	2,663,253	2,663,253
Total outstanding and potentially dilutive Common Shares	26,476,541	26,476,541

(1) Issuable at a price of $32.04 per Common Share upon the exercise of all the 2022 Warrants by the holder(s) thereof, subject to adjustment in certain circumstances. The exercise price was most recently adjusted effective December 12, 2025 on account of the dividend payable to Common Shareholders on December 29, 2025.

Substantial Issuer Bid

On November 10, 2025, the Corporation completed a substantial issuer bid (the "**Offer**") pursuant to which it repurchased 2,061,855 Common Shares at a price of $24.25 per Common Share for aggregate consideration of $50.0 million, excluding fees and expenses relating to the Offer. The Corporation also incurred transaction costs of $0.3 million related to the Offer and Common Share buyback tax of $1.0 million. The Common Shares purchased for cancellation under the Offer represented approximately 8.1% of the total number of issued and outstanding Common Shares as of September 25, 2025.

On May 20, 2025, the Corporation completed a substantial issuer bid (the "**Prior Offer**"), pursuant to which it repurchased 471,319 Common Shares at a price of $21.00 per Common Share, being the maximum purchase price payable under the Prior Offer, for aggregate consideration of $9.9 million, excluding fees and expenses relating to the Prior Offer. The Corporation also incurred transaction costs of $0.4 million related to the Prior Offer and Common Share buyback tax of $0.2 million. The Common Shares purchased for cancellation under the Prior Offer represented approximately 1.78% of the total number of issued and outstanding Common Shares as of April 11, 2025.

Normal Course Issuer Bid

On November 6, 2024, the Corporation received approval from the TSX to renew its NCIB. The NCIB commenced on November 14, 2024 and was scheduled to conclude on the earlier of the date on which the Corporation purchased the maximum number of Common Shares permitted under the NCIB and November 13, 2025. Concurrent with the launch of the Offer, the automatic share purchase plan that the Corporation had previously entered into with its designated broker in connection with its NCIB automatically terminated in accordance with its terms. Therefore, the Corporation suspended purchases under the NCIB. The NCIB expired on November 13, 2025 in accordance with its terms.

Under the NCIB, and subject to the suspension of purchases noted above and its expiration on November 13, 2025, the Corporation was authorized to purchase for cancellation up to a maximum of 1,280,640 Common Shares between May 27, 2025 and November 13, 2025. On any trading day, Chorus could not purchase more than 11,836 Common Shares (representing 25% of the average daily trading volume for the six months ended October 31, 2024), except where such purchases were made in accordance with the block purchase exemptions under TSX rules. Security holders may obtain a copy of the NCIB notice filed with the TSX, without charge, by contacting the Corporation.

During the year ended December 31, 2025, the Corporation purchased and cancelled 1,226,755 Common Shares under the NCIB at a weighted average price of $20.57 per Common Share (post-Share Consolidation) for $25.3 million and recognized Common Share buyback tax of $0.5 million. Since the commencement of the NCIB on November 14, 2024 to November 13, 2025, the Corporation has purchased and cancelled 1,352,709 Common Shares at a weighted average price of $20.61 (post-Share Consolidation) for $27.9 million.

Chorus announced the renewal of the NCIB concurrent with the publication of this MD&A. Please refer to the Corporation's news release dated February 12, 2026 for information regarding the renewal of the NCIB.

Security holders may obtain a copy of the NCIB notice filed with the TSX, without charge, by contacting the Corporation.

Long-term Debt

Long-term debt consists of the following:

(expressed in thousands of Canadian dollars)	**December 31, 2025** **$**	**December 31, 2024** **$**
Secured long-term debt and credit facilities[1]		
Amortizing Term Loans		
Secured by aircraft	260,425	345,475
Secured by engines	853	1,852
Nova Scotia Jobs Fund loan - secured by office building	2,000	3,000
Operating Credit Facility	50,000	—
	313,278	350,327
Unsecured long-term debt[1]		
Series B Debentures	—	72,500
Series C Debentures	47,203	85,000
	360,481	507,827
Less: Current portion[2]	64,336	231,528
	296,145	276,299

(1) The majority of long-term debt is payable in USD and has been converted to CAD at the December 31, 2025 exchange rate of 1.3706 (2024 - 1.4389).
(2) The current portion of long-term debt at December 31, 2024 included Series B Debentures and Series C Debentures due to Chorus' offer to purchase these Unsecured Debentures in accordance with the terms of the relevant indentures which expired on January 27, 2025.

The principal attributes of Chorus' long-term debt facilities are summarized below. Such summaries are qualified in their entirety by the specific terms and conditions of the relevant indentures and agreements. For full details of the Series B Debentures, the Series C Debentures and the Operating Credit Facility, please refer to the relevant agreements and indentures which are available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Amortizing Term Loans

Chorus currently has Amortizing Term Loans for owned aircraft operated by Jazz under the CPA which are repayable in instalments, bear fixed interest at a weighted average rate of 3.29%, and mature between September 2027 and February 2033. These loans are secured primarily by the aircraft and engines financed by the loans, as well as an assignment of any leases in respect thereof.

Chorus also has one Amortizing Term Loan for an engine used by Jazz under the CPA which is repayable in instalments, bears fixed interest at a fixed rate of 3.31%, and matures May 2028. This loan is secured primarily by an engine.

Chorus has an office building loan that is repayable in annual instalments of $1.0 million, bearing interest at a fixed rate of 3.33%, and matures on August 31, 2027. The loan may be repaid in full or in part at any time without bonus or penalty and is secured by a first security interest in the land and office building located at 3 Spectacle Lake Drive, Dartmouth, Nova Scotia and an assignment of the building tenant leases.

Financial Covenants under Amortizing Term Loans

Amortizing Term Loans for aircraft and engines have covenants which apply separately to the "**Jazz Group**" (comprising Jazz and Jazz Leasing and any entity controlled directly or indirectly by either of them). The Jazz Group is required to maintain a maximum adjusted leverage and a minimum adjusted interest debt coverage ratio. The financing agreements also contain a covenant respecting the continuation of business under the CPA which is specific to Jazz as the operator of the financed Dash 8-400s, Dash 8-400 spare engines, and CRJ900s. As at December 31, 2025, the Jazz Group was in compliance with these financial covenants.

Furthermore, the Amortizing Term Loans generally contain provisions that require the immediate repayment of all amounts outstanding thereunder if the borrower or any guarantor of the loan undergoes a change of control without the lender's consent.

Series B Debentures

On April 6, 2021, the Corporation issued $72.5 million aggregate principal amount of Series B Debentures, which bore interest at a rate of 6.00% per annum, were scheduled to mature on June 30, 2026 and could be redeemed any time after June 30, 2025 at the principal amount plus accrued and unpaid interest. On February 3, 2025, the Corporation purchased for cancellation $43.8 million aggregate principal amount of Series B Debentures and on September 30, 2025, Chorus redeemed all of its outstanding Series B Debentures for $28.7 million principal amount plus accrued and unpaid interest thereon.

Series C Debentures

In September 2021, the Corporation issued $85.0 million aggregate principal amount of Series C Debentures, which bear interest at a rate of 5.75% per annum, mature on June 30, 2027 and can be redeemed any time after March 31, 2026 at the principal amount plus accrued and unpaid interest.

In December 2024, following the closing of the RAL Transaction, the Corporation offered to purchase all of the outstanding Series C Debentures at a price and on the terms set out in the indenture. As a result of such offer, on February 3, 2025, the Corporation purchased for cancellation $37.8 million aggregate principal amount of Series C Debentures leaving $47.2 million outstanding as at December 31, 2025.

The Series C Debentures are not convertible by the holders thereof into Common Shares.

Subject to any required regulatory approvals and provided no event of default has occurred and is continuing at such time under the indenture governing the Series C Debentures, the Corporation may elect to satisfy its obligation to pay all or a portion of the principal amount of the outstanding Series C Debentures on redemption or at maturity through, in whole or in part, the issuance of Common Shares at a price equal to 95% of the then Current Market Price (as defined in the indenture). In addition, and subject to the aforementioned conditions, the Corporation may satisfy its obligation to pay interest on the Series C Debentures by delivering Common Shares to the trustee under the indenture governing the Series C Debentures for sale, with the proceeds used to satisfy the interest payment obligation.

The outstanding Series C Debentures are listed for trading on the TSX under the symbol CHR.DB.C.

Loan facilities

<u>Operating Credit Facility</u>

The Operating Credit Facility provides the Corporation and certain designated subsidiaries with a committed limit of up to $150.0 million, subject to a borrowing base calculation. As at December 31, 2025, the borrowing base calculation supported a limit of $150.0 million. Letters of credit issued by Chorus under this facility further reduce the amount available under the facility. As at December 31, 2025, Chorus had drawn $50.0 million on the facility. On February 9, 2026, Chorus amended the Operating Credit Facility to extend the maturity date to January 29, 2029.

The Operating Credit Facility is secured by all present and after-acquired personal property of the Credit Parties, excluding certain specified assets such as aircraft and engines and the equity securities of certain specified entities. Any outstanding balance under this facility is immediately repayable if the Corporation undergoes a change in control without the lender's consent. It contains customary representations, warranties and covenants, including a covenant to maintain a minimum consolidated interest coverage ratio.

The facility bears interest for Canadian dollar advances at Canadian Prime plus 1.50% - 2.50% or CORRA plus a credit spread adjustment plus 2.50% - 3.50%, and for US dollar advances at Base Rate plus 1.50% - 2.50% or SOFR plus a credit spread adjustment plus 2.50% - 3.50%.

The trustees (collectively, the "**Trustees**") under the indentures for each of the Unsecured Debentures entered into, in their capacity as trustee for and on behalf of the holders of the relevant Unsecured Debentures, intercreditor agreements (the "**Intercreditor Agreements**") with The Bank of Nova Scotia, in its capacity as administrative agent for and on behalf of the lenders under the Operating Credit Facility. The Intercreditor Agreements provide, among other things, that following the occurrence of a default (as defined in the Intercreditor Agreements) which is continuing or upon an insolvency or liquidation proceeding (as defined in the Intercreditor Agreements) involving the Corporation, all obligations under the Operating Credit Facility shall first be paid in full before payments are made to holders of Unsecured Debentures under or pursuant to the applicable indenture and as such, to the extent that any amounts remain outstanding under the Operating Credit Facility after realization upon the applicable security, any proceeds received by the Trustees on behalf of the holders of Unsecured Debentures may be required to be remitted to the administrative agent under the Operating Credit Facility until all amounts due under the Operating Credit Facility are paid in full. Copies of the Intercreditor Agreements are available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Bi-Lateral Credit Facility

Chorus has a bi-lateral credit facility which provides a revolving loan in an amount up to the lesser of (a) 50% of the current market value of certain aircraft pledged as security for the loan, and (b) $50.0 million (the "**Bi-Lateral Credit Facility**"). Borrowings bear interest for Canadian dollar advances at Canadian Prime plus 2.50% or CORRA plus a credit spread adjustment plus 3.50%, and for US dollar advances at Base Rate plus 2.50% or SOFR plus a credit spread adjustment plus 3.50%. Borrowings are secured by the aircraft pledged as security together with the related leases and insurance proceeds. The loan agreement contains customary representations, warranties, covenants and events of default, and is cross-defaulted to any event of default under the Operating Credit Facility. The facility is available to use for general corporate purposes. On February 9, 2026, Chorus amended the Bi-Lateral Credit Facility to extend the maturity date to January 29, 2029.

