

chorus

Third Quarter 2026

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

Chorus Aviation Inc.

chorus

INTRODUCTION

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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 22 - 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 unaudited interim condensed consolidated financial statements of Chorus for the three and nine months ended September 30, 2026, the audited consolidated financial statements of Chorus and the notes therein for the year ended December 31, 2025, Chorus' MD&A dated February 12, 2026 in respect of the year ended December 31, 2025, and Chorus' Annual Information Form dated February 12, 2026 in respect of the year ended December 31, 2025. 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 November 9, 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 ABOUT CHORUS

Chorus is a holding company with a portfolio of businesses that together form a diversified aviation, aerospace and defence operating platform. Its principal operating subsidiaries include Jazz Aviation, Voyageur Aviation, KADEX Aero Supply, Cygnet Aviation Academy, and Elisen & Associates. On November 1, 2026, Chorus completed the acquisition of SkyCare Air Ambulance ("**SkyCare**"), a provider of aviation and medical services (refer to Section 3 - Financial Highlights and Overview).

Chorus' businesses provide complementary capabilities and diversified revenue streams across four core areas: contract flying, aircraft leasing, aviation services, and pilot training. Together, these businesses support Chorus' objective of combining stable, contracted cash flows with growth opportunities in aviation services and related supply chain activities.

1. Contract Flying

Chorus provides contract flying through Jazz, Voyageur and SkyCare.

Jazz, the primary provider of regional air services under the Air Canada Express brand, operates scheduled regional air services pursuant to the CPA with Air Canada. Under the CPA, Air Canada controls commercial decisions, including scheduling and ticket pricing, and bears the market risk associated with fluctuations in passenger ticket revenues.

Jazz earns margin under the CPA through three primary mechanisms: (i) a Fixed Margin based on the number of Covered Aircraft, which is not dependent on flight activity; (ii) Performance Incentives tied to operational performance metrics; and (iii) Aircraft Leasing under the CPA on owned aircraft.

Controllable Cost Revenue, is negotiated between Jazz and Air Canada and provides revenue in respect of certain Controllable Costs. These costs are subject to a Controllable Cost Guardrail, that supports margin stability by limiting Jazz's exposure to variances in Controllable Costs outside an agreed range, subject to a $2.0 million cap. In addition, Jazz is reimbursed for certain Pass-Through Costs under the CPA, which substantially mitigates exposure to specified operating cost variability.

Voyageur provides charter services and specialized contract flying, such as medical, logistical and humanitarian flights, to international and Canadian customers, typically under fee-for-service or contract-based arrangements.

SkyCare provides 24/7 medevac, repatriation, organ transport and charter services across Canada and the United States. Through its longstanding relationship with Ontario's provincial air ambulance and critical care transport service provider Ornge, SkyCare plays an important role in supporting regional medical transportation across Ontario. Its diverse fleet and specialized capabilities enable the company to support a range of complex medical missions.

The Contract Flying businesses provide stable, contracted cash flows that underpin Chorus' financial performance.

2. Aircraft Leasing

Jazz 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.

These leasing arrangements generate predictable cash flows over the applicable lease terms and are supported by associated amortizing debt structures. Aircraft leasing provides stable, asset-backed cash flows and supports capital recycling through aircraft monetization, lease extensions, sales or part-out activities at the end of lease terms.

3. Aviation Services

Chorus provides a range of aviation services through Jazz, Voyageur, KADEX and Elisen, including maintenance, repair and overhaul ("**MRO**"), parts distribution, aircraft modification, engineering and certification services and defence and agency 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, and also focuses on aircraft disassembly and aircraft parts provisioning to customers globally. KADEX provides original equipment manufacturer ("**OEM**") aircraft parts provisioning and component repair and overhaul services. Elisen provides aerospace engineering and certification services.

These businesses generate revenue from service contracts, parts sales and repair activities, while also supporting growth and opportunities for margin expansion and increased participation in the global aviation supply chain.

4. Pilot Training

Cygnet Aviation Academy 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 airline-specific type training. Cygnet generates revenue through training program fees paid by cadets and/or sponsoring organizations and through partnerships with industry participants to support pilot development pathways.

The Pilot Training business supports long-term industry demand for pilots and enhances Chorus' participation in workforce development.

Diversified Operating Platform

Together, Chorus' businesses provide services across a diversified aviation, aerospace and defence operating platform, including contract flying, specialty aviation flying including air ambulance and medevac, aircraft leasing, maintenance, modification, aircraft disassembly and aircraft parts provisioning, engineering and certification, and pilot training. This integrated platform supports multiple revenue streams, reducing reliance on any single business line while enhancing operational resilience. Chorus is focused on growing its aviation services businesses while preserving the stability and long-term value provided by its contracted operations.

2 STRATEGY

Chorus' strategy is to build a diversified aviation, aerospace and defence operating platform that combines stable, contracted cash flows with growth in higher-margin aviation services, supported by disciplined capital allocation.

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 Flow and long-term Shareholder value.

Strategic Priorities

Chorus executes its strategy through the following key areas of focus:

- Flying Operations: maintaining stable earnings through long-term contractual arrangements, including the CPA with Air Canada, SkyCare agreements with Ornge and other contract flying and charter services.
- Aircraft Leasing: generating long-term, predictable cash flows from aircraft leasing revenue under the CPA and Voyageur aircraft leases.

- Specialty MRO and Engineering Services: expanding capabilities in niche, value-added maintenance, modification, engineering and certification services across multiple aircraft platforms through Jazz, Voyageur and Elisen.
- Parts Sales and Component Repair and Overhaul: scaling parts provisioning, distribution and repair capabilities, including through the growth of KADEX and Voyageur.
- Defence and Agency Services: pursuing opportunities in government, military and special mission aviation services through Voyageur and Elisen.
- Pilot Training: developing a pipeline of skilled pilots to address industry demand and support long-term aviation growth.

Portfolio Approach

Chorus' business model is designed to balance stable cash flows from contract flying, aircraft leasing and MRO, parts distribution, component repair and overhaul, engineering and certification services.

The Corporation continues to reposition its portfolio of companies toward less capital-intensive, higher-growth aviation services while maintaining the stability provided by its contracted operations. When considering potential acquisitions, Chorus assesses four key criteria: the ability to achieve a mid-teens return on investment, an experienced and proven management team, the ability to grow or leverage the business across Chorus' group of companies and a fair purchase price.

Capital Allocation

Chorus employs a disciplined capital allocation framework focused on:

- investing in organic growth across its operating businesses;
- pursuing accretive acquisitions that enhance capabilities and scale;
- returning capital to Shareholders through dividends and Share repurchases; and
- maintaining a flexible balance sheet to support strategic initiatives and manage risk.

Objective

Chorus' long-term strategy is centered on organic growth within its existing businesses, complemented by disciplined, accretive acquisitions. This strategy is designed to enhance Free Cash Flow generation, improve returns on equity, broaden and diversify earnings streams, and position the Corporation to capitalize on growth opportunities across the global aviation market (refer to Section 23 - Caution Regarding Forward-Looking Information).

