

## **Chorus Aviation Inc. Announces First Quarter 2026 Financial Results** *Stable Cash Flow Profile, Strategic Expansion, Continued Capital Returns*

- Net income of \$7.0 million compared to a net income of \$18.9 million for Q1 2025.
- Adjusted Net Income<sup>1</sup> of \$12.6 million compared to \$15.4 million for Q1 2025.
- Adjusted Net Income per Common Share, basic of \$0.54 compared to \$0.57 for Q1 2025.
- Adjusted EBITDA of \$44.3 million compared to \$56.9 million for Q1 2025.
- Free Cash Flow of \$27.0 million compared to \$40.6 million for Q1 2025.
- Free Cash Flow per Common Share, basic of \$1.16 compared to \$1.51 for Q1 2025.
- Adjusted Net Debt/Adjusted EBITDA ratio of 1.5 compared to 1.7 at December 31, 2025.

**Halifax, May 7, 2026** - Chorus Aviation Inc. ('Chorus') (TSX: CHR) today announced its first quarter 2026 financial results.

“Our first quarter results were in line with expectations, reflecting the stability of our contracted business and consistent execution across the organization,” said Colin Copp, President and Chief Executive Officer, Chorus. “During the quarter, we advanced our strategy to diversify and strengthen our platform, including the acquisition of KADDEX Aero Supply, which expands our high-margin aftermarket capabilities and enhances our position in the aviation supply chain and defence markets. We ended the quarter with strong liquidity and a leverage ratio of 1.5x, providing flexibility to invest in growth while continuing to return capital to shareholders.”

“Together with the declaration of our quarterly dividend, ongoing aircraft monetization and continued share repurchases, these actions reflect our disciplined approach to capital allocation and confidence in the long-term strength and cash flow profile of the business,” added Mr. Copp.

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<sup>1</sup> 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 “Non-GAAP Financial Measures” for further information.

## Q1 2026 Financial Highlights

<i>(unaudited)</i> <i>(expressed in thousands of Canadian dollars)</i>	Three months ended March 31,			
	2026 \$	2025 \$	Change \$	Change %
Operating revenue	325,424	348,129	(22,705)	(6.5)
Operating expenses	307,270	318,419	(11,149)	(3.5)
Operating income	18,154	29,710	(11,556)	(38.9)
Net interest expense	(3,333)	(3,744)	(411)	(11.0)
Foreign exchange (loss) gain	(3,852)	152	(4,004)	2,634.2
Gain on property and equipment	—	1	(1)	(100.0)
Income before income tax	10,969	26,119	(15,150)	(58.0)
Income tax expense	(3,968)	(7,186)	3,218	(44.8)
Net income	7,001	18,933	(11,932)	(63.0)
Adjusted EBITDA <sup>(1)</sup>	44,308	56,861	(12,553)	(22.1)
Adjusted EBT <sup>(1)</sup>	16,810	22,568	(5,758)	(25.5)
Adjusted Net Income <sup>(1)</sup>	12,634	15,382	(2,748)	(17.9)

(1) 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.

In the first quarter of 2026, Chorus reported Adjusted EBITDA of \$44.3 million, a decrease of \$12.6 million compared to the first quarter of 2025 primarily due to:

- a decrease in aircraft leasing revenue under the CPA of \$5.0 million primarily due to expected changes in lease rates on certain aircraft and a lower US dollar exchange rate;
- a contracted decrease in Fixed Margin of \$4.1 million;
- a decrease in Voyageur's parts sales and contract flying; and
- a decrease in capitalization of major maintenance overhauls on owned aircraft of \$2.3 million; partially offset by
- a decrease in general administrative expenses primarily attributable to lower overhead costs.

Adjusted Net Income was \$12.6 million for the quarter, a decrease of \$2.7 million compared to the first quarter of 2025 primarily due to:

- a \$12.6 million decrease in Adjusted EBITDA as previously described; partially offset by
- a positive change in foreign exchange of \$4.6 million;
- a decrease of \$3.0 million in income tax expense;
- a decrease in depreciation expense of \$1.8 million primarily attributable to the sale of certain aircraft; and

- a decrease in net interest costs of \$0.4 million primarily related to the repayment of the Series B Debentures and the partial repurchase of the Series C Debentures in the first quarter of 2025; offset by lower interest revenue.

Net income was \$7.0 million, a decrease of \$11.9 million compared to the first quarter of 2025 primarily due to:

- the previously noted decrease in Adjusted Net Income of \$2.7 million;
- a negative change in net unrealized foreign exchange of \$8.6 million; and
- an increase in strategic advisory fees of \$0.8 million; partially offset by
- a decrease in income tax, including tax on adjusted items of \$0.2 million.

