# CHORUS AVIATION ANNOUNCES FOURTH QUARTER AND YEAR-END 2022 FINANCIAL RESULTS

**Q4 2022 Financial Highlights**

- Net income of $45.9 million, a quarter-over-quarter increase of $35.7 million.
- Adjusted earnings available to Common Shareholders of $22.3 million, or $0.11 per Common Share, an increase of $0.8 million quarter-over-quarter, net of dividends declared on the Preferred Shares and non-controlling interest.
- Adjusted net income of $31.8 million, an increase of $10.4 million quarter-over-quarter primarily related to Falko's earnings and increased lease revenue from CACIL's re-leased aircraft.
- Adjusted EBITDA of $129.5 million, an increase of $39.1 million quarter-over-quarter.

**Annual Financial Highlights:**

- Net income of $51.9 million, a year-over-year increase of $72.4 million.
- Adjusted earnings available to Common Shareholders of $92.9 million, or $0.48 per Common Share, an increase of $29.0 million year-over-year, net of dividends declared on the Preferred Shares and non-controlling interest.
- Adjusted net income of $118.8 million, an increase of $55.0 million year-over-year primarily due to eight months of Falko's earnings in 2022.
- Adjusted EBITDA of $441.0 million, an increase of $111.6 million year-over-year.

**Annual Highlights:**

- Completed the Falko Acquisition for US $843.7 million in the second quarter of 2022, establishing Chorus as the world's largest asset manager and aircraft lessor focused solely on regional aircraft leasing.
- Issued US $300.0 million of Series 1 Preferred Shares and US $74.0 million of Common Shares and Common Share purchase warrants to an affiliate of Brookfield Special Investments Fund L.P. in connection with the Falko Acquisition.
- Began transitioning to an asset light leasing model with opportunistic asset sales that generated proceeds, net of related debt repayments, of USD $152.3 million.

- Generated Free Cash Flow (formerly described as Adjusted Cash Provided by Operating Activities) of $371.3 million for the year ended December 31, 2022, an increase of $208.6 million from the prior year primarily related to strong operating cash flows due to Falko's earnings and improvement in RAS' operating income, and net proceeds on asset sales which was partially offset by capital expenditures.
- Repurchased and cancelled 1,718,972 Common Shares to December 31, 2022 under Chorus' Normal Course Issuer Bid which commenced on November 14, 2022.
- Improved leverage to 4.4 at December 31, 2022 from 5.4 at December 31, 2021, the second consecutive quarter of improved leverage.

***Halifax, February 15, 2023*** - Chorus Aviation Inc. ('Chorus') (TSX: CHR) today announced fourth quarter and year-end 2022 financial results.

"The 2022 year was truly transformational for Chorus. With the acquisition of Falko, Chorus became the world's largest aircraft lessor focused on regional aviation and further diversified its earnings through the addition of asset management services, including fund management on behalf of third-party investors. Falko provides a proven aircraft trading platform which enables us to more readily monetize our on-balance sheet assets. Fund management is a far more efficient strategy for our leasing business and allows Chorus to deleverage its balance sheet and free up embedded capital. Brookfield's investment in Chorus is an endorsement of our strategy," said Joe Randell, President and CEO, Chorus Aviation.

"Our transition to an asset light leasing model continued in the fourth quarter as we executed on several opportunistic aircraft sales. The incremental cash flows generated from the aircraft dispositions allowed us to complete the early redemption of $115 million in the 6.00% Debentures to accelerate our deleveraging. In the fourth quarter we announced a Normal Course Issuer Bid allowing the purchase for cancellation of up to 10% of the public float of Common Shares with over 1.7 million shares being purchased and cancelled at year-end."

"The aviation industry recovery is evident and continuing as we see the return of strong travel demand world-wide. Jazz increased flying activity in 2022 throughout Canada and the U.S. on behalf of Air Canada and Voyageur continued to grow its specialty aviation offerings. The Falko team also did an exemplary job capitalizing on the strengthening environment to place aircraft and trade assets. Our team has delivered and our culture is strong" continued Mr. Randell.