3 FINANCIAL HIGHLIGHTS AND OVERVIEW

The financial highlights for the Corporation are as follows:

(unaudited) *(expressed in thousands of Canadian dollars, except per Share amounts)*	Three months ended				Nine months ended			
	September 30, 2026 $	Per Common Share, basic $	September 30, 2025 $	Per Common Share, basic $	September 30, 2026 $	Per Common Share, basic $	September 30, 2025 $	Per Common Share, basic $
Net Income	15,648	0.70	10,666	0.42	36,473	1.60	62,036	2.36
Adjusted Net Income[(1)]	15,124	0.68	15,365	0.60	46,813	2.05	44,808	1.71
Adjusted EBITDA[(1)]	47,691		51,569		142,742		159,759	
Free Cash Flow[(1)]	26,932	1.21	33,182	1.29	86,235	3.78	108,326	4.13
Free Cash Flow after repayment of Amortizing Term Loans[(1)]	10,827	0.49	17,671	0.69	38,435	1.68	53,276	2.03
Return of Capital								
Dividends declared	2,428	0.11	nil	nil	7,486	0.33	2,058	0.08
Dividends paid	2,428	0.11	2,058	0.08	7,486	0.33	2,058	0.08
Share repurchases	16,787		7,915		36,833		35,529	

(unaudited)	As at	
Financial Position	**September 30, 2026**	**December 31, 2025**
Leverage[(1)]	1.4	1.7

(1) These are non-GAAP financial measures and 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.

Completed SkyCare Acquisition

On November 1, 2026, Chorus completed the acquisition of SkyCare, a provider of aviation and medical services headquartered in Sioux Lookout, Ontario, for a purchase price of approximately $40.0 million. At closing, Chorus funded $36.1 million through the Operating Credit Facility and cash on hand inclusive of an estimated net working capital adjustment of $4.1 million. The remaining purchase price is subject to customary adjustments and includes contingent consideration dependent on SkyCare's achievement of certain future performance targets, payable through to March 31, 2029. The transaction advances Chorus' strategy of building a broader aviation, aerospace and defence operating platform through the addition of specialized capabilities, complementary operations and long-standing customer relationships. Chorus expects the acquisition to be immediately accretive to its earnings and Free Cash Flow and to generate investment returns in the mid-teens. (Refer to Section 4 - Outlook and Section 23 - Caution Regarding Forward-Looking Information.)

Progressed Aircraft Sales

In 2025, Chorus executed agreements to sell nine Dash 8-400s as they exit the fleet in accordance with the CPA, subject to customary closing conditions and the completion of contractual maintenance events for estimated net proceeds of US $62.0 million. Eight aircraft have been sold to-date (seven in 2026 and one in Q4 2025), one of which was sold in the third quarter of 2026 resulting in a gain on sale of CAD $2.2 million. The remaining aircraft is

expected to close by December 2026, subject to customary closing conditions as well as the completion of contractual maintenance events, with net proceeds of approximately US $7.4 million (refer to Section 23 - Caution Regarding Forward-Looking Information).

Continued Share Repurchases

On February 12, 2026, the Corporation announced the renewal of its normal course issuer bid ("**NCIB**"). Under the NCIB, the Corporation is authorized to purchase for cancellation up to a maximum of 1,963,003 of its Common Shares. During the three months ended September 30, 2026, the Corporation purchased and cancelled 615,402 Common Shares under the NCIB at a weighted average price of $27.27 per Common Share for $16.8 million. During the nine months ended September 30, 2026, the Corporation purchased and cancelled 1,460,378 Common Shares under the NCIB at a weighted average price of $25.21 per Common Share for $36.8 million (refer to Section 7 - Capital Structure).

Third Quarter Summary

In the third quarter of 2026, Chorus reported Adjusted EBITDA of $47.7 million, a decrease of $3.9 million compared to the third quarter of 2025 primarily due to:

- a decrease in aircraft leasing revenue under the CPA of $2.6 million primarily due to expected changes in lease rates on certain aircraft;
- a contracted decrease in Fixed Margin and lower incentive revenue of $4.0 million; and
- a decrease in capitalization of major maintenance overhauls on owned aircraft of $1.9 million; partially offset by
- a higher Adjusted EBITDA of $3.6 million primarily related to an increase in Voyageur parts sales along with incremental part sales related to KADEX; and
- a decrease in stock-based compensation of $0.9 million due to the change in fair value of the Total Return Swap offset by an increase in the Common Share price (refer to Section 7 - Capital Structure - Equity Price Risk).

Adjusted Net Income was $15.1 million for the quarter, a decrease of $0.2 million compared to the third quarter of 2025 primarily due to:

- a $3.9 million decrease in Adjusted EBITDA as previously described;
- an increase of $1.0 million in income tax expense; and
- a negative change in foreign exchange of $0.2 million; partially offset by
- a gain on disposal of property and equipment of $2.2 million;
- a decrease in depreciation expense of $2.1 million primarily attributable to the sale of certain aircraft; and
- a decrease in net interest costs of $0.5 million.

Net income was $15.6 million, an increase of $5.0 million compared to the third quarter of 2025 primarily due to:

- a positive change in net unrealized foreign exchange of $6.0 million; partially offset by
- the previously noted decrease in Adjusted Net Income of $0.2 million;
- an increase in amortization on intangible assets of $0.5 million; and
- an increase in strategic advisory fees of $0.3 million.

Year-to-date Summary

Chorus reported Adjusted EBITDA of $142.7 million for the nine months ended September 30, 2026, a decrease of $17.0 million compared to the same prior year period primarily due to:

- a decrease in aircraft leasing revenue under the CPA of $9.7 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 and lower incentive revenue of $12.9 million; and
- a decrease in capitalization of major maintenance overhauls on owned aircraft of $4.1 million; partially offset by
- a higher Adjusted EBITDA of $8.0 million related to an increase in Voyageur's parts sales along with incremental part sales related to KADEX;
- a decrease in general administrative expenses primarily attributable to lower overhead costs; and
- a decrease in stock-based compensation of $0.3 million due to the change in fair value of the Total Return Swap offset by an increase in the Common Share price (refer to Section 7 - Capital Structure - Equity Price Risk).

Adjusted Net Income of $46.8 million, an increase of $2.0 million compared to the same prior year period primarily due to:

- a positive change in foreign exchange of $7.2 million;
- a decrease in depreciation expense of $6.0 million primarily attributable to the sale of certain aircraft;
- a gain on disposal of property and equipment of $4.7 million; and
- a decrease in net interest costs of $1.5 million; partially offset by
- a $17.0 million decrease in Adjusted EBITDA as previously described; and
- an increase of $0.4 million in income tax expense.

Net income of $36.5 million, a decrease of $25.6 million compared to the same prior year period primarily due to:

- a negative change in net unrealized foreign exchange of $22.3 million;
- an increase in strategic advisory fees of $1.3 million;
- an increase in amortization on intangible assets of $1.0 million;
- an increase in interest accretion on consideration payable of $0.3 million; and
- a negative change in income tax, including tax on adjusted items of $2.7 million; partially offset by
- the previously noted increase in Adjusted Net Income of $2.0 million.