### **Completed KADEX Acquisition**

On April 1, 2026, Chorus completed the acquisition of KADEX for a net purchase price of \$50.0 million and expects the acquisition to be immediately accretive to earnings and Free Cash Flow, with anticipated mid-teens returns.

### **Progressed Aircraft Sales**

In 2025, Chorus executed agreements to sell nine Dash 8-400s as they exit the fleet in accordance with the CPA for estimated net proceeds of US \$62.0 million, subject to customary closing conditions. Four aircraft have been sold to-date, with the remaining five expected to close by July 2026 generating net proceeds of approximately US \$36.4 million.

### **Continued Share Buybacks**

On February 12, 2026, Chorus renewed its normal course issuer bid (“NCIB”), under which it is authorized to repurchase up to 1,963,003 Common Shares. During the three months ended March 31, 2026, Chorus purchased and cancelled 228,085 Common Shares at a weighted average price of \$23.01 per Common Share for \$5.3 million.

### **Dividend Declaration**

Chorus has announced the declaration of a cash dividend of \$0.11 per Class A Variable Voting Share and Class B Voting Share payable on June 30, 2026 to Shareholders of record at the close of business on June 15, 2026.

This dividend is an eligible dividend in Canada. It may also be considered a qualified dividend from a U.S. tax perspective; however, shareholders should consult their tax advisor to confirm the treatment of the dividend under U.S. tax laws.

## Outlook<sup>1</sup>

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. Under the CPA, Jazz receives a Fixed Margin that does not vary with flying levels; accordingly, 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 which generates predictable Free Cash Flows. The associated amortizing debt will be fully repaid by the end of the original lease term. At the end of each lease, Jazz will either extend the lease, sell or part-out each aircraft. If leases are extended, subsequent leases are expected to continue to generate predictable Free Cash Flow at lower rates, however these aircraft will be unencumbered.

<i>(unaudited)</i> <i>(in thousands of Canadian dollars)</i>	<b>Annual Forecast<sup>(1)</sup></b>	
	<b>2026</b>	
	<b>\$</b>	
	<b>From</b>	<b>To</b>
Adjusted EBITDA <sup>(2)(3)</sup>	170,000	185,000
Free Cash Flow <sup>(2)(3)</sup>	100,000	110,000
Repayment of Amortizing Term Loans <sup>(4)</sup>	(64,000)	(64,000)
Free Cash Flow after repayment of Amortizing Term Loans <sup>(2)(3)(4)</sup>	36,000	46,000
Fixed Margin <sup>(5)</sup>	43,900	43,900
Aircraft leasing revenue under the CPA	104,000	105,000
Wholly-owned aircraft leased under the CPA (end of period)	39	39
Wholly-owned aircraft leased under the CPA available for sale <sup>(6)</sup>	5	5

- (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.
- (3) The forecast is based on projected earnings under existing contracts and future market lease rates. The forecast also includes the impact of the KADDEX acquisition.
- (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 aircraft. Chorus sold four aircraft as follows: one in April 2026, two in Q1 2026 and one in Q4 2025. The remaining five aircraft are anticipated to close by July 2026, subject to customary conditions to closing as well as the completion of contractual maintenance events.

<sup>1</sup> The discussion that follows includes forward-looking information within the meaning of applicable securities laws. Such outlook is based on estimates and assumptions made by management that are discussed under the heading "Forward-Looking Information" and specifically stated in the footnotes in the following table. Chorus' outlook is provided for the purpose of providing information about current expectations for 2026. This information may not be appropriate for other purposes.

## Portfolio of Aircraft Leasing under the CPA<sup>1</sup>

- Current fleet of 45 wholly-owned aircraft and five spare engines
- Current net book value of \$686.9 million
- Future contracted lease revenue US \$280.4 million<sup>2,3</sup>
- Current weighted average fleet age of 9.5 years<sup>4</sup>
- Current weighted average remaining lease term of 3.8 years
- Long-term debt of \$251.0 million (US \$180.1 million)
- 100% of debt has a fixed rate of interest
- Current weighted average cost of borrowing of 3.28%

<sup>1</sup> As at March 31, 2026.

<sup>2</sup> See cautionary statement regarding forward-looking information below.

<sup>3</sup> The estimates are based on agreed lease rates in the CPA.