Covenant Default Risk

Chorus' debt agreements contain financial and non-financial covenants which if breached and not waived by the relevant lenders could result in the acceleration of indebtedness. To the extent that debt agreements are cross-defaulted, a default or acceleration under one agreement could cause a default or acceleration under another agreement.

As at December 31, 2025, Chorus' largest commercial lender held 72% of Chorus' consolidated long-term debt through the Jazz Group under aircraft loans. All Chorus loans contain customary events of default that may be triggered when any other financial indebtedness of the borrowers or guarantors thereunder (subject to prescribed thresholds) is in default or is declared due prior to its scheduled maturity. The foregoing is a general summary only and is qualified in its entirety by the specific terms and conditions of Chorus' loan agreements.

If Chorus were to default under any of its debt agreements, this could have a material adverse effect on Chorus' financial position, cash flows and prospects.

Interest Rate Risk

Chorus manages interest rate risk on a portfolio basis and seeks financing terms in individual arrangements that are most advantageous considering all relevant factors, including credit margin, term and basis. Chorus' risk management objective is to minimize the potential for changes in interest rates to cause adverse changes in cash flows.

As of December 31, 2025, the majority of Chorus' debt is not subject to interest rate volatility as it bears interest at fixed rates. Excluding revolving debt facilities, at December 31, 2025, 100.0% of Chorus' term debt was fixed rate debt.

An interest rate change of 25 basis points would not have a material impact on annual net income as a result of Chorus' exposure to interest rate fluctuations on its floating rate debt.

Foreign Exchange Rate Risk

Chorus receives revenue and incurs expenses in US dollars and Canadian dollars. Chorus manages its economic exposure to currency risk by billing for its services within the CPA with Air Canada in the underlying currency related to the expenditure and matching the currency of debt for leased aircraft with the currency of the related lease rents.

Chorus converts its foreign currency monetary assets and liabilities, such as cash, accounts receivable, accounts payable, obligations under finance leases, long-term debt and intercompany loans at each balance sheet date, which gives rise to unrealized foreign exchange gains or losses.

The amount of US dollar denominated financial assets was $45.3 million and US denominated financial liabilities was $232.7 million at December 31, 2025. A 1¢ change in the US exchange rate would result in a change in the unrealized gain or loss of approximately $1.9 million.

In October 2025, Chorus entered into foreign currency contracts to hedge its exposure to foreign currency exchange rate risk related to the expected net proceeds from the sale of eight Dash 8-400s denominated in US dollars. The contracts mature between February 2026 and July 2026 and Chorus does not apply hedge accounting to the foreign currency contracts and as such, gains and losses arising from changes in its fair value are recognized in non-operating income in the period in which they arise.

	Three months ended December 31,		**Year ended December 31,**	
(in thousands of Canadian dollars)	**2025** **$**	**2024** **$**	**2025** **$**	**2024** **$**
Income statement - continuing operations				
Gain on foreign currency contracts	1,329	—	1,329	—

Equity Price Risk

Chorus has equity price risk exposure to Common Shares that it issues under its various stock-based compensation programs. To mitigate this risk, Chorus hedges the variability of its Common Share price effecting settlement under its various stock-based compensation programs with a Total Return Swap.

The current swap is for 708,571 Common Shares priced at $22.35 per Common Share maturing in March 2026. Chorus does not apply hedge accounting to the Total Return Swap and as such, gains and losses arising from changes in its fair value are recognized in operating income in the period in which they arise. For additional information, please refer to notes 4(i) and 4(j), under the heading "Material Accounting Policies", of the audited consolidated financial statements of the Corporation for the year ended December 31, 2025.

Chorus recorded losses and gains on the Total Return Swap as follows:

	Three months ended December 31,		Year ended December 31,	
	2025	**2024**	**2025**	**2024**
(in thousands of Canadian dollars)	**$**	**$**	**$**	**$**
Income statement				
(Loss) gain on Total Return Swap	(744)	3,774	(178)	6,618

8 LIQUIDITY

Chorus' liquidity needs primarily relate to funding ongoing operations, planned capital expenditures, principal and interest payments related to long-term borrowings, dividends, planned Common Share buybacks and potential acquisitions.

Chorus has a number of treasury management practices designed to ensure sufficient liquidity and continued access to capital including foreign exchange risk and interest rate risk.

As of December 31, 2025, Chorus' liquidity was $169.1 million including cash of $28.7 million, $90.4 million of available credit under its Operating Credit Facility and $50.0 million available under its Bi-Lateral Credit Facility.

During the quarter, Chorus' cash flow from continuing operations was $23.2 million. Other key changes during the quarter which decreased cash were as follows:

- Repurchase of Common Shares under the SIB of $50.3 million;
- Scheduled debt repayments of $17.0 million;
- Capital expenditures of $8.9 million; and
- Payment of Common Share dividends of $1.9 million; partially offset by
- A draw on the Operating Credit Facility of $50.0 million.

At December 31, 2025, the Controllable Cost Guardrail balance is a receivable of $2.4 million.

Working Capital

Chorus' working capital is typically not a good measure of its liquidity due to the fact that current liabilities include the current portion of long-term debt, whereas current assets do not include the current portion of the long-term aircraft operating lease receivables as aircraft lease revenue is recorded as it is earned on a monthly basis.

Chorus' working capital surplus as reflected on the December 31, 2025 balance sheet was $77.9 million (December 31, 2024 - $30.7 million deficit). As at December 31, 2024, the Series B Debentures and Series C Debentures totaling $157.5 million were classified as current debt as a result of the offers to purchase in accordance with the terms of the relevant indentures. On February 3, 2025, Chorus purchased for cancellation a total of $81.6 million aggregate principal amount of Series B Debentures and Series C Debentures. The total Series C Debentures that remain outstanding of $47.2 million was subsequently re-classified to long-term debt on February 3, 2025.

The current portion of contracted aircraft operating lease receivables for continuing operations as at December 31, 2025 is estimated to be approximately $106.3 million converted to CAD at the December 31, 2025 rate of 1.3706. Normalized working capital adjusted for the current portion of estimated long-term aircraft operating lease receivables reflect a surplus of approximately $184.2 million (refer to Section 24 - Caution Regarding Forward-Looking Information).

Leverage

Chorus' Leverage Ratio increased to 1.7 at December 31, 2025 from 1.4 at December 31, 2024. The increase was a result of additional cash held at December 31, 2024 due to a $58.9 million prepayment of revenue related to January 2025 and a decrease in the trailing 12-months Adjusted EBITDA for continuing operations of $2.2 million partially offset by repayments of long-term borrowings (refer to Section 17 - Non-GAAP Financial Measures).

Cash Flows

The following table provides information on Chorus' cash flows for the three months and years ended December 31, 2025 and December 31, 2024.

	Three months ended December 31,		Year ended December 31,	
	2025	2024(1)	2025	2024(1)
(expressed in thousands of Canadian dollars)	$	$	$	$
Cash provided by operating activities	23,213	21,099	62,747	172,806
Cash used in financing activities	(20,101)	(698,727)	(225,487)	(853,403)
Cash (used in) provided by investing activities	(753)	680,037	(28,041)	640,971
Cash flow from operating, financing and investing activities	2,359	2,409	(190,781)	(39,626)
Effect of foreign exchange rate changes on cash	(240)	15,547	(2,779)	16,470
Net change in cash during the periods continuing operations	2,119	17,956	(193,560)	(23,156)
Net change in cash during the periods discontinued operations	—	13,237	—	68,955
Cash and restricted cash – Beginning of periods	26,537	191,023	222,216	176,417
Cash – End of periods continuing operations	28,656	222,216	28,656	222,216

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

Cash provided by operating activities

Chorus had cash inflows from operating activities of $23.2 million for the three months ended December 31, 2025, compared to cash inflows of $21.1 million for the three months ended December 31, 2024. The quarter-over-quarter increase was attributable to an increase in the receivable from Air Canada and a decrease in accounts payable; partially offset by a decrease in income tax receivable. Cash from operating activities before net changes in non-cash balances related to operations for the three months ended December 31, 2025 was $34.1 million compared to the three months ended December 31, 2024 of $38.0 million.

Chorus had cash inflows from operating activities of $62.7 million for the year ended December 31, 2025, compared to $172.8 million for the year ended December 31, 2024. The year-over-year decrease was attributable to unearned revenue in 2024 related to a prepayment in December 2024 for the January 2025 Controllable Cost Revenue, a decrease in accounts payable and an increase in income tax receivable; partially offset by a decrease in the receivable from Air Canada. Cash from operating activities before net changes in non-cash balances related to operations for the year ended December 31, 2025 was $165.6 million compared to the year ended December 31, 2024 of $151.8 million, an increase of $13.8 million primarily related to decreased interest expense partially offset by higher current income tax expense.

Cash used in financing activities

Cash used in financing activities for the three months ended December 31, 2025 was $20.1 million, comprised primarily of payments on long-term borrowings of $17.0 million, repurchase of Common Shares under the SIB of $50.3 million and payment of Common Share dividends of $1.9 million; partially offset by a draw on the Operating Credit Facility of $50.0 million.

Cash used in financing activities for the three months ended December 31, 2024 was $698.7 million, comprised primarily of the redemption of the Preferred Shares of $523.7 million, the repayment of the Series A Debentures of $86.3 million, net payments on the Operating Credit Facility of $60.0 million, payments on long-term borrowings of $25.6 million and repurchase of Common Shares under the NCIB of $2.7 million.

Cash used in financing activities for the year ended December 31, 2025 was $225.5 million, comprised primarily of the repayment of the Series B Debentures and Series C Debentures of $110.3 million, payments on long-term borrowings of $72.1 million, repurchase of Common Shares under the NCIB of $25.3 million, repurchase of Common Shares under the substantial issuer bid of $60.5 million and payment of Common Share dividends of $3.9 million; partially offset by a draw on the Operating Credit Facility of $50.0 million.

Cash used in financing activities for the year ended December 31, 2024 was $853.4 million, comprised primarily of the redemption of the Preferred Shares of $523.7 million, the repayment of the Series A Debentures of $86.3 million, payments on long-term borrowings of $119.1 million, net payments on the Operating Credit Facility of $87.0 million, payment of dividends on the Preferred Shares of $26.8 million, and repurchase of Common Shares under the NCIB of $7.7 million.