4 OUTLOOK

The discussion that follows includes forward-looking information. Chorus' outlook is provided to help readers understand management's current expectations for 2026 and for 2027 revenue from parts sales, contract flying, MRO and other only. This information may not be appropriate for other purposes (refer to Section 23 - Caution Regarding Forward-Looking Information). The forecast has been updated to reflect the SkyCare acquisition and the impact of stronger earnings and higher exchange rates reflected in the results for the nine months ended September 30, 2026.

Chorus expects its revenue from parts sales, contract flying, MRO and other to be between $200.0 million and $220.0 million in 2026 and $265.0 million and $300.0 million in 2027. This forecast assumes continued performance under existing contracts, incremental revenue contributions from the KADEX and SkyCare acquisitions and anticipated organic growth.

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.

Chorus has increased its forecast, reflecting earnings from existing contracts, anticipated market lease rates and the expected contributions from the KADEX and SkyCare acquisitions.

(unaudited) *(in thousands of Canadian dollars)*	**Annual Forecast[1]** **2026** **$**		**Previous Forecast[1]** **2026** **$**	
	From	**To**	**From**	**To**
Adjusted EBITDA[2]	185,000	195,000	170,000	185,000
Free Cash Flow[2]	110,000	120,000	100,000	110,000
Repayment of Amortizing Term Loans[3]	(65,000)	(65,000)	(65,000)	(65,000)
Free Cash Flow after repayment of Amortizing Term Loans[2][3]	45,000	55,000	35,000	45,000
Fixed Margin[4]	43,900	43,900	43,900	43,900
Aircraft leasing revenue under the CPA	109,000	110,000	107,000	109,000
Wholly-owned aircraft leased under the CPA (end of period)	39	39	39	39
Wholly-owned aircraft leased under the CPA for sale[4]	1	1	2	2

(1) The forecast uses a foreign exchange rate of 1.3700 for the fourth quarter 2026.
(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) 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.
(4) The Fixed Margin will be $43.9 million in 2026 with no further changes expected thereafter.
(5) During 2025, Chorus entered into agreements to sell nine aircraft. Chorus sold eight aircraft as follows: seven in 2026 and one in Q4 2025. The remaining aircraft is anticipated to close by December 2026, subject to customary conditions to closing as well as the completion of contractual maintenance events.

Portfolio of Aircraft Leasing under the CPA[1]

- Current fleet of 40 wholly-owned aircraft and five spare engines
- Current net book value of $614.5 million
- Future contracted lease revenue US $242.4 million[2,3]

- Current weighted average fleet age of 9.8 years[4]
- Current weighted average remaining lease term of 3.6 years[4]
- Long-term debt of $222.7 million (US $157.0 million)
- 100% of debt has a fixed rate of interest
- Current weighted average cost of borrowing of 3.25%

1 As at September 30, 2026.
2 Refer to Section 23 - Caution Regarding Forward-Looking Information.
3 The estimates are based on agreed lease rates in the CPA.
4 Fleet age and remaining lease term is calculated based on the weighted average of the aircraft net book value.

Covered Aircraft

The forecasted Covered Aircraft under the CPA for 2026 is as follows:

(unaudited)		Actual September 30, 2026	Change 2026	Forecast 2026
Dash 8-400	Aircraft Leased under the CPA	26	(1)	25
	Other Covered Aircraft(1)	4	—	4
		30	(1)	29
CRJ900	Aircraft Leased under the CPA	14	—	14
	Other Covered Aircraft(2)	16	—	16
		30	—	30
E175	Aircraft Leased under the CPA	—	—	—
	Other Covered Aircraft	25	—	25
		25	—	25
Total	Aircraft Leased under the CPA(3)(4)	40	(1)	39
	Other Covered Aircraft(1)	45	—	45
		85	(1)	84

(1) In accordance with the fleet plan, two Dash 8-400 and seven non-operational CRJ200s were removed from the Covered Fleet in the third quarter of 2026.
(2) On March 22, 2026, a leased CRJ900 was involved in an accident and was deemed a Total Constructive Loss. (Refer to Section 9 - Risk Factors.)
(3) 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.
(4) 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 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 E175s 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:

(unaudited) *(in thousands of Canadian dollars)*	**Annual Forecast 2026** **$**		
Capital expenditures, excluding aircraft acquisitions	24,000	to	28,000
Capitalized major maintenance overhauls[(1)]	5,000	to	8,000
Aircraft acquisitions and improvements	9,500	to	13,500
	38,500	to	49,500

(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.

5 FLEET

The following table provides the total number of aircraft as at September 30, 2026:

(unaudited)	Total	Owned
Covered Aircraft Leased Under the CPA		
Dash 8-400[1][3]	26	26
CRJ900	14	14
Total Covered Aircraft Leased Under the CPA	40	40
Other Covered Aircraft		
CRJ900[2]	16	—
Dash 8-400[3]	4	—
E175	25	—
Total Other Covered Aircraft[3]	45	—
Voyageur Aircraft		
CRJ200[4]	5	5
King Air 200	4	4
King Air 350	1	1
Dash 8-100	2	2
Dash 8-300	10	10
Total Voyageur Aircraft	22	22
Total[5]	107	62

(1) Chorus sold seven Dash 8-400s to a third party during the nine months ended September 30, 2026.
(2) On March 22, 2026, a leased CRJ900 was involved in an accident and was deemed a Total Constructive Loss. (Refer to Section 9 - Risk Factors.)
(3) In accordance with the fleet plan, seven non-operational CRJ200s and two Dash 8-400 were removed from the Covered Fleet in the third quarter of 2026.
(4) Voyageur reclassified one CRJ200 from property and equipment to inventory for part-out in the third quarter of 2026.
(5) Excludes 14 Diamond aircraft operated by Cygnet and five non-operational aircraft.

6 CONSOLIDATED FINANCIAL ANALYSIS

This section provides detailed information and analysis about Chorus' performance for the three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025.

(unaudited) (expressed in thousands of Canadian dollars)	Three months ended September 30,				Nine months ended September 30,			
	2026 $	2025 $	Change $	Change %	2026 $	2025 $	Change $	Change %
Operating revenue	346,128	323,567	22,561	7.0	1,020,972	996,308	24,664	2.5
Operating expenses	323,788	298,720	25,068	8.4	955,605	917,679	37,926	4.1
Operating income	22,340	24,847	(2,507)	(10.1)	65,367	78,629	(13,262)	(16.9)
Net interest expense	(2,720)	(3,151)	431	13.7	(9,160)	(10,404)	1,244	12.0
Foreign exchange gain (loss)	543	(5,213)	5,756	110.4	(7,913)	7,200	(15,113)	209.9
Gain on property and equipment	2,220	—	2,220	100.0	4,695	10	4,685	46,850.0
Income before income tax	22,383	16,483	5,900	35.8	52,989	75,435	(22,446)	(29.8)
Income tax expense	(6,735)	(5,817)	(918)	(15.8)	(16,516)	(13,399)	(3,117)	(23.3)
Net income	15,648	10,666	4,982	46.7	36,473	62,036	(25,563)	(41.2)
Adjusted EBITDA[(1)]	47,691	51,569	(3,878)	(7.5)	142,742	159,759	(17,017)	(10.7)
Adjusted EBT[(1)]	21,966	21,182	784	3.7	63,746	61,355	2,391	3.9
Adjusted Net Income[(1)]	15,124	15,365	(241)	(1.6)	46,813	44,808	2,005	4.5

(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. 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 September 30, 2026

For the three months ended September 30, 2026, consolidated operating revenue increased $22.6 million or 7.0%, compared to the same period last year and was attributable to an increase in parts sales primarily due to incremental parts sales related to KADEX of $17.7 million and Voyageur of $4.5 million and increases in Controllable Cost Revenue of $4.2 million, partially offset by a contracted decrease in Fixed Margin of $4.0 million and a decrease in aircraft leasing revenue under the CPA of $2.6 million.