"Over the past few months, I have worked closely with Colin Copp to transition the CEO duties and the process has progressed smoothly. Colin's depth of knowledge across all aspects of our business is impressive and will serve him very well as he capably leads Chorus through 2023 and beyond."

"I offer my sincere appreciation to all employees for their continued hard work and dedication. Chorus is extremely well positioned for the future," concluded Mr. Randell.

**Fourth Quarter Summary**

In the fourth quarter of 2022, Chorus reported Adjusted EBITDA of $129.5 million, an increase of $39.1 million over the fourth quarter of 2021.

The RAL segment's Adjusted EBITDA was $67.5 million, an increase of $36.3 million primarily due to Falko's earnings inclusive of the net gain on sale of assets as well as increased lease revenue from CACIL's re-leased aircraft.

The RAS segment's Adjusted EBITDA was $67.5 million, an increase of $4.6 million. Fourth quarter results were impacted by:

- an increase in other revenue of $5.5 million due to an increase in parts sales and contract flying partially offset by a decrease in third-party MRO activity; and
- an increase in aircraft leasing revenue under the CPA of $2.7 million primarily due to a higher US dollar exchange rate; offset by
- a decrease in capitalization of major maintenance overhauls on owned aircraft of $0.4 million; and
- an increase in general administrative expenses attributable to increased operations.

In the fourth quarter of 2022, Chorus began disclosing corporate head-office expenses separate from RAS, enabling a clearer assessment of RAS' operating performance. Corporate Adjusted EBITDA or net expenses of $5.4 million was higher than the fourth quarter 2021 by $1.8 million, due to:

- an increase in general administrative expenses related to professional fees associated with the Falko Acquisition, higher salaries, wages and benefits and travel expenses than the prior quarter year due to the impact of COVID-19 in 2021; offset by
- a decrease in stock-based compensation of $0.4 million due to the change in fair value of the Total Return Swap offset by an increase in the Common Share price.

Adjusted net income was $31.8 million for the quarter, an increase of $10.4 million over the fourth quarter of 2021 due to:

- a $39.1 million increase in Adjusted EBITDA as previously described; partially offset by
- an increase in depreciation expense of $14.9 million primarily attributable to Falko;
- an increase of $7.4 million in income tax expense;
- an increase in net interest costs of $4.2 million primarily related to interest on long-term debt assumed as part of the Falko Acquisition, partially offset by the

repayment of certain aircraft financings and the partial redemption of the 6.00% Debentures in December 2021; and

- a change in net foreign exchange of $1.3 million.

Net income increased $35.7 million over the fourth quarter of 2021 primarily due to:

- the previously noted increase in Adjusted net income of $10.4 million;
- an increase in net unrealized foreign exchange gains of $14.6 million;
- a decrease in impairment provision of $14.6 million; and
- a decrease in inventory provision of $1.0 million; partially offset by
- an increase in lease repossession costs of $2.5 million; and
- a decrease in income tax recoveries on adjusted items of $2.1 million.

**Annual Summary**

Chorus reported Adjusted EBITDA of $441.0 million for 2022, an increase of $111.6 million over the same prior year period.

The RAL segment's Adjusted EBITDA was $219.5 million, an increase of $108.2 million primarily due to the inclusion of eight months of earnings from Falko, net gain on sale of assets, the claims recoveries in the Virgin Australia and Aeromexico bankruptcies and increased lease revenue from CACIL's re-leased aircraft.

The RAS segment's Adjusted EBITDA was $248.8 million an increase of $14.0 million due to:

- an increase in other revenue of $15.2 million due to an increase in parts sales and contract flying and the sale of four Dash 8-100s that were held for resale partially offset by a decrease in third-party MRO activity;
- an increase in aircraft leasing revenue under the CPA of $5.6 million primarily due to a higher US dollar exchange rate; and
- an increase in capitalization of major maintenance overhauls on owned aircraft of $2.0 million; partially offset by
- an increase in general administrative expenses attributable to increased operations.

The Corporate Adjusted EBITDA or net expenses of $27.2 million was higher than the 2021 by $10.6 million due to:

- an increase in stock-based compensation of $6.4 million due to one-time restructuring grants and an increase in the Common Share price, offset by the change in fair value of the Total Return Swap; and
- an increase in general administrative expenses related to professional fees associated with the Falko Acquisition, higher salaries, wages and benefits and higher travel expenses due to the impact of COVID-19 in 2021.