Cash (used in) provided by investing activities

Cash used in investing activities for the three months ended December 31, 2025 was $0.8 million, which primarily includes capital expenditures of $8.9 million for the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures partially offset by proceeds on the sale of one aircraft of $7.9 million.

Cash provided by investing activities for the three months ended December 31, 2024 was $680.0 million, which included proceeds on the disposition of the RAL business, net of cash sold of $692.7 million and capital expenditures of $12.8 million for the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures.

Cash used in investing activities for the year ended December 31, 2025 was $28.0 million, which primarily includes capital expenditures of $34.9 million for the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures and the Elisen acquisition of $2.0 million partially offset by proceeds on the sale of one aircraft of $7.9 million.

Cash provided by investing activities for the year ended December 31, 2024 was $641.0 million, which included proceeds on the disposition of the RAL business, net of cash sold of $692.7 million and capital expenditures of $52.9 million for the purchase of two aircraft, the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures.

Capital expenditures

The following table provides a breakdown of capital expenditures on a quarter-over-quarter and year-over-year basis.

	Three months ended December 31,			Year ended December 31,		
(expressed in thousands of Canadian dollars)	**2025** $	**2024[(1)]** $	**Change** $	**2025** $	**2024[(1)]** $	**Change** $
Capital expenditures, excluding aircraft acquisitions	5,794	4,244	1,550	18,651	13,547	5,104
Capitalized major maintenance overhauls[(2)]	1,288	6,240	(4,952)	11,623	19,452	(7,829)
Aircraft acquisitions and improvements	1,857	2,276	(419)	4,618	19,892	(15,274)
Total capital expenditures	8,939	12,760	(3,821)	34,892	52,891	(17,999)

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) For the three months and year ended December 31, 2025 includes $nil and $5.8 million, respectively, of costs which form part of Controllable Costs (three months and year ended December 31, 2024 - $3.5 million and $12.6 million, respectively).

Commitments for capital expenditures

Chorus does not have any material commitments for capital expenditures.

Dividends

On February 12, 2026, Chorus announced an increase to its quarterly cash dividend from $0.08 to $0.11 per Common Share, basic payable on March 31, 2026 to Common Shareholders of record on March 13, 2026.

The Corporation intends to declare future quarterly cash dividends in the amount of $0.11 per Common Share concurrent with the announcement of its quarterly earnings reports.

The Corporation's Board of Directors reserves the right to determine whether to pay dividends in the future and the amount, timing and frequency of any such dividends having regard to the Corporation's results of operations and financial condition and other factors as the directors of the Corporation consider appropriate from time to time, including compliance with the covenants contained in Chorus' debt agreements (refer to Section 24 - Caution Regarding Forward-Looking Information).

For the three months and year ended December 31, 2025, Chorus declared and paid $1.9 million and $3.9 million, respectively in Common Share dividends ($nil declared and paid for the three months and year ended December 31, 2024, respectively).

For the three months and year ended December 31, 2025, Chorus declared and paid $nil in Preferred Share dividends ($nil and $17.8 million, respectively declared and $nil and $26.8 million, respectively paid for the three months and year ended December 31, 2024).

Long-term debt payment

Chorus' payments of principal and interest on long-term debt, including the Series C Debentures, are as follows:

(expressed in thousands of Canadian dollars)	2026 $	2027 $	2028 $	2029 $	2030 $	2031 and thereafter $
Principal	64,336	113,750	45,273	21,633	22,267	43,222
Interest	10,631	7,030	3,486	2,302	1,666	1,374
Long-term debt(1)	74,967	120,780	48,759	23,935	23,933	44,596

(1) Excludes interest on the Operating Credit Facility of $3.0 million annually and payment of the Operating Credit Facility of $50.0 million at its contractual maturity date of January 29, 2029.

A significant portion of long-term debt is payable in US dollars and has been converted to Canadian dollars at the December 31, 2025 exchange rate of 1.3706.

Actual schedule payments of principal and interest may vary. These projections are based on certain assumptions including foreign exchange rates and current contractual terms. Please refer to Section 24 - Caution regarding forward-looking information and Section 9 - Risk Factors for risks related to this forward-looking information.

Contractual obligations and other commitments

Chorus has commitments related to scheduled payments of principal and interest on long-term debt and lease liabilities for the years 2026 through to 2030 and thereafter, all of which are summarized in the following table.

		Payments Due by Period			
(expressed in thousands of Canadian dollars)	Total $	Within 1 year $	2 - 3 years $	4 - 5 years $	After 5 years $
Long-term debt(1)	386,970	74,967	169,539	97,868	44,596
Lease liabilities	15,778	3,199	5,345	4,484	2,750
	402,748	78,166	174,884	102,352	47,346

(1) Excludes interest on the Operating Credit Facility of approximately $3.0 million annually and assumes payment of the Operating Credit Facility of $50.0 million at it's contractual maturity date of January 29, 2029.

A significant portion of long-term debt and lease liabilities are payable in US dollars and have been converted to Canadian dollars at the December 31, 2025 exchange rate of 1.3706.

Actual contractual obligations and other commitments may vary. These projections are based on certain assumptions including foreign exchange rates and current contractual terms. Please refer to Section 24 - Caution regarding forward-looking information and Section 9 - Risk Factors for risks related to this forward-looking information. The current projections differ from previous projections as a result of a draw on the Operating Credit Facility, new finance lease liabilities and a change in the foreign exchange rate, among other things.

Future lease receivables from lessees under operating leases

As at December 31, 2025, Chorus has commitments from aircraft lessees related to scheduled receivables under operating leases for aircraft for the years 2026 through to 2030 and thereafter, all of which are summarized in the following table:

		Payments Due by Period			
	Total	**Within 1 year**	**2 - 3 years**	**4 - 5 years**	**After 5 years**
(expressed in thousands of Canadian dollars)	**$**	**$**	**$**	**$**	**$**
Operating leases	412,047	106,304	169,522	88,518	47,703

The minimum lease payments for aircraft are receivable from the lessee in US dollars and have been converted to Canadian dollars at the December 31, 2025 exchange rate of 1.3706.

Actual future lease payments may vary. These projections are based on certain assumptions including foreign exchange rates and current contractual terms. Please refer to Section 24 - Caution regarding forward-looking information and Section 9 - Risk Factors for risks related to this forward-looking information. The current projections differ from previous projections mainly due to new leasing, lease modifications and changes in the foreign exchange rates.

Off balance sheet arrangements and guarantees

Chorus enters into real estate leases, or operating agreements, which grant a license to Chorus to use certain premises and/or operate at certain airports in the majority of the cities that it serves. It is common in such commercial lease transactions for Chorus, as the lessee, to agree to indemnify the lessor and other related third parties for tort liabilities arising out of or relating to Chorus' use or occupancy of the leased or licensed premises. In certain cases, this indemnity extends to related liabilities arising from the negligence of the indemnified parties, but generally excludes any liabilities caused by their gross negligence or willful misconduct. Chorus also typically indemnifies such parties for any environmental liability arising out of or relating to its use or occupancy of the leased or licensed premises.

In financing arrangements or leasing agreements, Chorus typically indemnifies the financing parties, trustees and agents acting on behalf of such financing parties and other related parties and/or lessors against liabilities that arise from the manufacture, design, ownership, financing, use, operation and maintenance of the aircraft and for tort liability, whether or not these liabilities arise out of or relate to the negligence of these indemnified parties. In financing agreements more generally, Chorus typically indemnifies the financing parties, trustees and agents acting on behalf of such financing parties and other related parties against any liabilities arising from the financing (including any costs incurred by the financing parties to enforce their rights thereunder) and in respect of certain tax consequences.

When Chorus, as a customer or service provider, enters into service agreements, it may from time-to-time agree to indemnify the counterparty against costs, liabilities and/or losses that may arise from Chorus' breach of the agreement, negligence, gross negligence and/or wilful misconduct, including breaches of third party intellectual property.

9 RISK FACTORS

For detailed description of the possible risk factors associated with Chorus' business, including its dependence on the CPA, the aviation industry, and the Voyageur business refer to Section 7 - Capital Structure of this MD&A and the section entitled "Risk Factors" in Chorus' Annual Information Form dated February 12, 2026 (which is deemed incorporated into this MD&A).

Refer to Section 24 - Caution Regarding Forward-Looking Information.

10 ECONOMIC DEPENDENCE

Chorus and Air Canada are parties to the CPA under which Air Canada currently purchases substantially all of Jazz's fleet capacity on the Covered Aircraft. As Chorus derives a majority of its revenue from the CPA and is substantially dependent on the CPA (refer to Section 2 - About Chorus and note 20 of the audited consolidated financial statements of Chorus for the years ended December 31, 2025 and 2024).

11 CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in accordance with GAAP requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Significant judgement, estimate and assumption items include employee future benefits, depreciation and amortization of long-lived assets and impairment. These estimates are based on historical experience and management's best knowledge of current events and actions that Chorus may undertake in the future. By their nature, estimates and judgements may change in light of new facts and circumstances in the internal and external environment and actual results can differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period or in the period of revision and future periods if the revision affects both current and future periods.

Employee future benefits

Chorus' significant policies related to the Jazz pilots' defined benefit pension plan ("**Pilot DB Plan**"), the defined benefit supplemental executive retirement plan (the "**SERP DB Plan**", and together with the Pilot DB Plan "**Pension Benefits**"), and the Other Future Employee Benefits are as follows:

- The cost of Pension Benefits earned by employees is actuarially determined using the projected benefit method prorated on service, market interest rates, management's best estimate of salary escalation and retirement ages and life expectancy of employees. Obligations are attributed to the period beginning on the date the employee joins the plan and ending on the earlier of the date of termination, death or retirement. Actuarial gains and losses on the pension benefits are recognized in full in the period in which they occur in other comprehensive income and retained earnings without recycling to the statement of income in subsequent periods. Current service cost, the recognized element of any past service cost, the interest income on plan assets and the interest arising on the pension liability are included in salaries, wages and benefits in the statement of income.