Operating expenses increased $25.1 million or 8.4% for the three months ended September 30, 2026 compared to the same period last year primarily due to increased costs related to parts sales in KADEX and Voyageur, increased salaries, wages and benefits due to a new collective agreement for Jazz's maintenance employees, other incremental operating expenses related to KADEX and a decrease in capitalization of major maintenance overhauls on owned aircraft partially offset by decreased engine overhaul maintenance events and decreased depreciation expense primarily due to the sale of certain aircraft.

Net interest expense decreased $0.4 million or 13.7% for the three months ended September 30, 2026 compared to the same period last year due to the repayment of the Series B Debentures throughout 2025 and lower average debt balances resulting from payments on long-term debt offset by lower interest revenue.

Foreign exchange gains increased $5.8 million for the three months ended September 30, 2026 compared to foreign exchange losses in the same period last year primarily related to foreign exchange gains on long-term debt. The September 30, 2026 closing exchange rate for USD to CAD was 1.4188 compared to 1.4210 at June 30, 2026. The September 30, 2025 closing exchange rate for USD to CAD was 1.3921 compared to 1.3643 at June 30, 2025.

Income tax expense increased $0.9 million for the three months ended September 30, 2026 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.

Nine months ended September 30, 2026

For the nine months ended September 30, 2026, consolidated operating revenue increased $24.7 million or 2.5%, compared to the same period last year. Increased revenue was primarily attributable to an increase in parts sales primarily due to incremental parts sales related to KADEX of $34.1 million and Voyageur of $7.6 million and increased Pass-Through Revenue of $7.6 million, partially offset by reductions in Controllable Cost Revenue of $7.4 million, a contracted decrease in Fixed Margin of $12.1 million and a decrease in aircraft leasing revenue under the CPA of $9.7 million.

Operating expenses increased $37.9 million or 4.1% for the nine months ended September 30, 2026 compared to the same period last year primarily due to increased costs related to parts sales in KADEX and Voyageur, increased salaries, wages and benefits due to a new collective agreement for Jazz's maintenance employees, other incremental operating expenses related to KADEX, increased Pass-Through Costs, and a decrease in capitalization of major maintenance overhauls on owned aircraft, partially offset by decreased engine overhaul maintenance events and decreased depreciation expense primarily due to the sale of certain aircraft.

Net interest expense decreased $1.2 million or 12.0% for the nine months ended September 30, 2026 compared to the same period last year primarily due to the repayment of the Series B Debentures throughout 2025, the partial repurchase of the Series C Debentures in 2025 and lower average debt balances resulting from payments on long-term debt offset by lower interest revenue.

Foreign exchange losses increased $15.1 million for the nine months ended September 30, 2026 compared to foreign exchange gains in the same period last year primarily related to foreign exchange losses on long-term debt. The September 30, 2026 closing exchange rate for USD to CAD was 1.4188 compared to 1.3706 at December 31, 2025. The September 30, 2025 closing exchange rate for USD to CAD was 1.3921 compared to 1.4389 at December 31, 2024.

Income tax expense increased $3.1 million for the nine months ended September 30, 2026 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.

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, consideration payable related to an acquisition and lease liabilities.

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 September 30, 2026 and December 31, 2025.

(unaudited) *(expressed in thousands of Canadian dollars)*	**September 30, 2026** **$**	**December 31 2025** **$**	**Change** **$**
Equity			
Capital	317,571	344,043	(26,472)
Contributed surplus	876,355	897,900	(21,545)
Deficit	(724,435)	(761,002)	36,567
Exchange differences on foreign operations	2,555	2,530	25
Warrants	24,366	24,366	—
	496,412	507,837	(11,425)
Long-term debt	270,947	360,481	(89,534)
Lease liabilities	14,649	13,675	974
Consideration payable	6,594	—	6,594
Total capital	788,602	881,993	(93,391)

As at November 5, 2026 and December 31, 2025, the issued and outstanding shares of Chorus, were as follows:

(unaudited)	**November 5, 2026**	**December 31, 2025**
Total issued and outstanding Common Shares	21,698,873	23,415,381
Common Shares potentially issuable:		
Stock-based compensation plans	577,559	397,907
2022 Warrants[(1)]	2,663,253	2,663,253
Total outstanding and potentially dilutive Common Shares	24,939,685	26,476,541

(1) Issuable at a price of $31.71 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 September 15, 2026 on account of the dividend paid to Common Shareholders on September 30, 2026.

Normal Course Issuer Bid

On February 12, 2026, the Corporation announced the renewal of its NCIB. Under the NCIB, the Corporation is authorized to purchase for cancellation up to a maximum of 1,963,003 of its Common Shares, representing 10% of the public float of the Common Shares as of February 6, 2026 calculated in accordance with TSX rules. On any trading day, Chorus will not purchase more than 11,770 Common Shares, representing 25% of the average daily trading volume for the six months ended January 31, 2026 (being 47,080 Common Shares), except where such

purchases are made in accordance with the block purchase exemptions under the TSX rules. The NCIB commenced on February 18, 2026 and concludes on the earlier of the date on which the Corporation purchases the maximum number of Common Shares permitted under the NCIB and February 17, 2027. Security holders may obtain a copy of the NCIB notice, without charge, by contacting the Corporation.

In connection with the NCIB, the Corporation entered into an automatic securities purchase plan (the "**ASPP**") with its designated broker to allow for the purchase of Common Shares on any trading day during the NCIB during predetermined trading blackout periods, subject to certain parameters as to price and number of Common Shares. Outside of these pre-determined blackout periods, Common Shares may also be repurchased in accordance with management's discretion, subject to applicable law. The Corporation may vary, suspend or terminate the ASPP only if it does not have material non-public information, and the decision to vary, suspend or terminate the ASPP is not taken during a trading blackout period.

During the nine months ended September 30, 2026, the Corporation purchased and cancelled 1,460,378 Common Shares under the NCIB at a weighted average price of $25.21 per Common Share for $36.8 million.