<sup>4</sup> Fleet age and remaining lease term is calculated based on the weighted average of the aircraft net book value.

Jazz continues to progress through the 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 are in the process of receiving 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.

## Capital Expenditures

Capital expenditures in 2026 are expected to be as follows:

<i>(unaudited)</i> <i>(in thousands of Canadian dollars)</i>	<b>Annual Forecast 2026</b>	
	<b>\$</b>	
Capital expenditures, excluding aircraft acquisitions	24,000	to 29,000
Capitalized major maintenance overhauls <sup>(1)</sup>	3,000	to 8,000
Aircraft acquisitions and improvements	9,500	to 14,500
	36,500	to 51,500

(1) 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.

## Use of Defined Terms

Capitalized terms used but not defined in this news release have the meanings given to them in management's discussion and analysis of results of operations and financial condition dated May 7, 2026 (the "MD&A"), which is available on Chorus' website ([www.chorusaviation.com](http://www.chorusaviation.com)) and under Chorus' profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). In this news release, the term "shareholders" refers only to holders of Common Shares.

## **Investor Conference Call / Audio Webcast**

Chorus will hold an analyst call at 9:00 AM ET on Friday, May 8, 2026, to discuss the first quarter 2026 financial results. The call may be accessed by dialing 1-888-699-1199. The call will be simultaneously audio webcast via: <https://app.webinar.net/XMGo9PYe7xJ>.

This is a listen-in only audio webcast.

The conference call webcast will be archived on Chorus' website at [www.chorusaviation.com](http://www.chorusaviation.com) under **Investors > Reports**. A playback of the call can also be accessed until midnight ET, May 15, 2026, by dialing toll-free 1-888-660-6345 and using passcode 10339 # (pound key).

## **NON-GAAP FINANCIAL MEASURES**

This news release references several non-GAAP financial measures and ratios to supplement the analysis of Chorus' results. Chorus uses these non-GAAP measures to evaluate and assess performance. These non-GAAP measures are generally numerical measures of Chorus' 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. For further information on non-GAAP measures used in this news release, please refer to Section 17 (*Non-GAAP Financial Measures*) of the MD&A, which is available on Chorus' website ([www.chorusaviation.com](http://www.chorusaviation.com)) and under Chorus' profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). Reconciliations of non-GAAP measures to their nearest GAAP measures are provided below.

## Adjusted Net Income, Adjusted EBT, Adjusted EBITDA

<i>(unaudited)</i> <i>(expressed in thousands of Canadian dollars except per Share amounts)</i>	Three months ended March 31,		
	2026 \$	2025 \$	Change \$
<b>Net income</b>	<b>7,001</b>	<b>18,933</b>	<b>(11,932)</b>
<i>Add (Deduct) items to get to Adjusted Net Income</i>			
Strategic advisory fees <sup>(1)</sup>	772	—	772
Unrealized foreign exchange loss (gain)	5,069	(3,551)	8,620
Income tax, including on adjusted items	(208)	—	(208)
	5,633	(3,551)	9,184
<b>Adjusted Net Income</b>	<b>12,634</b>	<b>15,382</b>	<b>(2,748)</b>
Weighted average number of Common Shares (in thousands)	23,371	26,853	(3,482)
<b>Adjusted Net Income per Common Share - basic</b>	<b>0.54</b>	<b>0.57</b>	<b>(0.03)</b>
<i>Add (Deduct) items to get to Adjusted EBT</i>			
Income tax expense	3,968	7,186	(3,218)
Income tax, including on adjusted items	208	—	208
<b>Adjusted EBT</b>	<b>16,810</b>	<b>22,568</b>	<b>(5,758)</b>
<i>Add (Deduct) items to get to Adjusted EBITDA</i>			
Net interest expense	3,333	3,744	(411)
Depreciation and amortization excluding impairment	25,382	27,151	(1,769)
Foreign exchange (gain) loss	(1,217)	3,399	(4,616)
Gain on disposal of property and equipment	—	(1)	1
	27,498	34,293	(6,795)
<b>Adjusted EBITDA</b>	<b>44,308</b>	<b>56,861</b>	<b>(12,553)</b>

(1) Included in operating expenses.