- Other Employee Benefits consist of two categories of benefits:
    - Medical and dental benefits provided to employees while on long-term disability, and Worker's Compensation and Workers Safety Insurance Board benefits in respect of Ontario employees, are collectively referred to as other long-term benefits. The actuarial gains and losses for this component of Other Employee Benefits are charged to operating expense in the year they occur.
    - Sick leave benefits are paid to certain employees upon or just prior to retirement. The actuarial gains and losses on this component of other employee benefits are charged to other comprehensive income in the year they occur.
- The cost of the Other Employee Benefits is actuarially determined using the projected benefit method prorated on service (where applicable), market interest rates, and management's best estimate of retirement ages of employees, health care cost inflation, salary escalation and general inflation, as applicable to each of the categories of benefits.
- Past service costs arising from plan amendments of the defined benefit pension plan and the supplemental executive retirement plan and other employee benefit plans are recognized immediately in income.
- The registered pension plan is subject to certain minimum funding requirements. The liability, where applicable, in respect of the minimum funding requirement is determined using the projected minimum funding requirements based on actuarial forecasts. The liability in respect of the minimum funding requirement and any subsequent re-measurement of that liability is recognized in other comprehensive income without subsequent reclassification to income.
- The measurement date of each of the plans' assets and obligations is December 31. Pension obligations are attributed to the period beginning on the employee's date of joining the plan and ending on the earlier of the date of termination, death or retirement. The obligations relating to other employee benefits plans are attributed to the period beginning on the employee's date of joining the plan or disablement (whichever applicable) and ending on the earlier of retirement or end of disablement or age 65 (whichever applicable).
- Chorus also maintains several defined contribution pension plans. The cost of defined contribution pension plans is charged to expense as the contributions become payable.

The following assumptions were used in valuing the benefit obligations under the plans and the employer's net periodic pension or benefit cost:

- The discount rate used to determine the pension and benefit obligation and the interest income on assets was determined by reference to market interest rates, as of the measurement date, on high quality debt instruments with cash flows that approximately match the timing and amount of expected benefit payments. It is reasonably possible that these rates may change in the future as a result of changes in market interest rates.
- The health care inflation used to determine cost of Other Future Employee Benefits costs is based on recent industry experience and long-term expectations. The weighted average health care inflation assumption used for the health care plans is 5.0% per annum for 2025 and 4.0% per annum for 2040 and later years.
- Actual experience that differs from assumptions made by management will result in a net actuarial gain or loss, which is recognized each period through other comprehensive income.

The following table contains assumptions used in valuing the benefit obligations under this plan and the employer's net periodic pension or benefit cost:

	Fiscal year ended December 31, 2025	2024
Weighted average assumptions used to determine accrued benefit obligation		
- Discount rate	4.4% - 4.8%	4.4% - 4.6%
- Rate of compensation increase	2.0% - 4.5%	2.0% - 4.5%
- Health care inflation — Select	5.0%	5.1%
- Health care inflation — Ultimate	4.0%	4.0%
- Year ultimate trend reached	2040	2040
Weighted average assumptions used to determine pension and benefit costs		
- Discount rate	4.4% - 4.6%	4.6% - 4.7%
- Rate of compensation increase	2.0% - 4.5%	2.0% - 4.5%
- Health care inflation — Select	5.1%	5.2%
- Health care inflation — Ultimate	4.0%	4.0%
- Year ultimate trend reached	2040	2040

Depreciation and amortization of long-lived assets

Management makes estimates about the expected useful lives of long-lived assets and the expected residual value of the assets based on the estimated current fair value of the assets, Chorus' fleet plans and the cash flows they generate. Changes to these estimates, which can be significant, could be caused by a variety of factors, including changes to maintenance programs, changes in operating costs, changes in utilization of the aircraft, and changing market prices for new and used aircraft of the same or similar types. Estimates and assumptions are evaluated at least annually. These adjustments are accounted for on a prospective basis, through depreciation, amortization and impairment expense. A 10% reduction to the residual values of aircraft with remaining depreciation periods greater than five years would result in an increase of $7.3 million to annual depreciation expense.

Impairment of non-financial assets

In accordance with IAS 36 – Impairment of Assets, Chorus' aircraft that are to be held and used, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of the aircraft may not be recoverable. Aircraft leased to third parties are not reviewed for impairment until after five years from the date of manufacture unless changes in circumstances suggest that there is an indicator of impairment. Management considers the current appraisal values, anticipated utilization and maintenance condition of the aircraft and the creditworthiness of its lessees among other factors in assessing possible indicators of impairment.

For the purposes of measuring recoverable amounts, assets are grouped at the lowest level for which identifiable cash flows are largely independent of other groups of assets.

For any aircraft for which an indicator of impairment is present, management estimates the recoverable amount which is the greater of fair value less cost of disposal and value in use. An impairment charge is recorded if the estimated recoverable amount is less than the carrying amount of the assets being tested. For the three months and year ended December 31, 2025, Chorus recorded impairment provisions of $nil for continuing operations (for the three months and year ended December 31, 2024 - $10.5 million).

In assessing recoverable amounts, Chorus makes significant estimates and assumptions about the expected useful lives and the expected residual value of aircraft, supported by estimates received from independent appraisers, for the same or similar aircraft types, and considers contractual cash flows, the creditworthiness of its lessees and Chorus' anticipated utilization and maintenance condition of the aircraft. In determining the residual value of the aircraft, Chorus also applies a future inflation rate assumption of 2.0%. The December 31, 2025 value in use is estimated by taking the present value of future cash flows obtainable as a result of an asset's continued use, including those from its ultimate disposition, discounted at 6.23% (December 31, 2024 - 6.67%).

The fair value less cost to dispose is estimated with reference to third party market data less cost to dispose. The estimation of value in use for aircraft showing an indicator of impairment requires the use of significant judgement in the assessment of estimated future cash flows associated with the aircraft and its eventual disposition. Future cash flows are assumed to occur under current market conditions and/ or current contractual lease agreements and assume adequate time for a sale between a willing buyer and seller. Changes in the expected cash flows, expected residual value, inflation rate and discount rate assumptions all could have a material impact on Chorus' conclusion.

Impairment of financial assets

Chorus' principal financial assets that are subject to the expected credit loss ("**ECL**") model are trade and other receivables resulting from its leasing activities.

Chorus uses the IFRS 9 simplified approach to measure the allowance for ECL which uses a lifetime expected loss for all trade receivables, deferred receivables and long-term receivables by establishing a provision matrix that is based on Chorus' historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Significant judgements are made in determining these factors. Letters of credit and security deposits held are considered an integral part of trade receivables and considered in the calculation of impairment.

In determining the allowance for ECL, Chorus takes into account recent payment history and future expectation of default events. Chorus' assessment is subjective due to the forward-looking nature of the situation. As a result, the allowance for ECL is subject to a significant degree of uncertainty and is made based on judgements regarding possible future events which may not prove to be correct.

For the three months and year ended December 31, 2025, Chorus recorded a recovery related to the allowance for ECL of trade and other receivables of $0.2 million (three months and year ended December 31, 2024 expense - $1.5 million), which is included in operating expense for continuing operations.

12 CHANGES IN ACCOUNTING STANDARDS

The material accounting policies of Chorus are described in note 4 of the audited consolidated financial statements of Chorus for the years ended December 31, 2025 and 2024.

Accounting standards issued but not yet applied

IFRS 9, Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments which amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (the "**Amendments**"). These Amendments provide clarity on the timing of recognition and derecognition of financial assets and liabilities, the assessment of contractual cash flow characteristics, and the resulting classification and disclosure of financial assets with environmental, social, and governance linked or other contingent features. Additionally, the Amendments clarify that a financial liability is derecognized on the settlement date, with the accounting policy choice to derecognize financial liability settled using an electronic payment system before the settlement date, provided specific conditions are met. Additional disclosures are required for financial instruments with contingent features and investments in equity instruments designated at fair value through other comprehensive income with these amendments.

The Amendments will be effective for annual reporting periods beginning on or after January 1, 2026, with earlier adoption permitted. Chorus has determined that the changes have no material impact on its consolidated financial statements.

IFRS 18 - Presentation and Disclosure in Financial Statements

The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1 - Presentation of Financial Statements; many of the other existing principles in IAS 1 are retained, with limited changes and will be accompanied by narrow scope amendments to IAS 7 – Statement of Cash Flows. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. Chorus is currently evaluating the new standard for any potential impact on the consolidated financial statements.

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and liabilities have been classified into categories that determine their basis of measurement and for items measured at fair value, whether changes in fair value are recognized in the statement of income or comprehensive income. Those categories are: fair value through profit or loss; fair value through other comprehensive income; and amortized cost. With the exception of the items noted below, all financial instruments have fair value that approximate carrying value due to their short-term nature.

Chorus' financial instruments consist of cash, accounts receivable, long-term defined benefit pension receivable, finance lease receivables, foreign currency contracts, Total Return Swap, accounts payable and accrued liabilities, long-term incentive plan liability, long-term debt and lease liabilities.

The carrying amounts reported in the statement of financial position for cash, accounts receivable, and accounts payable and accrued liabilities approximate fair values based on the immediate or short-term maturities of these financial instruments. Assets and liabilities, such as commodity taxes and deferred lease inducements, that are not contractual and that arise as a result of statutory requirements imposed by governments, do not meet the definition of financial assets or financial liabilities and are therefore excluded. The methods and assumptions used in estimating the fair value of other financial assets and liabilities are as follows:

(expressed in thousands of Canadian dollars)	As at December 31, 2025 Fair value $	Carrying value $	As at December 31, 2024 Fair value $	Carrying value $
Accounts receivable				
Foreign currency contracts[(1)]	1,211	1,211	—	—
Total Return Swap[(1)]	—	—	3,220	3,220
Finance lease receivables[(2)]	6,467	6,370	—	—
Other long-term assets				
Defined benefit pension receivable[(2)]	12,540	12,540	18,610	18,610
Accounts payable and accrued liabilities				
Total Return Swap[(1)]	636	636	—	—
Long-term debt				
Amortizing Term Loans[(3)]	247,736	263,278	324,185	350,327
Series B Debentures[(4)]	—	—	73,145	72,500
Series C Debentures[(4)]	47,444	47,203	85,808	85,000
Operating credit facility[(3)]	50,000	50,000	—	—

(1) Fair value is estimated using valuation models that utilize market based observable inputs and is classified as level 2.
(2) Fair value is calculated by discounting the future cash flow at the relevant market interest rate and is classified as level 2.
(3) Fair value is calculated by discounting the future cash flow of the respective long-term debt at relevant market interest rates of similar debt instruments and is classified as level 2.
(4) Fair value is calculated based on quoted prices observed in active markets and is classified as level 1.

14 PENSION PLANS

Projected pension funding obligations

The table below provides projections for Chorus' pension funding obligations from 2026 to 2030:

(expressed in thousands of Canadian dollars)	2026 $	2027 $	2028 $	2029 $	2030 $
Defined benefit pension plans, current service [(1)]	12,500	12,000	11,400	10,800	10,300
Defined contribution pension plans	20,600	21,500	22,300	22,900	23,600
Projected pension funding obligations	33,100	33,500	33,700	33,700	33,900

(1) Under applicable pension legislation, Jazz past service contributions are driven by the plan's solvency position, a valuation basis which considers members' pay up to the valuation date, with no future projection. As such, the impact of the September 1, 2023 negotiated pay increases on the plan's solvency position will emerge over time. It is expected this will require Jazz to make past service contributions in the future, although this is dependent on future fund returns and other experience and is therefore not estimated above.