Long-term Debt

Long-term debt consists of the following:

(unaudited) *(expressed in thousands of Canadian dollars)*	**September 30, 2026** **$**	**December 31, 2025** **$**
Secured long-term debt and credit facilities[1]		
Amortizing Term Loans		
Secured by aircraft	222,118	260,425
Secured by engines	626	853
Nova Scotia Jobs Fund loan - secured by office building	1,000	2,000
Operating Credit Facility	—	50,000
	223,744	313,278
Unsecured long-term debt[1]		
Series C Debentures	47,203	47,203
	270,947	360,481
Less: Current portion[2]	115,430	64,336
	155,517	296,145

(1) The majority of long-term debt is payable in USD and has been converted to CAD at the September 30, 2026 exchange rate of 1.4188 (December 31, 2025 - 1.3706).
(2) The current portion of long-term debt at September 30, 2026 includes the Series C Debentures.

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 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 3.25%, 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 September 30, 2026, 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 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 and mature on June 30, 2027. The Series C Debentures are currently redeemable at the Corporation's option at their principal amount plus accrued and unpaid interest, subject to the applicable notice requirements and other terms of the indenture.

In December 2024, 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. The balance of the Series C Debentures at September 30, 2026 is $47.2 million.

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

Operating Credit Facility

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, plus a $50.0 million uncommitted accordion feature. As at September 30, 2026, 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. On February 9, 2026, Chorus amended the Operating Credit Facility to extend the maturity date to January 29, 2029. As at September 30, 2026, Chorus had drawn $nil on the facility.

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.

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 September 30, 2026, the majority of Chorus' debt is not subject to interest rate volatility as it bears interest at fixed rates. Excluding revolving debt facilities, at September 30, 2026, 100.0% of Chorus' term debt was fixed rate debt.

An interest rate change of 50 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 $48.6 million and US denominated financial liabilities was $207.0 million at September 30, 2026. A 1¢ change in the US exchange rate would result in a change in the unrealized gain or loss of approximately $1.6 million.

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 the Dash 8-400s denominated in US dollars. The remaining contract matured October 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.

Chorus recorded losses on the foreign currency contracts as follows:

	Three months ended September 30,		Nine months ended September 30,	
(unaudited)	2026	2025	2026	2025
(in thousands of Canadian dollars)	$	$	$	$
Income statement				
Loss on foreign currency contracts	49	—	1,651	—

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 800,000 Common Shares priced at $24.67 per Common Share maturing in March 2027. 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 gains on the Total Return Swap as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
(unaudited) *(in thousands of Canadian dollars)*	$	$	$	$
Income statement				
Gain on Total Return Swap	4,977	112	7,172	566

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 repurchases and potential acquisitions.

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

As of September 30, 2026, Chorus’ liquidity was $217.7 million including cash of $27.2 million, $140.5 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 operations was $41.9 million. Other key changes during the quarter which impacted cash were as follows:

- Repurchase of Common Shares under the NCIB of $16.8 million;
- Scheduled debt repayments of $16.1 million;
- Capital expenditures of $8.2 million;
- A repayment on the Operating Credit Facility of $5.0 million;
- Payment of consideration payable net of working capital adjustment of $2.7 million; and
- Payment of Common Share dividends of $2.4 million; partially offset by
- Proceeds on the sale of one aircraft of $10.0 million.

At September 30, 2026, the Controllable Cost Guardrail balance is a receivable of $2.6 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 deficit as reflected on the September 30, 2026 balance sheet was $13.5 million (December 31, 2025 - $77.9 million surplus). The $91.4 million change was primarily attributable to the reclassification of the Series C Debentures from long-term to current debt and increased accounts payable.

The current portion of contracted aircraft operating lease receivables as at September 30, 2026 is estimated to be approximately $106.2 million converted to CAD at the September 30, 2026 rate of 1.4188. Normalized working capital adjusted for the current portion of estimated aircraft operating lease receivables reflect a surplus of approximately $92.7 million (refer to Section 23 - Caution Regarding Forward-Looking Information).

Leverage

Chorus' Leverage Ratio improved to 1.4 at September 30, 2026 from 1.7 at December 31, 2025 as a result of repayments of long-term borrowings partially offset by a decrease in the trailing 12-months Adjusted EBITDA of $17.0 million (refer to Section 17 - Non-GAAP Financial Measures).

Cash Flows

The following table provides information on Chorus' cash flows for the three and nine months ended September 30, 2026 and September 30, 2025.

(unaudited) *(expressed in thousands of Canadian dollars)*	Three months ended September 30,		Nine months ended September 30,	
	2026 **$**	**2025** **$**	**2026** **$**	**2025** **$**
Cash provided by operating activities	41,875	39,219	144,298	39,534
Cash used in financing activities	(41,096)	(55,053)	(144,363)	(205,386)
Cash used in investing activities	(531)	(14,279)	(3,369)	(27,288)
Cash flow from operating, financing and investing activities	248	(30,113)	(3,434)	(193,140)
Effect of foreign exchange rate changes on cash	170	560	1,446	(2,539)
Net change in cash during the periods	418	(29,553)	(1,988)	(195,679)
Cash – Beginning of periods prior to adoption of IFRS 9	26,774	56,090	28,656	222,216
Adjustment on adoption of IFRS 9	—	—	524	—
Cash – Beginning of periods	26,774	56,090	29,180	222,216
Cash – End of periods	27,192	26,537	27,192	26,537

Cash provided by operating activities

Chorus had cash inflows from operating activities of $41.9 million for the three months ended September 30, 2026, compared to $39.2 million for the three months ended September 30, 2025. The quarter-over-quarter increase was attributable to favourable working capital changes offset by decreased operating income. The working capital changes were impacted primarily by favourable changes in accounts payable and accrued liabilities and income tax receivable partially offset by accounts receivable. Cash from operating activities before net changes in non-cash balances related to operations for the three months ended September 30, 2026 was $34.7 million compared to the three months ended September 30, 2025 of $44.4 million.

Chorus had cash inflows from operating activities of $144.3 million for the nine months ended September 30, 2026, compared to $39.5 million for the nine months ended September 30, 2025. The year-over-year increase was attributable to favourable working capital changes offset by decreased operating income. The working capital changes were impacted primarily by favourable changes in accounts payable and accrued liabilities and income tax receivable partially offset by accounts receivable. Cash from operating activities before net changes in non-cash balances related to operations for the nine months ended September 30, 2026 was $108.4 million compared to the nine months ended September 30, 2025 of $131.5 million.

Cash used in financing activities

Cash used in financing activities for the three months ended September 30, 2026 was $41.1 million, comprised primarily of repurchase of Common Shares under the NCIB of $16.8 million, payments on long-term borrowings of $16.1 million, payments on the Operating Credit Facility of $5.0 million and payment of Common Share dividends of $2.4 million.

Cash used in financing activities for the three months ended September 30, 2025 was $55.1 million, comprised primarily of the early redemption of the outstanding Series B Debentures of $28.7 million, payments on long-term borrowings of $15.5 million, repurchase of Common Shares under the NCIB of $7.9 million and payment of Common Share dividends of $2.1 million.

Cash used in financing activities for the nine months ended September 30, 2026 was $144.4 million, comprised primarily of payments on the Operating Credit Facility of $50.0 million, payments on long-term borrowings of $47.8 million, repurchase of Common Shares under the NCIB of $36.8 million and payment of Common Share dividends of $7.5 million.