Adjusted net income of $118.8 million, an increase of $55.0 million over the same prior year period primarily due to:

- a $111.6 million increase in Adjusted EBITDA as previously described; partially offset by
- an increase in depreciation expense of $35.6 million primarily attributable to Falko;
- a $13.2 million increase in income tax expense offset by lower income tax recoveries on adjusted items;
- an increase in net interest costs of $4.5 million primarily related to interest on long-term debt assumed as part of the Falko Acquisition and interest on the Series B Debentures and Series C Debentures partially offset by the repayment of certain aircraft financings and the partial redemption of the 6.00% Debentures in December 2021;
- a decrease in gain on property and equipment of $1.6 million; and
- a loss on fair value of investments of $1.1 million.

Net income of $51.9 million, an increase of $72.4 million over the same prior year period primarily due to:

- the previously noted increase in Adjusted net income of $55.0 million; and
- one-time restructuring costs of $80.7 million in 2021 related to the 2021 CPA Amendments; offset by
- an increase in lease repossession costs of $19.1 million;
- a decrease in income tax recoveries on adjusted items of $16.1 million;
- an increase in restructuring credit loss provision of $10.4 million;
- a change in net foreign exchange of $8.7 million;
- strategic advisory fees related to the Falko Acquisition of $8.5 million;
- an increase in impairment provisions of $2.1 million in the RAL segment; and
- an increase in employee separation program costs, exclusive of the cost attributable to the pilot early retirement program and signing bonuses, of $1.9 million.

**Consolidated Financial Analysis**

The following table provides Chorus' performance for the three months and year ended December 31, 2022 compared to the three months and year ended December 31, 2021.

| *(expressed in thousands of Canadian dollars)* | Three months ended December 31, | | | | Year ended December 31, | | | |
|---|---|---|---|---|---|---|---|---|
| | **2022** | **2021** | **Change** | **Change** | **2022** | **2021** | **Change** | **Change** |
| | $ | $ | $ | % | $ | $ | $ | % |
| Operating revenue | 439,755 | 346,516 | 93,239 | 26.9 | 1,595,80 | 1,023,27 | 572,529 | 56.0 |
| Operating expenses | 367,150 | 309,952 | 57,198 | 18.5 | 1,407,53 | 952,296 | 455,242 | 47.8 |
| Operating income | 72,605 | 36,564 | 36,041 | 98.6 | 188,266 | 70,979 | 117,287 | 165.2 |
| Net interest expense | (28,809) | (24,565) | (4,244) | 17.3 | (100,843 | (96,333) | (4,510) | 4.7 |
| Foreign exchange gain (loss) | 14,146 | 899 | 13,247 | 1,473.5 | (13,612) | (4,595) | (9,017) | 196.2 |
| Gain on property and equipment | 16 | 7 | 9 | 128.6 | 172 | 1,725 | (1,553) | (90.0) |
| Gain (loss) on fair value of investments | 440 | — | 440 | 100.0 | (133) | — | (133) | (100.0) |
| Other | — | 344 | (344) | 100.0 | — | 344 | (344) | 100.0 |
| Income (loss) before income tax | 58,398 | 13,249 | 45,149 | 340.8 | 73,850 | (27,880) | 101,730 | 364.9 |
| Income tax (expense) recovery | (12,546) | (3,090) | (9,456) | (306.0) | (21,933) | 7,395 | (29,328 ) | (396.6) |
| Net income (loss) | 45,852 | 10,159 | 35,693 | 351.3 | 51,917 | (20,485) | 72,402 | 353.4 |
| Net income attributable to non-controlling interest | 650 | — | 650 | 100.0 | 3,027 | — | 3,027 | 100.0 |
| Net income (loss) attributable to Shareholders | 45,202 | 10,159 | 35,043 | 344.9 | 48,890 | (20,485) | 69,375 | 338.7 |
| Preferred share dividends declared | (8,913) | — | (8,913) | 100.0 | (22,902) | — | (22,902) | 100.0 |
| Earnings (loss) attributable to Common Shareholders | 36,289 | 10,159 | 26,130 | 257.2 | 25,988 | (20,485) | 46,473 | (226.9) |
| Adjusted EBITDA(1) | 129,542 | 90,463 | 39,079 | 43.2 | 441,046 | 329,440 | 111,606 | 33.9 |
| Adjusted EBT(1) | 44,956 | 27,209 | 17,747 | 65.2 | 150,937 | 82,742 | 68,195 | 82.4 |
| Adjusted net income(1) | 31,826 | 21,456 | 10,370 | 48.3 | 118,842 | 63,890 | 54,952 | 86.0 |