Chorus' pension funding obligations for 2025 was $17.1 million for the defined benefit pension plans and $18.8 million for the defined contribution pension plans.

The estimated pension funding obligations shown in the above table are in respect of the defined benefit and defined contribution pension plans sponsored by Chorus. Defined benefit pension plans include the Pilot DB Plan as well as an unregistered SERP DB Plan that Chorus sponsors for eligible employees. On January 1, 2015, and February 19, 2014, the Pilot DB Plan and SERP DB Plan, respectively were closed to new entrants. Defined contribution pension plans include a number of defined contribution pension arrangements that Chorus contributes to for its eligible employees.

The funding requirements for the Pilot DB Plan are based on the estimated January 1, 2024 financial position of the plan for funding purposes and an estimate of the pilot payroll over the projection period, and could differ significantly from these estimates. The estimated funding requirements for the SERP DB Plan are based on a funding policy adopted by Chorus and the January 1, 2025 financial position of the plan for funding purposes.

The solvency surplus for the Pilot DB Plan as at January 1, 2025 was $4.9 million compared to $9.2 million as at January 1, 2024.

The January 1, 2025 financial position of the Pilot DB Plan for funding purposes applies an average of the solvency ratio over a three-year period. As at January 1, 2025, the financial position of the Pilot DB Plan on a market value basis is expected to be in a small deficit, while minimum funding levels will continue to be based on an average of solvency ratios over a three-year period.

On December 10, 2025, Chorus completed an annuity purchase transaction in the amount of $27.3 million and the transfer of windup liabilities of the same amount under the Jazz Defined Benefit Pension Plan for Pilots.

The foregoing contains forward-looking information and actual pension funding obligations may vary. These projections are based on certain assumptions including actuarial determinations, market interest rates, management's best estimate of salary escalation and retirement ages and life expectancy of employees, and are subject to certain risks including changes in economic conditions, investment returns generated by the plan assets and interest rates, each of which may impact the financial position of the pension plans sponsored by Chorus and future required contributions. Please refer to Section 24 - Caution regarding forward-looking information, Section 11 - Critical Accounting Estimates, and Section 9 - Risk Factors for further risks related to this forward-looking information. The current estimated pension funding obligations differ from previous estimates as a result of, among other things, the factors listed above.

Effective September 1, 2023, Jazz and the Air Line Pilots Association representing Jazz pilots, entered into a modified collective agreement to address the changing pilot wage environment. Air Canada agreed to compensate Jazz for the one-time impact of the wage increase on the Jazz defined benefit pension plan of $29.9 million ("**Defined Benefit Pension Revenue**") which will be repaid in 60 equal monthly payments beginning on December 1, 2023.

15 RELATED PARTY TRANSACTIONS

As at December 31, 2025, Chorus had no transactions with related parties as defined in the CPA Canada Handbook, except those pertaining to transactions with key management personnel in the ordinary course of their employment or directorship arrangements or transactions that are otherwise not material.

16 CONTROLS AND PROCEDURES

Chorus' disclosure controls and procedures ("**DC&P**") have been designed to provide reasonable assurance that the relevant information is recorded, processed, summarized and reported to its President and Chief Executive Officer ("**CEO**"), its Chief Financial Officer ("**CFO**") and its Disclosure Policy committee in a timely basis to ensure appropriate and timely decisions are made regarding public disclosure.

The internal controls over financial reporting ("**ICFR**") have been designed by management, under the supervision of, and with the participation of the Corporation's CEO and CFO, to provide reasonable assurance of the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The design of both the DC&P and the ICFR are based on the framework established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO - 2013).

An evaluation of the design and effectiveness of Chorus' DC&P and ICFR has been conducted by management, under the supervision of the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that, as of December 31, 2025, Chorus' disclosure controls and procedures and internal control over financial reporting, as defined by National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings, are operating effectively.

Due to inherent limitations, the ICFR and DC&P can only provide reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

There has been no change in Chorus' internal control over financial reporting that occurred during the year ended December 31, 2025 that has materially affected Chorus' ICFR.

The Audit, Finance and Risk Committee of the Board of Directors of Chorus reviewed this MD&A and the audited consolidated financial statements of Chorus for December 31, 2025 and approved these documents prior to their release.

17 NON-GAAP FINANCIAL MEASURES

Chorus uses certain non-GAAP financial measures, non-GAAP financial ratios and capital management measures described below, to evaluate and assess performance. These non-GAAP measures are generally numerical measures of a company's financial performance, financial position or cash flows, that include or exclude amounts from the most comparable GAAP measure. As such, these measures are not recognized 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 Net Income, Adjusted EBT and Adjusted EBITDA

Chorus revised its definition of Adjusted Net Income in the first quarter of 2025 to no longer exclude employee separation program costs as Chorus considers this item to be a part of normal operations and it does not significantly effect comparability of its results.

Adjusted Net Income is used by Chorus to assess performance without the effects of unrealized foreign exchange gains or losses on long-term debt and lease liability related to aircraft, realized foreign exchange on intercompany loans, realized foreign exchange on the Preferred Shares, interest accretion on the Preferred Shares, impairment provisions, defined benefit pension revenue, strategic advisory fees and the applicable tax expense (recovery). Chorus manages its exposure to currency risk on such long-term debt by billing the lease payments within the CPA in the underlying currency (US dollars) related to the aircraft debt. These items are excluded because they affect the comparability of Chorus' financial results, period-over-period, and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring due to ongoing currency fluctuations between the Canadian and US dollar (refer to Section 24 - Caution Regarding Forward-Looking Information).

Chorus revised its definition of Adjusted EBT and Adjusted EBITDA in the first quarter of 2025 to no longer exclude employee separation program costs as Chorus considers this item to be a part of normal operations and does not significantly effect comparability of its results.

Adjusted EBT and Adjusted EBITDA should not be used as exclusive measures of cash flow because these measures do not account for the impact of working capital growth, capital expenditures, debt repayments and other sources and uses of cash, which are disclosed in the statements of cash flows, forming part of Chorus' financial statements.

EBT is defined as earnings before income tax. Adjusted EBT (EBT before impairment provisions, defined benefit pension revenue, interest accretion on the Preferred Shares, strategic advisory fees and other items such as foreign exchange gains and losses) is a non-GAAP financial measure used by Chorus as a supplemental financial measure of operational performance. Management believes Adjusted EBT assists investors in comparing Chorus' performance by excluding items, which it does not believe will re-occur over the longer-term (such as impairment provisions, defined benefit pension revenue, interest accretion on the Preferred Shares and strategic advisory fees) as well as items that are non-cash in nature such as foreign exchange gains and losses.

EBITDA is defined as earnings before net interest expense, income taxes, depreciation and amortization and impairment and is a non-GAAP financial measure that is used frequently by companies in the aviation industry as a measure of performance. Adjusted EBITDA (EBITDA before strategic advisory fees, impairment provisions, defined benefit pension revenue, interest accretion on the Preferred Shares and other items such as foreign exchange gains or losses) is a non-GAAP financial measure used by Chorus as a supplemental financial measure of operational performance. Management believes Adjusted EBITDA assists investors in comparing Chorus' performance by excluding items, which it does not believe will re-occur over the longer-term (such as impairment provisions, defined benefit pension revenue, interest accretion on the Preferred Shares, and strategic advisory fees) as well as items that are non-cash in nature such as foreign exchange gains and losses. Adjusted EBITDA should not be used as an exclusive measure of cash flow because it does not account for the impact of working capital growth, capital expenditures, debt repayments and other sources and uses of cash, which are disclosed in the statements of cash flows, forming part of Chorus' financial statements.

(expressed in thousands of Canadian dollars)	Three months ended December 31, 2025 $	2024[1] $	Change $	Year ended December 31, 2025 $	2024[1] $	Change $
Net income (loss)	**16,703**	**(6,596)**	**23,299**	**78,739**	**(156,449)**	**235,188**
Less: Net income (loss) from discontinued operations, net of taxes	—	42,829	(42,829)	—	(140,686)	140,686
Net income (loss) from continuing operations	**16,703**	**(49,425)**	**66,128**	**78,739**	**(15,763)**	**94,502**
Add (Deduct) items to get to Adjusted Net Income						
Impairment provisions[2]	—	10,517	(10,517)	—	10,517	(10,517)
Interest accretion on Preferred Shares	—	10,445	(10,445)	—	10,445	(10,445)
Realized foreign exchange gain on cash[3]	—	(13,732)	13,732	—	(13,732)	13,732
Realized foreign exchange loss on Preferred Shares[4]	—	31,307	(31,307)	—	31,307	(31,307)
Unrealized foreign exchange (gain) loss	(6,024)	22,183	(28,207)	(20,104)	23,625	(43,729)
Income tax, including on adjusted items[5]	3,148	(1,953)	5,101	—	(1,953)	1,953
	(2,876)	58,767	(61,643)	(20,104)	60,209	(80,313)
Adjusted Net Income	**13,827**	**9,342**	**4,485**	**58,635**	**44,446**	**14,189**
Add (Deduct) items to get to Adjusted EBT						
Income tax expense	6,502	2,200	4,302	19,901	13,152	6,749
Income tax, including on adjusted items[5]	(3,148)	1,953	(5,101)	—	1,953	(1,953)
Adjusted EBT	**17,181**	**13,495**	**3,686**	**78,536**	**59,551**	**18,985**
Add (Deduct) items to get to Adjusted EBITDA						
Net interest expense	3,394	10,034	(6,640)	13,798	36,940	(23,142)
Depreciation and amortization excluding impairment	26,148	27,169	(1,021)	107,278	105,874	1,404
Foreign exchange loss	410	368	42	7,290	6,768	522
Gain on disposal of property and equipment	(9)	(76)	67	(19)	(96)	77
	29,943	37,495	(7,552)	128,347	149,486	(21,139)
Adjusted EBITDA	**47,124**	**50,990**	**(3,866)**	**206,883**	**209,037**	**(2,154)**

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) Impairment provisions related to part-out of certain of Voyageur's non-operational owned aircraft.
(3) Foreign exchange gains on US dollar denominated cash held between the dates December 6, 2024 and December 31, 2024, being the dates Chorus received the net proceeds from the Transaction and the redemption of the Preferred Shares, respectively.
(4) Realized foreign exchange on Preferred Shares relates to the foreign exchange loss on settlement of the Preferred Share liability.
(5) In the fourth quarter of 2025, Chorus recorded a $3.1 million non-capital loss carryback adjustment.

Adjusted Earnings available to Common Shareholders per Common Share

Adjusted Earnings available to Common Shareholders per Common Share is used by Chorus to assess performance and is calculated as Adjusted Net Income less non-controlling interest and Preferred Share dividends declared, excluding the MOIC.