Cash used in financing activities for the nine months ended September 30, 2025 was $205.4 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 $55.1 million, repurchase of Common Shares under the NCIB of $25.3 million, repurchase of Common Shares under the substantial issuer bid of $10.3 million and payment of Common Share dividends of $2.1 million.

Cash used in investing activities

Cash used in investing activities for the three months ended September 30, 2026 was $0.5 million, which primarily includes capital expenditures of $8.2 million for the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures and the payment of consideration payable net of working capital adjustment of $2.7 million, partially offset by the proceeds on the sale of one aircraft of $10.0 million.

Cash used in investing activities for the three months ended September 30, 2025 was $14.3 million, which primarily included capital expenditures of $12.4 million for the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures and the Elisen acquisition of $2.1 million.

Cash used in investing activities for the nine months ended September 30, 2026 was $3.4 million, which primarily includes the KADEX acquisition, net of cash acquired of $40.4 million, capital expenditures of $29.5 million for the

purchase of one aircraft, reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures and the payment of consideration payable net of working capital adjustment of $2.7 million; partially offset by proceeds on the sale of seven aircraft of $68.4 million.

Cash used in investing activities for the nine months ended September 30, 2025 was $27.3 million, which primarily included capital expenditures of $26.0 million for the reconfiguration costs on certain aircraft, as well as major maintenance overhauls and other capital expenditures and the Elisen acquisition of $2.1 million.

Capital expenditures

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

(unaudited) *(expressed in thousands of Canadian dollars)*	Three months ended September 30,			Nine months ended September 30,		
	2026 $	2025 $	Change $	2026 $	2025 $	Change $
Capital expenditures, excluding aircraft acquisitions	6,040	6,133	(93)	17,161	12,857	4,304
Capitalized major maintenance overhauls[(1)]	1,775	5,039	(3,264)	4,987	10,335	(5,348)
Aircraft acquisitions and improvements[(2)]	344	1,266	(922)	7,345	2,761	4,584
Total capital expenditures	8,159	12,438	(4,279)	29,493	25,953	3,540

(1) For the three and nine months ended September 30, 2026 includes $0.4 million and $1.7 million, respectively of costs which form part of Controllable Costs (three and nine months ended September 30, 2025 - $2.3 million and $5.8 million, respectively).
(2) Voyageur purchased one King Air 200 in the first quarter of 2026.

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.

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 23 - Caution Regarding Forward-Looking Information).

For the three and nine months ended September 30, 2026, Chorus declared Common Share dividends of $2.4 million and $7.5 million, respectively (2025 - $nil and $2.1 million, respectively).

For the three and nine months ended September 30, 2026, Chorus paid Common Share dividends of $2.4 million and $7.5 million, respectively (2025 - $2.1 million and $2.1 million, respectively).

Long-term debt payment

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

(unaudited) (expressed in thousands of Canadian dollars)	October to December 2026 $	2027 $	2028 $	2029 $	2030 $	2031 and thereafter $
Principal	17,841	116,055	46,865	22,394	23,050	44,742
Interest	3,248	7,228	3,610	2,382	1,725	1,422
Long-term debt	21,089	123,283	50,475	24,776	24,775	46,164

A significant portion of long-term debt is payable in US dollars and has been converted to Canadian dollars at the September 30, 2026 exchange rate of 1.4188.

Actual scheduled 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 23 - Caution regarding forward-looking information and Section 9 - Risk Factors for risks related to this forward-looking information.

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).

On March 22, 2026, Jazz flight AC8646 was involved in an accident at LaGuardia Airport. Management does not anticipate a material impact on the Corporation's financial position or results. The accident remains under investigation by the National Transportation Safety Board.

Refer to Section 23 - 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. Chorus derives a majority of its revenue from the CPA and is substantially dependent on the CPA (refer to Section 1 - 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.

Business combinations

Chorus applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of an entity is equal to the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. Under the acquisition method, the acquiring company adds to its statement of financial position the estimated fair value of the acquired company's assets and assumed liabilities. There are various assumptions made when determining the fair value of the acquired company's assets and assumed liabilities.

The initial recognition of intangible assets acquired that require critical accounting estimates are customer relationships and trade name. To determine the fair value of these intangible assets, a discounted cash flow methodology was used. Significant assumptions were made, which include, among others, the determination of projected revenues and margins, customer retention rates and discount rates.

Customer relationships is an intangible asset with a finite life and will be amortized over 10 years and the trade name is an indefinite life asset and will not be amortized.

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.

New accounting standards adopted during the period

IFRS 9 - Classification and Measurement of Financial Instruments

On January 1, 2026, Chorus adopted the amendments to *IFRS 9, Classification and Measurement of Financial Instruments* and *IFRS 7, Financial Instruments* using the retrospective without restatement of prior period method. In applying these amendments, Chorus did not elect the optional exemption to recognize electronic fund transfer payments at the date of initiation; instead, such payments are recognized on the date of settlement. Except for an impact on the opening cash flow statement, the adoption of the amendments had no material impact on its consolidated financial statements.

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.

Accounting standards issued but not yet applied

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 OFF-BALANCE SHEET ARRANGEMENTS

Information regarding Chorus' off-balance sheet arrangements is disclosed in Section 8 of Chorus' annual MD&A dated February 12, 2026. There have been no material changes to Chorus' off-balance sheet arrangements from what was disclosed at that time.

14 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, consideration payable 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:

(unaudited) *(expressed in thousands of Canadian dollars)*	As at September 30, 2026		As at December 31, 2025	
	Fair value	Carrying value	Fair value	Carrying value
	$	$	$	$
Accounts receivable				
Foreign currency contracts[1]	—	—	1,211	1,211
Total Return Swap[1]	4,842	4,842	—	—
Finance lease receivables[2]	5,724	5,793	6,467	6,370
Other long-term assets				
Defined benefit pension receivable[2]	7,779	7,779	12,540	12,540
Accounts payable and accrued liabilities				
Total Return Swap[1]	—	—	636	636
Foreign currency contracts[1]	554	554	—	—
Long-term debt				
Amortizing Term Loans[3]	206,053	223,744	247,736	263,278
Series C Debentures[4]	47,250	47,203	47,444	47,203
Operating Credit Facility[3]	—	—	50,000	50,000
Consideration payable[2]	6,594	6,594	—	—

(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.

15 RELATED PARTY TRANSACTIONS

As at September 30, 2026, 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. In Chorus' filings for the year ended December 31, 2025, the Corporation's CEO and CFO certified, as required by National Instrument 52-109, the appropriateness of the financial disclosure, the design and operational effectiveness of both the DC&P and the ICFR.

In Chorus' filings for the three months ended September 30, 2026, the CEO and CFO also certified, as required by National Instrument 52-109, the appropriateness of the financial disclosures, the design of both the DC&P and the ICFR based on the framework established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO - 2013).

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.