(1) These are non-GAAP financial measures

**Outlook**

(See cautionary statement regarding forward-looking information below)

Chorus has the key elements to successfully execute on its strategy to transition to an asset light leasing model while growing its contractual fund management business and its RAS segment. The key elements include:

- Strong and predictable core earnings from the RAS segment, with the potential to expand into adjacent and complementary business lines;
- Significant wholly-owned or majority-owned aviation assets that can be monetized to reduce debt and return capital to Common Shareholders while also providing funding to improve the growth and return profile of the business over time through accretive investments; and

- Growing the Falko series of funds from which Chorus can generate attractive returns via asset management fees, co-investment returns and incentive payments.

The asset light leasing model will enable Chorus to achieve greater scale in its leasing business by co-investing alongside third-party equity investors in Falko-managed funds, while decreasing risk to Chorus by reducing the use of recourse debt financing. As Chorus transitions to an asset light leasing model, asset sales will generate Free Cash Flow that can be deployed to pursue accretive investment opportunities and/or return capital to Common Shareholders. As part of this asset light transformation, Chorus is targeting:

- **Aircraft asset sales**: Chorus intends to opportunistically trade RAL's wholly-owned or majority-owned aircraft including in connection with the expected windup of its 67.45% ownership in Ravelin Holdings LP by its tenth anniversary in 2025. As of December 31, 2022, Ravelin Holdings LP held an interest in 39 aircraft with a net book value of US $405.4 million and secured debt of US $228.6 million. As asset sales occur, the related leasing revenues in RAL will decrease, which will be partially offset by lower depreciation and debt servicing costs and earnings from Falko managed funds.
- **Reduced leverage**: Chorus anticipates its Leverage Ratio will be between 2.5 to 3.5 by December 31, 2024, given the contractual nature of Chorus' earnings, amortizing debt repayments, and the expectation for asset sales. Deleveraging amounts will vary from quarter-to-quarter depending on the timing and quantum of asset sales.
- **Growth**: The expansion of Falko managed funds and the RAS business into adjacent and complimentary specialty aviation business lines.

Chorus' forecast for the year ending December 31, 2023 is as follows:

| *(expressed in thousands of Canadian dollars)* | **Consolidated** | |
|---|---|---|
| | | **To** |
| | $ | $ |
| Revenue[1][2] | 1,500,000 | 1,700,000 |
| Adjusted EBITDA[1][3] | 410,000 | 450,000 |
| Adjusted EBT[1][3] | 135,000 | 165,000 |
| Net debt to Adjusted EBITDA[1][3] | 3.6x | 4.0x |
| Free Cash Flow[3] | 260,000 | 330,000 |

(1) RAL's forecast for the year ending December 31, 2023 is as follows: Revenue is expected to be between $240.0 million to $260.0 million, Adjusted EBITDA is expected to be between $210.0 million to $235.0 million and Adjusted EBT is expected to be between $70.0 million to $85.0 million.

(2) Controllable Cost Revenue and Pass-Through Revenue are expected to be between $0.95 billion and $1.1 billion included in both revenue and expenses.

(3) These are non-GAAP financial measures.