	Three months ended December 31,			Year ended December 31,		
(expressed in thousands of Canadian dollars, except per Share amounts)	**2025 $**	**2024[1] $**	**Change $**	**2025 $**	**2024[1] $**	**Change $**
Adjusted Net Income from continuing operations	**13,827**	**9,342**	**4,485**	**58,635**	**44,446**	**14,189**
Add (Deduct) items to get to Adjusted Earnings available to Common Shareholders						
Preferred Share dividends declared[2]	—	—	—	—	(17,827)	17,827
Adjusted Earnings available to Common Shareholders - continuing operations	**13,827**	**9,342**	**4,485**	**58,635**	**26,619**	**32,016**
Adjusted Earnings available to Common Shareholders per Common Share, basic - continuing operations	**0.57**	**0.34**	**0.23**	**2.27**	**0.97**	**1.30**

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

(2) Adjusted Earnings available to Common Shareholders excludes the MOIC payment of $91.2 million as the Preferred Shares were redeemed early due to the sale of the RAL business.

Leverage Ratio

Leverage Ratio is used by Chorus as a means to measure financial leverage. Leverage Ratio is calculated by dividing Net debt by trailing 12-month Adjusted EBITDA. Management believes Leverage Ratio to be a useful ratio when monitoring and managing debt levels. In addition, as leverage is a measure frequently analyzed for public companies, Chorus has calculated the amount to assist readers in this review. Leverage Ratio should not be construed as a measure of cash flows. Net debt is a key component of capital management for Chorus and provides management with a measure of its net indebtedness.

(expressed in thousands of Canadian dollars)	**December 31, 2025 $**	**December 31, 2024[1] $**	**Change $**
Long-term debt and lease liabilities (including current portion)	374,156	516,379	(142,223)
Less:			
Cash	(28,656)	(222,216)	193,560
Adjusted Net Debt	345,500	294,163	51,337
Adjusted EBITDA[1]	206,883	209,037	(2,154)
Leverage Ratio	1.7	1.4	0.3

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

chorus

Free Cash Flow

Free Cash Flow and Free Cash Flow after repayment of Amortizing Term Loans is a non-GAAP measure used as an indicator of financial strength and performance. Chorus believes that this measurement is useful as an indicator of its ability to service its debt, meet other ongoing obligations and reinvest in the Corporation and return capital to Common Shareholders. Readers are cautioned that Free Cash Flow does not represent residual cash flow available for discretionary expenditures.

Free Cash Flow is defined as cash provided by operating activities less net changes in non-cash balances related to operations, capital expenditures excluding aircraft acquisitions and improvements. Following the sale of the RAL business in December 2024, asset sales are no longer considered part of the ordinary course of Chorus' business. Therefore, net proceeds from asset sales are no longer included in Free Cash Flow.

Free Cash Flow per Common Share is calculated as Free Cash Flow divided by the weighted average number of Common Shares outstanding during the period.

Free Cash Flow after repayment of Amortizing Term Loans is defined as Free Cash as described above less repayments on Amortizing Term Loans which excludes payments on the Operating Credit Facility, the Unsecured Credit Facility and the Series C Debentures.

The following table provides a reconciliation of Free Cash Flow to cash flows from operating activities, which is the most comparable financial measure calculated and presented in accordance with GAAP:

(expressed in thousands of Canadian dollars, except per Share amounts)	Three months ended December 31,			Year ended December 31,		
	2025 $	**2024[1] $**	**Change $**	**2025 $**	**2024[1] $**	**Change $**
Cash provided by operating activities from continuing operations	**23,213**	**21,099**	**2,114**	**62,747**	**172,806**	**(110,059)**
Add (Deduct)						
Net changes in non-cash balances related to operations	10,839	16,867	(6,028)	102,823	(21,020)	123,843
Capital expenditures, excluding aircraft acquisitions	(5,794)	(4,244)	(1,550)	(18,651)	(13,547)	(5,104)
Capitalized major maintenance overhauls	(1,288)	(6,240)	4,952	(11,623)	(19,452)	7,829
Free Cash Flow	**26,970**	**27,482**	**(512)**	**135,296**	**118,787**	**16,509**
Free Cash Flow per Common Share, basic - continuing operations	**$ 1.10**	**$ 1.01**	**$ 0.09**	**$ 5.25**	**$ 4.34**	**$ 0.91**
Repayment of Amortizing Term Loans[2]	(17,005)	(25,561)	8,556	(72,055)	(85,224)	13,169
Free Cash Flow after repayment of Amortizing Term Loans	**9,965**	**1,921**	**8,044**	**63,241**	**33,563**	**29,678**

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) Excludes repayment of $nil and $33.9 million on the Unsecured Credit Facility for the three months and year ended December 31, 2024, respectively.

Adjusted Return on Equity

Adjusted Return on Equity is a non-GAAP financial measure used to gauge a corporation's profitability and how efficient it is in generating profits. Adjusted Return on Equity is calculated based on Chorus' Adjusted Net Income less non-controlling interest and Preferred Share dividends declared, excluding the MOIC, divided by Average Shareholders' equity excluding non-controlling interest, Preferred Shares and cash.

	Trailing 12-months ended		
(expressed in thousands of Canadian dollars)	**December 31, 2025 $**	**December 31, 2024 $**	**Change $**
Adjusted Net Income from continuing operations[(1)]	58,635	44,446	14,189
Add (Deduct) items to get to Adjusted Earnings available to Common Shareholders			
Preferred Share dividends declared, excluding MOIC[(2)]	—	(17,827)	17,827
Adjusted Earnings available to Common Shareholders[(2)]	58,635	26,619	32,016

Average equity attributable to Common Shareholders excluding cash			
Average Shareholders' equity	509,893	896,209	(386,316)
Add (Deduct) items to get to average equity attributable to Common Shareholders excluding cash			
Average Non-controlling interest	—	(43,293)	43,293
Average Preferred Shares	—	(187,609)	187,609
Average Cash[(3)]	(125,436)	(126,385)	949
	384,457	538,922	(154,465)
Adjusted Return on Equity[(1)]	15.3%	4.9%	10.4%

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) Adjusted Earnings available to Common Shareholders excludes the MOIC payment in December 2024 of $91.2 million as the Preferred Shares were redeemed early due to the sale of the RAL business.
(3) Additional cash held at December 31, 2024 due to a $58.9 million prepayment of revenue related to January 2025 and surplus cash from the Transaction.

chorus

18 SUMMARY OF QUARTERLY FINANCIAL RESULTS

The following table summarizes quarterly financial results and major operating statistics of Chorus for the previous eight quarters post-Share Consolidation.

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024(1)	Q3 2024(1)	Q2 2024(1)	Q1 2024(1)
Chorus								
Total revenue from continuing operations ($000)	320,190	323,567	324,612	348,129	353,155	341,987	351,218	358,594
Net income (loss) from continuing operations ($000)	16,703	10,666	32,437	18,933	(49,425)	19,802	8,450	5,410
Net income (loss) from discontinued operations ($000)	—	—	—	—	42,829	(1,392)	(189,023)	6,900
Net income (loss) ($000)	16,703	10,666	32,437	18,933	(6,596)	18,410	(180,573)	12,310
Adjusted Net Income from continuing operations(1)(2) ($000)	13,827	15,365	14,061	15,382	9,342	11,697	10,839	12,568
Adjusted EBITDA from continuing operations(1)(2) ($000)	47,124	51,569	51,329	56,861	50,990	53,559	50,475	54,013
Earnings (loss) available to Common Shareholders per Common Share, basic from continuing operations ($)	0.68	0.42	1.24	0.71	(5.08)	0.72	(0.02)	(0.12)
Earnings (loss) available to Common Shareholders per Common Share, basic from discontinued operations ($)	—	—	—	—	1.53	—	(6.86)	0.12
Earnings (loss) available to Common Shareholders per Common Share, basic ($)	0.68	0.42	1.24	0.71	(3.55)	0.72	(6.88)	—
Earnings (loss) available to Common Shareholders per Common Share, diluted from continuing operations ($)	0.67	0.41	1.22	0.70	(5.08)	0.70	(0.02)	(0.12)
Earnings (loss) available to Common Shareholders per Common Share, diluted from discontinued operations ($)	—	—	—	—	1.53	—	(6.86)	0.12
Earnings (loss) available to Common Shareholders per Common Share, diluted ($)	0.67	0.41	1.22	0.70	(3.55)	0.70	(6.88)	—
Adjusted Earnings available to Common Shareholders from continuing operations(1)(2)(3) ($000)	13,827	15,365	14,061	15,382	9,342	11,697	1,860	3,720
Adjusted Earnings available to Common Shareholders from continuing operations,(1)(2)(3) per Common Share - basic ($)	0.57	0.60	0.54	0.57	0.34	0.43	0.07	0.13
FTE employees (end of period)	4,158	4,246	4,304	4,345	4,308	4,503	4,573	4,501
Number of aircraft (end of period)(4)	127	126	135	135	135	152	153	140
Average foreign exchange rates (USD-CAD)	1.3953	1.3771	1.3852	1.4350	1.3976	1.3640	1.3681	1.3483
Jazz								
Departures	31,596	36,357	35,027	32,516	33,202	37,827	37,104	34,599
Block Hours	49,849	55,059	52,554	51,066	51,340	58,387	56,209	52,981
Billable Block Hours	51,295	56,373	53,875	53,335	51,884	59,392	57,027	54,570

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.
(2) These are non-GAAP financial measures that are not recognized measures for financial statement presentation under GAAP. As such, they do not have standardized meanings, may not be comparable to similar measures presented by other issuers and should not be considered a substitute for or superior to GAAP results. Refer to Section 17 – Non-GAAP Financial Measures for further information, including the composition and use of such non-GAAP financial measures and ratios.
(3) Adjusted Earnings available to Common Shareholders excludes the MOIC payment in December 2024 of $91.2 million as the Preferred Shares were redeemed early due to the sale of the RAL business.
(4) Excludes 12 Diamond aircraft operated by Cygnet and seven non-operational aircraft.

19 SELECTED ANNUAL INFORMATION

The following table provides selected annual information for Chorus for the years 2023 through to 2025. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

	Year ended December 31,		
	2025	2024	2023
(expressed in thousands of Canadian dollars, except per Share amounts)	$	$	$
Revenue[1]	1,316,498	1,404,954	1,399,611
Operating income[1]	99,605	92,646	158,530
Net income (loss) from continuing operations[1]	78,739	(15,763)	101,630
Net income (loss)	78,739	(156,449)	106,106
Cash	28,656	222,216	85,985
Total assets	1,310,446	1,607,099	3,850,867
Total long-term liabilities	543,791	523,954	1,765,625
Common Share dividends declared	3,931	—	—
Preferred Share dividends	—	17,827	35,426
Per Share			
Operating income, basic[1]	3.86	3.38	5.68
Earnings (loss) attributable to Common Shareholders from continuing operations, basic[1]	3.05	(4.49)	2.37
Earnings (loss) attributable to Common Shareholders from continuing operations, diluted[1]	3.01	(4.49)	2.30
Earnings (loss) attributable to Common Shareholders, basic	3.05	(9.70)	2.36
Earnings (loss) attributable to Common Shareholders, diluted	3.01	(9.70)	2.29

(1) The results of discontinued operations (RAL segment) have been excluded from both current and prior period figures to conform to current period presentation. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

2025 Compared to 2024

The 2025 results compared to the 2024 results are discussed throughout the MD&A.