National Instrument 52-109 permits an issuer to limit its design of DC&P or ICFR to exclude controls, policies and procedures of a business that the issuer acquired not more than 365 days before the end of the financial period to which the certificate relates. As KADEX was acquired in the second quarter of 2026, the CEO and CFO have limited the scope of their design of the Corporation's DC&P and ICFR to exclude controls, policies and procedures relating to KADEX as they have not yet performed sufficient procedures to include KADEX in the certifications. Revenue recognized from the acquisition date of April 1, 2026 through September 30, 2026 was $34.1 million. As at September 30, 2026, KADEX had assets of $70.2 million and liabilities of $16.6 million.

There has been no change in Chorus' internal control over financial reporting that occurred during the third quarter of 2026 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 unaudited interim condensed consolidated financial statements of Chorus for September 30, 2026 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 second quarter of 2026 to exclude interest accretion on consideration payable and amortization of intangible assets to facilitate comparability of its results.

Adjusted Net Income and Adjusted Net Income per Common Share 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, strategic advisory fees, interest accretion on consideration payable, amortization of intangible assets 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 23 - Caution Regarding Forward-Looking Information).

Chorus revised its definition of Adjusted EBT in the second quarter of 2026 to exclude interest accretion on consideration payable and amortization of intangible assets to facilitate 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, interest accretion on the Preferred Shares, strategic advisory fees, interest accretion on consideration payable, amortization of intangible assets 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, interest accretion on the Preferred Shares, strategic advisory fees, interest accretion on consideration payable and amortization of intangible assets) 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, 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, 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.

(unaudited) *(expressed in thousands of Canadian dollars except per Share amounts)*	Three months ended September 30,			Nine months ended September 30,		
	2026 $	**2025 $**	**Change $**	**2026 $**	**2025 $**	**Change $**
Net income	**15,648**	**10,666**	**4,982**	**36,473**	**62,036**	**(25,563)**
Add (Deduct) items to get to Adjusted Net Income						
Amortization intangible assets[1]	489	—	489	978	—	978
Interest accretion consideration payable	114	—	114	280	—	280
Strategic advisory fees[1]	284	—	284	1,265	—	1,265
Unrealized foreign exchange (gain) loss	(1,304)	4,699	(6,003)	8,234	(14,080)	22,314
Income tax, including on adjusted items	(107)	—	(107)	(417)	(3,148)	2,731
	(524)	4,699	(5,223)	10,340	(17,228)	27,568
Adjusted Net Income	**15,124**	**15,365**	**(241)**	**46,813**	**44,808**	**2,005**
Weighted average number of Common Shares *(in thousands)*	22,273	25,655	(3,382)	22,837	26,236	(3,399)
Adjusted Net Income per Common Share - basic	**0.68**	**0.60**	**0.08**	**2.05**	**1.71**	**0.34**
Add (Deduct) items to get to Adjusted EBT						
Income tax expense	6,735	5,817	918	16,516	13,399	3,117
Income tax, including on adjusted items	107	—	107	417	3,148	(2,731)
Adjusted EBT	**21,966**	**21,182**	**784**	**63,746**	**61,355**	**2,391**
Add (Deduct) items to get to Adjusted EBITDA						
Net interest expense excluding interest accretion consideration payable	2,606	3,151	(545)	8,880	10,404	(1,524)
Depreciation and amortization excluding impairment and amortization of intangible assets	24,578	26,722	(2,144)	75,132	81,130	(5,998)
Foreign exchange loss (gain)	761	514	247	(321)	6,880	(7,201)
Gain on disposal of property and equipment	(2,220)	—	(2,220)	(4,695)	(10)	(4,685)
	25,725	30,387	(4,662)	78,996	98,404	(19,408)
Adjusted EBITDA	**47,691**	**51,569**	**(3,878)**	**142,742**	**159,759**	**(17,017)**

(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 Adjusted Net debt by trailing 12-month Adjusted EBITDA. Adjusted Net Debt is calculated as long-term debt and lease liabilities (including current portion) less cash. Consideration payable associated with business acquisitions is excluded from the Adjusted Net Debt calculation. Management believes Leverage Ratio to be a useful ratio when monitoring and managing debt levels. Leverage Ratio should not be construed as a measure of cash flows. Adjusted Net debt is a key component of capital management for Chorus and provides management with a measure of its net indebtedness.

(unaudited) *(expressed in thousands of Canadian dollars)*	**September 30, 2026** **$**	**December 31, 2025** **$**	**Change** **$**
Long-term debt and lease liabilities (including current portion)	285,596	374,156	(88,560)
Less:			
Cash	(27,192)	(28,656)	1,464
Adjusted Net Debt	258,404	345,500	(87,096)
Trailing 12-month Adjusted EBITDA	189,866	206,883	(17,017)
Leverage Ratio	1.4	1.7	(0.3)

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:

(unaudited) *(expressed in thousands of Canadian dollars, except per Share amounts)*	Three months ended September 30,			Nine months ended September 30,		
	2026 $	2025 $	Change $	2026 $	2025 $	Change $
Cash provided by operating activities	**41,875**	**39,219**	**2,656**	**144,298**	**39,534**	**104,764**
Add (Deduct)						
Net changes in non-cash balances related to operations	(7,128)	5,135	(12,263)	(35,915)	91,984	(127,899)
Capital expenditures, excluding aircraft acquisitions	(6,040)	(6,133)	93	(17,161)	(12,857)	(4,304)
Capitalized major maintenance overhauls	(1,775)	(5,039)	3,264	(4,987)	(10,335)	5,348
Free Cash Flow	**26,932**	**33,182**	**(6,250)**	**86,235**	**108,326**	**(22,091)**
Free Cash Flow per Common Share, basic	**1.21**	**1.29**	**(0.08)**	**3.78**	**4.13**	**(0.35)**
Repayment of Amortizing Term Loans	(16,105)	(15,511)	(594)	(47,800)	(55,050)	7,250
Free Cash Flow after repayment of Amortizing Term Loans	**10,827**	**17,671**	**(6,844)**	**38,435**	**53,276**	**(14,841)**
Free Cash Flow after repayment of Amortizing Term Loans per Common Share, basic	**0.49**	**0.69**	**(0.20)**	**1.68**	**2.03**	**(0.35)**

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 trailing 12-month Adjusted Net Income, divided by Average Shareholders' equity less Average cash.

(unaudited) *(expressed in thousands of Canadian dollars)*	Trailing 12-months ended		
	September 30, 2026 $	December 31, 2025 $	Change $
Adjusted Net Income	60,640	58,635	2,005
Average equity excluding cash			
Average Shareholders' equity	525,393	509,893	15,500
Add (Deduct) items to get to average equity excluding cash			
Average Cash[(1)]	(26,865)	(125,436)	98,571
	498,528	384,457	114,071
Adjusted Return on Equity	12.2%	15.3%	(3.1)%

(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.

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.