2023 Key Economic Assumptions:

- The forecast assumes the launch in the first half of 2023 of a new investment fund managed by Falko with (i) a minimum of US $500.0 million in capital commitments and (ii) management fees and economic terms commensurate with those in Falko's prior funds.
- The forecast revenue is based on current contracted lease revenue and forecasted revenues for leased aircraft and asset management fees. Aircraft leasing revenue under the CPA and Fixed Margin revenue is expected to be US $110.0 million and $63.0 million, respectively, in 2023. (2022: US $114.5 million and $66.3 million, respectively).
- Asset sales of approximately US $50.0 million to $100.0 million in 2023 with a loan-to-value of between 50% and 60% generating net proceeds between US $25.0 million and US $50.0 million. If material asset sales are executed in 2023, this may reduce expected revenue in RAL, depending on the timing of such sales.
- The forecast uses a foreign exchange rate of 1.30 for 2023 to translate USD to CAD revenue.

RAL's gross lease receivable may decrease from the December 31, 2022 balance of US $104.7 million to between US $95.0 million and US $100.0 million by the end of 2023 due to rent relief arrangements[1] and repayment expectations.

RAL's lease deferral receivable exposure is partially mitigated by security packages held of approximately US $17.1 million (December 31, 2021 - US $21.1 million).

1 Following the onset of the COVID-19 pandemic, RAL received requests from many of its customers for some form of temporary rent relief, as they coped with an unprecedented reduction in demand for passenger air travel. Under rent relief arrangements, certain of which include lease term extensions, the repayment of the deferred amounts typically coincides with the lease term extensions.

## Capital Expenditures

Capital expenditures in 2023, are expected as follows:

| | | | | Actual | |
|---|---|---|---|---|---|
| *(expressed in thousands of Canadian dollars)* | **Planned 2023[1]** | | | **Year ended December 31, 2022** | **Year ended December 31, 2021[2]** |
| | **$** | | **$** | **$** | **$** |
| Capital expenditures, excluding aircraft acquisitions | 26,000 | to | 32,000 | 15,914 | 7,019 |
| Capitalized major maintenance overhauls[3] | 5,000 | to | 10,000 | 15,974 | 20,296 |
| Aircraft acquisitions and improvements | 5,000 | to | 8,000 | 30,392 | 47,392 |
| | 36,000 | to | 50,000 | 62,280 | 74,707 |

(1) The 2023 plan includes reconfiguration costs on aircraft and certain aircraft improvements in the RAL segment which have been converted to Canadian from US dollars using a foreign exchange rate of 1.3544, the December 31, 2022 closing day rate from the Bank of Canada.
(2) The 2023 plan includes between $3.0 million to $5.0 million of costs that are expected to be included in Controllable Costs. Actual 2022 and 2021 costs include $10.1 million and $8.1 million, respectively, which were included in Controllable Costs.

### Use of Defined Terms

Capitalized terms used but not defined in this news release have the meanings given to them in the MD&A which is available on Chorus' website (www.chorusaviation.com) and under Chorus' profile on SEDAR (www.sedar.com).

### Investor Conference Call / Audio Webcast

Chorus will hold an analyst call at 9:00 ET on February 16, to discuss the fourth quarter and year-end 2022 financial results. The call may be accessed by dialing 1-888-664-6392. The call will be simultaneously audio webcast via: https://app.webinar.net/Ld09Pzd7gp5.

This is a listen-in only audio webcast.

The conference call webcast will be archived on Chorus' website at www.chorusaviation.com under Investors > Reports > Executive Management Presentations. A playback of the call can also be accessed until midnight ET, February 23, by dialing toll-free1-888-390-0541 and using passcode 611996#.

### [1]NON-GAAP FINANCIAL MEASURES

This news release references several non-GAAP financial measures to supplement the analysis of Chorus' results. Chorus uses certain non-GAAP financial 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 a standardized meaning, and are therefore not likely to be comparable to similar measures presented by other public entities.

### Adjusted Net Income, Adjusted EBT and Adjusted EBITDA

Chorus revised its definition of Adjusted net income in the second quarter of 2022 to include expected credit loss provision related to anticipated aircraft repossessions ("restructuring expected credit loss provision") to facilitate comparability of its results.

Adjusted net income and Adjusted net income per Share are 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, signing bonuses, employee separation program costs, impairment provisions, lease repossession costs net of security packages realized, restructuring expected credit loss provision, Dash 8-300 inventory provision, defined benefit pension curtailment, integration costs, strategic advisory fees and the applicable tax expense (recovery). Chorus manages its exposure to currency risk on such long-term debt by billing the lease payments within the CPA in the underlying currency (US dollars) related to the aircraft debt. These items are excluded because they affect the comparability of Chorus' financial results, period-over-period, and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring due to ongoing currency fluctuations between the Canadian and US dollar.