Decreased revenue was primarily attributable to reductions in Controllable Cost Revenue and a decrease in aircraft leasing revenue under the CPA; partially offset by an increase in parts sales, contract flying, MRO and other revenue primarily due to Voyageur and increased Pass-Through Revenue.

Operating income increased primarily due to decreased engine overhaul maintenance events, decreased depreciation expense due to an impairment recorded in the fourth quarter of 2024, decreased salaries, wages and benefits due to fewer FTEs offset by higher costs related to a new collective agreement for its maintenance employees, decreased stock-based compensation and decreased general administrative expenses; partially offset by increased costs related to parts sales and MRO activity, a decrease in capitalization of major maintenance overhauls on owned aircraft, increased Pass-Through Costs and decreased revenue.

Net income increased due to the increased operating income as discussed above, realized foreign exchange loss on Preferred Shares, unrealized foreign exchange gains due to a change in the foreign exchange rate, lower net interest expense due to the repayment of the Series A Debentures and Series B Debentures and the partial repurchase of the Series C Debentures in the first quarter of 2025, interest accretion recognized in 2024 on the Preferred Shares partially offset by higher income tax.

Cash decreased primarily due to the repayment of the Series B Debentures, the partial repurchase of the Series C Debentures, repayment of long-debt debt, repurchase of Common Shares under the SIBs, repurchase of Common Shares under the NCIB partially offset by strong cash flows from operations and a draw on the operating credit facility.

Total assets decreased primarily due to the decrease in cash as discussed above, a decrease in property and equipment resulting from normal amortization of assets and a decrease in the Air Canada receivable.

Total long-term liabilities increased due to a draw on the Operating Credit Facility and the reclassification of the Series C Debentures from current liabilities to long-term liabilities (see below) partially offset by a change in the foreign exchange rate on long-term debt

As at December 31, 2024, the Series B Debentures and Series C Debentures totaling $157.5 million were classified as current debt as a result of the offers to purchase in accordance with the terms of the relevant indentures. On February 3, 2025, Chorus purchased for cancellation a total of $81.6 million aggregate principal amount of Series B Debentures and Series C Debentures. The total Series C Debentures that remain outstanding of $47.2 million was subsequently re-classified to long-term debt on February 3, 2025.

2024 Compared to 2023

Increased revenue was primarily attributable to an increase in Controllable Cost Revenue; an increase in parts sales, contract flying, MRO and other revenue primarily due to Voyageur's increased revenue in parts sales, contract flying and MRO activity and increased Pass-Through Revenue; partially offset by the Defined Benefit Pension Revenue of $29.9 million in 2023, a decrease in aircraft leasing revenue under the CPA primarily due to expected changes in lease rates on certain aircraft; and the contracted decrease in the Fixed Margin.

Operating income decreased due to increased engine overhaul maintenance events, increased depreciation expense related to a change in depreciation estimates on certain aircraft and capital expenditures, increased costs related to parts sales and MRO activity, increased Pass-Through Costs and increased stock-based compensation due to an increase in the Common Share price offset by the change in fair value of the Total Return Swap; partially offset by an increase in capitalization of major maintenance overhauls on owned aircraft and increased revenue.

Net income decreased due to the decreased operating income as discussed above, realized foreign exchange loss on Preferred Shares, unrealized foreign exchange losses due to a change in the foreign exchange rate, interest accretion on the Preferred Shares partially offset by lower interest expense and income tax.

Cash increased primarily due to the net proceeds on the sale of the RAL business and strong cash flows from operations; partially offset by the repayment of long-debt debt, redemption of the Preferred Shares, redemption of the Series A Debentures, repayment of the Operating Credit Facility, payment of Preferred Share dividends and repurchase of Common Shares under the NCIB.

Total assets decreased primarily due to the sale of the RAL business, a decrease in property and equipment resulting from normal amortization of assets as well as impairment provisions and a decrease in the Air Canada receivable partially offset by the increase in cash as discussed above.

Total long-term liabilities decreased due to the sale of the RAL business, scheduled repayments on long-term borrowings, redemption of Series A Debentures, repayment of the Operating Credit Facility partially offset by a change in the foreign exchange rate on long-term debt.

20 REVENUE

(expressed in thousands of Canadian dollars)	Three months ended December 31,				Year ended December 31,			
	2025	**2024[(1)]**	**Change**	**Change**	**2025**	**2024[(1)]**	**Change**	**Change**
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Controllable Cost Revenue	186,139	208,100	(21,961)	(10.6)	776,872	862,189	(85,317)	(9.9)
Pass-Through Revenue	58,851	59,913	(1,062)	(1.8)	220,318	217,735	2,583	1.2
	244,990	268,013	(23,023)	(8.6)	997,190	1,079,924	(82,734)	(7.7)
Fixed Margin and incentive revenue[(2)]	15,393	16,102	(709)	(4.4)	62,043	63,548	(1,505)	(2.4)
Aircraft leasing under the CPA	30,195	33,169	(2,974)	(9.0)	123,525	133,174	(9,649)	(7.2)
CPA revenue	**290,578**	**317,284**	**(26,706)**	**(8.4)**	**1,182,758**	**1,276,646**	**(93,888)**	**(7.4)**
Parts sales	12,679	17,975	(5,296)	(29.5)	56,572	53,470	3,102	5.8
MRO and defence	8,038	8,369	(331)	(4.0)	39,602	34,792	4,810	13.8
Contract flying and training	8,501	9,083	(582)	(6.4)	35,545	39,066	(3,521)	(9.0)
Other	394	444	(50)	(11.3)	2,021	980	1,041	106.2
Parts sales, contract flying, MRO and other revenue[(3)]	**29,612**	35,871	(6,259)	(17.4)	**133,740**	128,308	5,432	4.2
Total revenue	**320,190**	**353,155**	**(32,965)**	**(9.3)**	**1,316,498**	**1,404,954**	**(88,456)**	**(6.3)**

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

(2) Includes Fixed Margin of $14.7 million and $59.8 million for the three months and year ended December 31, 2025, respectively ($15.3 million and $61.3 million for the three months and year ended December 31, 2024, respectively).

(3) Parts sales, contract flying, MRO and other includes Voyageur revenue of $28.3 million and $127.8 million for the three months and year ended December 31, 2025, respectively ($35.0 million and $124.8 million for the three months and year ended December 31, 2024, respectively). Voyageur's revenue was lower than projections by $4.2 million (excluding intercompany revenue) partially due to the timing of certain parts sales that were planned for the fourth quarter of 2025 which are now anticipated to occur in the first quarter of 2026.

21 CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(expressed in thousands of Canadian dollars)	Year ended December 31, 2025 $	2024(1) $
Operating revenue	1,316,498	1,404,954
Operating expenses		
Salaries, wages and benefits	493,665	500,918
Depreciation, amortization and impairment	107,278	116,391
Aircraft maintenance materials, supplies and services	290,690	357,291
Airport and navigation fees	142,662	139,899
Terminal handling services	17,340	19,562
Other	165,258	178,247
	1,216,893	1,312,308
Operating income	99,605	92,646
Non-operating (expenses) income		
Interest revenue	3,818	4,371
Interest expense	(17,616)	(51,756)
Gain on disposal of property and equipment	19	96
Foreign exchange gain (loss)	12,814	(47,968)
	(965)	(95,257)
Income (loss) before income taxes	98,640	(2,611)
Income tax (expense) recovery		
Current income tax	(27,439)	(21,646)
Deferred income tax	7,538	8,494
	(19,901)	(13,152)
Net income (loss) from continuing operations	78,739	(15,763)
Net loss from discontinued operations, net of taxes	—	(140,686)
Net income (loss)	78,739	(156,449)
Net income attributable to non-controlling interest	—	2,051
Net income (loss) attributable to Shareholders	78,739	(158,500)

(1) The results of discontinued operations (RAL segment) have been excluded from prior period figures, with the exception of net income (loss), in accordance with IFRS 5. All amounts presented and discussed in this MD&A are from continuing operations unless otherwise noted.

chorus

22 ADDITIONAL INFORMATION

Additional information relating to Chorus, including Chorus' Annual Information Form, is available on SEDAR+ or on Chorus' website under "Reports".

23 GLOSSARY OF TERMS

This glossary of terms provides definitions for certain capitalized terms that are used but may not otherwise be defined in this MD&A.

"**2015 CPA**" means the amended and restated capacity purchase agreement effective January 1, 2015, between Air Canada and Jazz, as amended;

"**2019 CPA Amendments**" means the amendments to, including the extension of the term of, the 2015 CPA described in the Corporation's Material Change Report dated January 24, 2019;

"**2021 CPA Amendments**" means the amendments to the 2015 CPA (as amended by the 2019 CPA Amendments) described in the Corporation's Material Change Report dated March 19, 2021;

"**2022 Warrants**" means the 18,642,772 warrants (currently held by Brookfield) to purchase one-seventh of a Common Share for an exercise price of $32.04 per Common Share expiring on May 3, 2029. A copy of the indenture relating to the 2022 Warrants is available under the Corporation's profile on SEDAR+ at www.sedarplus.ca;

"**2023 Investor Day Presentation**" refers to the investor presentation delivered by management during Chorus' 2023 Investor Day on March 29, 2023. The presentation is available on Chorus' website at www.chorusaviation.com, under the section "2023 reports and presentations";

"**Amortizing Term Loans**" means the long-term debt associated with owned aircraft, engines and an office building;

"**ATR**" means the ATR series aircraft manufactured by Avions de Transport Régional G.I.E.);

"**Bi-Lateral Credit Facility**" has the meaning given in this MD&A under the heading "Capital Structure - Long-term debt – Bi-Lateral Credit Facility";

"**Billable Block Hours**" mean actual Block Hours flown and Block Hours related to weather and air traffic control cancellations, and commercial cancellations and commercial ferry flights, under the CPA;

"**Block Hours**" mean the number of minutes elapsing from the time the chocks are removed from the wheels of an aircraft until the chocks are next again returned to the wheels of the aircraft, divided by 60;

"**Brookfield**" means BSI Dragonfly Holdings LP;

"**CAC**" means CACC and its subsidiaries (excluding Jazz Leasing);

"**CACC**" means Chorus Aviation Capital Corp. (formerly, Chorus Aviation Holdings Inc.), a corporation incorporated under the *Canada Business Corporations Act* on November 28, 2013. CACC is a subsidiary of the Corporation;