(unaudited)	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024[1]
Chorus								
Total revenue from continuing operations ($000)	346,128	349,420	325,424	320,190	323,567	324,612	348,129	353,155
Net income (loss) from continuing operations ($000)	15,648	13,824	7,001	16,703	10,666	32,437	18,933	(49,425)
Net income from discontinued operations ($000)	—	—	—	—	—	—	—	42,829
Net income (loss) ($000)	15,648	13,824	7,001	16,703	10,666	32,437	18,933	(6,596)
Adjusted Net Income from continuing operations[1][2] ($000)	15,124	19,055	12,634	13,827	15,365	14,061	15,382	9,342
Adjusted EBITDA from continuing operations[1][2] ($000)	47,691	50,743	44,308	47,124	51,569	51,329	56,861	50,990
Earnings (loss) available to Common Shareholders per Common Share, basic from continuing operations ($)	0.70	0.60	0.30	0.68	0.42	1.24	0.71	(5.08)
Earnings available to Common Shareholders per Common Share, basic from discontinued operations ($)	—	—	—	—	—	—	—	1.53
Earnings (loss) available to Common Shareholders per Common Share, basic ($)	0.70	0.60	0.30	0.68	0.42	1.24	0.71	(3.55)
Earnings (loss) available to Common Shareholders per Common Share, diluted from continuing operations ($)	0.68	0.59	0.29	0.67	0.41	1.22	0.70	(5.08)
Earnings available to Common Shareholders per Common Share, diluted from discontinued operations ($)	—	—	—	—	—	—	—	1.53
Earnings (loss) available to Common Shareholders per Common Share, diluted ($)	0.68	0.59	0.29	0.67	0.41	1.22	0.70	(3.55)
FTE employees (end of period)	4,204	4,255	4,186	4,158	4,246	4,304	4,345	4,308
Number of aircraft (end of period)[3]	107	117	126	127	126	135	135	135
Average foreign exchange rates (USD-CAD)	1.3989	1.3834	1.3712	1.3953	1.3771	1.3852	1.4350	1.3976
Jazz								
Departures	33,340	33,748	31,031	31,596	36,357	35,027	32,516	33,202
Block Hours	50,216	50,154	49,608	49,849	55,059	52,554	51,066	51,340
Billable Block Hours	53,055	51,000	52,530	51,295	56,373	53,875	53,335	51,884

(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) Excludes 14 Diamond aircraft operated by Cygnet and five non-operational aircraft.

19 REVENUE

(unaudited) (expressed in thousands of Canadian dollars)	Three months ended September 30,				Nine months ended September 30,			
	2026 $	2025 $	Change $	Change %	2026 $	2025 $	Change $	Change %
Controllable Cost Revenue	195,136	190,964	4,172	2.2	583,305	590,733	(7,428)	(1.3)
Pass-Through Revenue	55,473	56,486	(1,013)	(1.8)	169,081	161,467	7,614	4.7
	250,609	247,450	3,159	1.3	752,386	752,200	186	—
Fixed Margin and incentive revenue[1]	11,289	15,336	(4,047)	(26.4)	33,793	46,650	(12,857)	(27.6)
Aircraft leasing under the CPA	27,244	29,856	(2,612)	(8.7)	83,617	93,330	(9,713)	(10.4)
CPA revenue	**289,142**	**292,642**	**(3,500)**	**(1.2)**	**869,796**	**892,180**	**(22,384)**	**(2.5)**
Parts sales	34,177	11,891	22,286	187.4	85,591	43,892	41,699	95.0
MRO and defence	13,777	9,621	4,156	43.2	39,035	31,563	7,472	23.7
Contract flying and training	8,665	8,616	49	0.6	24,929	27,044	(2,115)	(7.8)
Other	367	797	(430)	(54.0)	1,621	1,629	(8)	(0.5)
Parts sales, contract flying, MRO and other revenue	**56,986**	30,925	26,061	84.3	**151,176**	104,128	47,048	45.2
Total revenue	**346,128**	**323,567**	**22,561**	**7.0**	**1,020,972**	**996,308**	**24,664**	**2.5**

(1) Includes Fixed Margin of $11.0 million and $32.9 million for the three and nine months ended September 30, 2026, respectively ($14.9 million and $45.1 million for the three and nine months ended September 30, 2025, respectively).

20 CONSOLIDATED STATEMENTS OF INCOME

(unaudited) *(expressed in thousands of Canadian dollars)*	Three months ended September 30, 2026 $	Three months ended September 30, 2025 $	Nine months ended September 30, 2026 $	Nine months ended September 30, 2025 $
Operating revenue	346,128	323,567	1,020,972	996,308
Operating expenses				
Salaries, wages and benefits	132,347	120,678	400,004	366,533
Depreciation, amortization and impairment	25,067	26,722	76,110	81,130
Aircraft maintenance materials, supplies and services	83,029	67,399	237,066	224,642
Airport and navigation fees	35,466	37,176	103,311	108,273
Terminal handling services	4,708	5,076	12,156	12,172
Other	43,171	41,669	126,958	124,929
	323,788	298,720	955,605	917,679
Operating income	22,340	24,847	65,367	78,629
Non-operating income (expenses)				
Interest revenue	404	811	1,188	3,344
Interest expense	(3,124)	(3,962)	(10,348)	(13,748)
Gain on disposal of property and equipment	2,220	—	4,695	10
Foreign exchange gain (loss)	543	(5,213)	(7,913)	7,200
	43	(8,364)	(12,378)	(3,194)
Income before income taxes	22,383	16,483	52,989	75,435
Income tax (expense) recovery				
Current income tax	(10,078)	(3,600)	(25,073)	(17,339)
Deferred income tax	3,343	(2,217)	8,557	3,940
	(6,735)	(5,817)	(16,516)	(13,399)
Net income	15,648	10,666	36,473	62,036

21 ADDITIONAL INFORMATION

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

22 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 $31.71 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;

"**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;

"**Controllable Cost Revenue**" means Jazz and Air Canada negotiate rates 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;

"**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, Voyageur and KADEX;

"**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 and 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;

"**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 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;

"**SkyCare Air Ambulance**" and "**SkyCare**" means 2080061 ONTARIO INC., a corporation incorporated under the Business Corporations Act (Ontario) in 2006 carrying on business under the registered business name "SkyCare Air Ambulance". SkyCare is a subsidiary of the Corporation;

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

"**Total Constructive Loss**" means damaged to the extent that repair costs exceed its actual cash value (ACV) or a specified percentage of its insured value;

"**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 Debentures**" means 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.

23 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 Strategy and Outlook sections 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, debt repayment and refinancing activities, future acquisition opportunities, capital structure, leverage and liquidity, the integration and expected benefits of the SkyCare acquisition, including its impact on earnings, cash flows, diversification and future growth, Chorus' revenue diversification, planned aircraft sales, its intention to return capital to Common Shareholders through Common Share repurchases and dividends, the future profitability of the CPA, Free Cash Flow generation, forecast Adjusted EBITDA and the Corporation's forecast liquidity.

Key assumptions underlying the forward-looking information include: continued performance and expected cash flows from Chorus' existing businesses and contracts; anticipated contributions, including incremental revenue, from acquired businesses, including KADEX and SkyCare; forecasted organic growth; interest rates; foreign exchange rates; macro-economic and industry conditions; estimated market lease rates and anticipated extensions of certain aircraft leases under the CPA; Chorus' share price; and receipt of required approvals.

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.