## 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.

<i>(unaudited)</i> <i>(expressed in thousands of Canadian dollars)</i>	March 31, 2026 \$	December 31, 2025 \$	Change \$
Long-term debt and lease liabilities (including current portion)	383,421	374,156	9,265
Less:			
Cash	(98,032)	(28,656)	(69,376)
<b>Adjusted Net Debt</b>	<b>285,389</b>	<b>345,500</b>	<b>(60,111)</b>
<b>Adjusted EBITDA</b>	<b>194,330</b>	<b>206,883</b>	<b>(12,553)</b>
<b>Leverage Ratio</b>	<b>1.5</b>	<b>1.7</b>	<b>(0.2)</b>

## 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 and capital expenditures excluding aircraft acquisitions and improvements.

Free Cash Flow after repayment of Amortizing Term Loans is defined as Free Cash Flow, as described above, less repayments on Amortizing Term Loans which excludes payments on the Operating 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:

<i>(unaudited)</i> <i>(expressed in thousands of Canadian dollars,</i> <i>except per Share amounts)</i>	Three months ended March 31,		
	2026 \$	2025 \$	Change \$
<b>Cash provided by (used in) operating activities</b>	<b>63,577</b>	<b>(22,514)</b>	<b>86,091</b>
Add (Deduct)			
Net changes in non-cash balances related to operations	(30,786)	69,457	(100,243)
Capital expenditures, excluding aircraft acquisitions	(4,985)	(3,171)	(1,814)
Capitalized major maintenance overhauls	(760)	(3,218)	2,458
<b>Free Cash Flow</b>	<b>27,046</b>	<b>40,554</b>	<b>(13,508)</b>
<b>Free Cash Flow per Common Share, basic</b>	<b>1.16</b>	<b>1.51</b>	<b>(0.35)</b>
<i>Repayment of Amortizing Term Loans</i>	(14,492)	(22,881)	8,389
<b>Free Cash Flow after repayment of Amortizing Term Loans</b>	<b>12,554</b>	<b>17,673</b>	<b>(5,119)</b>
<b>Free Cash Flow after repayment of Amortizing Term Loans per Common Share, basic</b>	<b>0.54</b>	<b>0.66</b>	<b>(0.12)</b>

## 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, divided by Average Shareholders' equity and cash.

	Trailing 12-months ended		
	March 31. 2026	December 31. 2025	Change
<i>(unaudited)</i> <i>(expressed in thousands of Canadian dollars)</i>	\$	\$	\$
<b>Adjusted Net Income</b>	55,887	58,635	(2,748)
<b>Average equity excluding cash</b>			
Average Shareholders' equity	507,708	509,893	(2,185)
<i>Add (Deduct) items to get to average equity excluding cash</i>			
Average Cash <sup>(1)</sup>	(86,192)	(125,436)	39,244
	421,516	384,457	37,059
<b>Adjusted Return on Equity</b>	13.3%	15.3%	(2.0)%

(1) Average cash for December 31, 2025 was higher as a result of 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 sale of the RAL business.

## Forward-Looking Information

This news release 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 news release will prove to be accurate or correct.

Examples of forward-looking information in this news release include the discussion in the Outlook section and statements regarding Chorus' future performance and growth opportunities, including organic and through acquisitions, and the anticipated completion of planned acquisitions and the expected benefits following such acquisitions, planned aircraft sales, Chorus' expectations to return capital to Common Shareholders, including through up to \$100 million in planned share buybacks over the next four years and payment of dividends, the future profitability of the CPA 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 Chorus' Annual Information Form dated February 12, 2026, and in Chorus' public disclosure record available under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The forward-looking information contained in this news release represents Chorus' expectations as of the date of this news release (or as of the date they are otherwise stated to be made) and is subject to change after such date. Chorus 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.

### **About Chorus Aviation Inc.**

Chorus 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 provider of specialty charter, aircraft modifications, parts provisioning and in-service support services; KADDEX Aero Supply, an original equipment manufacturers (OEM) aircraft parts distributor and provider of repair and overhaul services; Cygnet Aviation Academy, an industry leading accredited training academy preparing pilots for direct entry into airlines and Elisen & Associates, a provider of aerospace engineering and certification services. Together, Chorus' subsidiaries provide services that encompass every stage of an aircraft's lifecycle, including: aircraft refurbishment, engineering, modification, repurposing and transition; contract flying; aircraft and component maintenance, disassembly, and parts provisioning; aircraft acquisition and leasing; and pilot training.

Chorus Class A Variable Voting Shares and Class B Voting Shares trade on the Toronto Stock Exchange under the trading symbol 'CHR'. Chorus' 5.75% Senior Unsecured Debentures due June 30, 2027 trade on the Toronto Stock Exchange under the trading symbol 'CHR.DB.C'. For further information on Chorus, please visit [www.chorusaviation.com](http://www.chorusaviation.com).

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