"**CAD**" means Canadian dollars;

"**Challenger**" means challenger series aircraft manufactured by Bombardier;

“**Chorus**” means, as the context may require, the Corporation and its current and former subsidiaries;

“**Common Shareholders**” means holders of Common Shares;

“**Common Shares**” means the Class B Voting Shares and Class A Variable Voting Shares in the capital of the Corporation;

“**Controllable Costs**” means for any period, all costs and expenses incurred and paid by Jazz under the CPA other than Pass-Through Costs;

“**Corporation**” means Chorus Aviation Inc., a corporation incorporated under the *Canada Business Corporations Act* on September 27, 2010;

“**CORRA**” means Canadian Overnight Repo Rate Average;

“**Covered Aircraft**” means the aircraft whose capacity Air Canada purchases from Jazz under the CPA;

“**CPA**” means the 2015 CPA as extended, supplemented or amended from time to time, including by the 2019 CPA Amendments and the 2021 CPA Amendments;

“**CPA Canada Handbook**” means the Chartered Professional Accountants of Canada Handbook - Accounting - Part 1, which incorporates IFRS as issued by the IASB;

“**Credit Parties**” means the Corporation and certain designated subsidiaries including CACC, Jazz and Voyageur;

“**CRJ200**” and “**CRJ900**” means, respectively, Bombardier CRJ 200 and CRJ 900 regional jet aircraft,

“**CRJ aircraft**" means CRJ series aircraft manufactured by Bombardier or Mitsubishi;

“**Cygnet**” means Cygnet Aviation Academy LP, a limited partnership established under the laws of the Province of Ontario on September 1, 2022. Cygnet is a subsidiary of the Corporation;

“**Dash 8-100**”, “**Dash 8-300**” and “**Dash 8-400**” means, respectively, Bombardier or De Havilland Dash 8-100, Dash 8-300 and Dash 8-400 turboprop aircraft;

“**Dash aircraft**” refers to Dash series aircraft manufactured by Bombardier or De Havilland;

“**Departure**” means one take off of an aircraft;

“**E175**” means Embraer E175 aircraft;

“**EBITDA**” means earnings before net interest expense, income taxes, depreciation, amortization and impairment (refer to Section 17 – Non-GAAP Financial Measures for further information);

“**EBT**” means earnings before income tax;

“**Elisen**” means Elisen & Associates Inc., a corporation incorporated under the *Business Corporations Act (Québec)* on April 21, 2012. Elisen is a subsidiary of the Corporation;

“**Embraer aircraft”** means aircraft manufactured by Embraer;

“**Falko**” means Falko Regional Aircraft Limited, a private limited company incorporated under the Companies Act 2006 (U.K.) on May 23, 2011, together with its subsidiaries and, where the context requires, includes the equity interests in certain aircraft and investment funds managed by Falko Regional Aircraft Limited and its affiliates. Falko Regional Aircraft Limited ceased to be a subsidiary of the Corporation upon the completion of the RAL Transaction on December 6, 2024;

“**FIL**” means Falko (Ireland) Limited (formerly Chorus Aviation Capital (Ireland) Limited) a private company limited by shares incorporated under the *Companies Act 2014* (Ireland) on March 15, 2017 and, where the context requires, includes its subsidiaries. Falko (Ireland) Limited ceased to be a subsidiary of the Corporation upon the completion of the RAL Transaction on December 6, 2024;

“**Fixed Margin**” means the fixed fee under the CPA that, is paid to Jazz by Air Canada for the operation of the Covered Aircraft under the CPA;

“**Free Cash Flow**” means cash provided by operating activities less net changes in non-cash balances related to operations, capital expenditures excluding aircraft acquisitions and improvements; (refer to Section 17 - Non-GAAP Financial Measures for further information);

“**FTE**” means full-time equivalents in respect of employee staffing levels;

“**GAAP**” means generally accepted accounting principles in Canada after the adoption of IFRS;

“**IASB**” means the International Accounting Standards Board;

“**IFRS**” means International Financial Reporting Standards;

“**Jazz**” means Jazz Aviation LP, a limited partnership established under the laws of the Province of Ontario on November 18, 2010. Jazz is a subsidiary of the Corporation;

“**Jazz Leasing**” means Jazz Leasing Inc., the successor by amalgamation to Jazz Leasing Inc. and Jazz Aircraft Financing Inc. under the *Canada Business Corporations Act* on December 31, 2016. Jazz Leasing is a subsidiary of the Corporation;

“**Kadex**” means Kadex Aero Supply Limited, a corporation incorporated under the *Business Corporations Act (Ontario)* in 1994, Kadex is a subsidiary of the Corporation;

“**King Air 200**” means Beechcraft King Air 200 turboprop aircraft;

“**King Air 350**” means Beechcraft King Air 350 turboprop aircraft;

“**Leverage Ratio**” means net debt to trailing 12-month Adjusted EBITDA (refer to Section 17 - Non-GAAP Financial Measures for further information);

“**MD&A**” means Chorus’ management’s discussion and analysis of results of operations and financial condition;

“**MOIC**” means the multiple on invested capital payable by the Corporation upon the redemption of the Preferred Shares;

“**MRO**” means maintenance, repair and overhaul;

“**Operating Credit Facility**” means the committed operating credit facility provided pursuant to the Fourth Amended and Restated Credit Agreement dated February 14, 2025 (as same may be amended from time to time) between the Corporation as borrower, The Bank of Nova Scotia as sole lead arranger, bookrunner, administrative agent and issuing bank, and the lenders from time to time parties thereto;

"**Pass-Through Costs**" means costs incurred directly by Jazz that are passed-through to Air Canada and fully reimbursed under the CPA;

"**Pass-Through Revenue**" means revenue received by Jazz under the CPA in payment of Pass-Through Costs;

"**Performance Incentives**" mean compensation to Jazz, under the CPA, for achieving established performance targets, being: controllable on-time performance, controllable flight completion, passengers arriving with luggage and customer service;

"**Preferred Shares**" means the series of preferred shares in the capital of the Corporation designated as "Series 1 Preferred Shares";

"**RAL business**" means the business carried on by the RAL segment (refer to the RAL Transaction);

"**RAL segment**" means the Regional Aircraft Leasing segment which consisted of CAC and all of its subsidiaries, including Falko and FIL and the asset management and aircraft leasing businesses carried on by those entities as well as Chorus' interests in aircraft investment funds which were managed by Falko (refer to the RAL Transaction);

"**RAL Transaction**" means the sale, pursuant to the SPA, of (i) all of the limited partnership interests in Chorus Aviation Investment Holdings LP held by the Corporation, (ii) all of the shares in Chorus Aviation Leasing Inc. held by CACC, and (iii) all of the shares in Chorus Aviation Holdings GP Inc. held by the Corporation;

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval;

"**Series A Debentures**" means the 5.75% senior unsecured debentures of the Corporation due December 31, 2024 which traded on the TSX under the symbol CHR.DB.A prior to their repayment;

"**Series B Debentures**" means the 6.00% convertible senior unsecured debentures of the Corporation due June 30, 2026 which traded on the TSX under the symbol CHR.DB.B prior to their redemption;

"**Series C Debentures**" means the 5.75% senior unsecured debentures of the Corporation due June 30, 2027 which trade on the TSX under the symbol CHR.DB.C;

"**Share Consolidation**" means the consolidation of the Common Shares on the basis of seven pre-consolidation Common Shares for one post-consolidation Common Share effective February 5, 2025 (with trading on the TSX commencing on a post-consolidation basis on February 10, 2025);

"**Shareholders**" means holders of Common Shares and Preferred Shares;

"**SOFR**" means the secured overnight financing rate;

"**SPA**" means the sale and purchase agreement entered into by the Corporation and CACC, as sellers, on July 30, 2024 to sell the assets comprising the Corporation's RAL segment;

"**Total Return Swap**" means the equity derivative contract entered into by the Corporation relating to its stock-based compensation programs;

"**Trustees**" has the meaning given in this MD&A under the heading "Long-term debt – Loan facilities – Operating Credit Facility";

"**TSX**" means the Toronto Stock Exchange;

"**Unsecured Credit Facility**" means the US $100.0 million unsecured credit facility between the Corporation, as borrower, and Export Development Canada, as lender, which was fully repaid in April 2024;

"**Unsecured Debentures**" means the Series B Debentures and the Series C Debentures; and

"**Voyageur**" means Voyageur Aviation Corp., the successor by amalgamation to Voyageur Aviation Corp., Voyageur Airways Limited, Voyageur Aerotech Inc., Voyageur Avparts Inc., Chorus Holdings II Inc., and North Bay Leasing Inc. under the *Business Corporations Act* (Ontario) on January 1, 2019. Voyageur is a subsidiary of the Corporation;

24 CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes forward-looking information and statements within the meaning of applicable securities laws (collectively, "**forward-looking information**"). Forward-looking information is identified by the use of terms and phrases such as "aims", "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "potential", "predict", "project", "will", "would", and similar terms and phrases, including negative versions thereof. All information and statements other than statements of historical fact are forward-looking and by their nature, are based on various underlying assumptions and expectations, that Chorus believes are reasonable but that are subject to known and unknown risks, uncertainties and other factors that may cause actual future results, performance or achievements to differ materially from those indicated in the forward-looking information. As a result, there can be no assurance that the forward-looking information included in this MD&A will prove to be accurate or correct.

Examples of forward-looking information in this MD&A include the discussion in the Outlook section and statements regarding Chorus' future performance and growth opportunities, including organic and through acquisitions, the anticipated completion of planned acquisitions and the expected benefits of such acquisitions, planned aircraft sales, its intention to return capital to Common Shareholders through Common Share buybacks and dividends, the future profitability of the CPA, forecast Adjusted EBITDA and the Corporation's forecast liquidity.

Actual results may differ materially from those anticipated in forward-looking information for a number of reasons including: changes in the aviation industry and general economic conditions; the emergence of disputes with contractual counterparties (including under the CPA); a deterioration in Air Canada's financial condition; expectations regarding profitability and reimbursement of costs under the CPA; Chorus' inability to realize potential growth opportunities; any default by Chorus under debt covenants; asset impairments; changes in law; litigation; the imposition of tariffs on Canadian exports or imports or adverse changes to existing trade agreements and/or relationships; and the risk factors in this MD&A, in the Corporation's Annual Information Form dated February 12, 2026, and in the Corporation's public disclosure record available under its profile on SEDAR+ at www.sedarplus.ca.

The forward-looking information contained in this MD&A represents the Corporation's expectations as of the date of this MD&A (or as of the date they are otherwise stated to be made) and is subject to change after such date. The Corporation disclaims any intention or obligation to update or revise any forward-looking information as a result of new information, subsequent events or otherwise, except as required by applicable securities laws. Readers are cautioned that the foregoing factors and risks are not exhaustive.