Chorus revised its definition of Adjusted EBT and Adjusted EBITDA in the second quarter of 2022 to include the expected credit loss provision related to anticipated aircraft repossession ("restructuring expected credit loss provision") to facilitate comparability of its results.

Chorus revised its definition of Adjusted EBITDA in the fourth quarter of 2022 to include the gain (loss) on the fair value of investments related to fund investments as this is a key operating item for Chorus.

Adjusted EBT and 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 signing bonuses, employee separation program costs, impairment provisions, lease repossession costs net of security packages realized, restructuring expected credit loss provision, Dash 8-300 inventory provision, defined benefit pension curtailment, integration costs, strategic advisory fees and other items such as foreign exchange gains and losses) is a non-GAAP financial measure used by Chorus as a supplemental financial measure of operational performance. Management believes Adjusted EBT assists investors in comparing Chorus' performance by excluding items, which it does not believe will re-occur over the longer-term (such as signing bonuses, employee separation program costs, impairment provisions, lease repossession costs net of security packages realized, restructuring expected credit loss provision, Dash 8-300 inventory provision, defined benefit pension curtailment, integration costs and strategic advisory fees) as well as items that are non-cash in nature such as foreign exchange gains and losses.

EBITDA is defined as earnings before net interest expense, income taxes, depreciation and amortization, and impairment and is a non-GAAP financial measure that is used frequently by companies in the aviation industry as a measure of performance. Adjusted EBITDA (EBITDA before signing bonuses, employee separation program costs, strategic advisory fees, impairment provisions, lease repossession costs net of security packages realized, restructuring expected credit loss provision, Dash 8-300 inventory provision, defined benefit pension curtailment and integration costs, 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 signing bonuses, employee separation program costs, impairment provisions, lease repossession costs net of security packages realized, restructuring expected credit loss provision, Dash 8-300 inventory provision, defined benefit pension curtailment, integration costs 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.

**Net Debt to Adjusted EBITDA**

Net debt to trailing 12-month Adjusted EBITDA leverage ratio (also referred to as "leverage ratio") is used by Chorus as a means to measure financial leverage. Leverage ratio is calculated by dividing Net debt by trailing 12-month Adjusted EBITDA. Leverage is not a recognized measure under GAAP, and therefore is unlikely to be comparable to similar measures presented by other companies. Management believes leverage to be a useful term when monitoring and managing debt levels. In addition, as leverage is a measure frequently analyzed for public companies, Chorus has calculated the amount to assist readers in this review. Leverage should not be construed as a measure of cash flows.

**Free Cash Flow (formerly Adjusted Cash Provided by Operating Activities)**

Free Cash Flow is defined as cash provided by operating activities less net changes in non-cash balances related to operations, capital expenditures excluding aircraft acquisitions and improvements plus net proceeds on asset sales (proceeds on disposal of property and equipment less the related debt repayments for the assets sold).

**Forward-Looking Information**

This news release includes forward-looking information and statements. Forward-looking information and statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "potential", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information and statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions. Forward-looking information and statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and other uncertain events. Forward-looking information and statements, by their nature, are based on assumptions, including those referenced below, and are subject to important risks and uncertainties. Any forecasts or forward-looking predictions or statements cannot be relied upon due to, among other things, external events, changing market conditions and general uncertainties of the business. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those indicated in the forward-looking information and statements.

Examples of forward-looking information and statements in this news release include the discussion in the Outlook section, as well as statements regarding expectations as to Chorus' future liquidity and financial strength and contracted revenues, the recovery of air traffic in Canada and around the world, Chorus' future growth and competitive position, Chorus' ability to grow Falko's asset management business and realize the benefit of synergies among its subsidiaries, and the completion of pending or planned transactions (including the successful close of a new Falko-managed fund). Actual results may differ materially from results indicated in forward-looking information for a number of reasons, including Chorus' ability to successfully integrate Falko's operations and employees and realize the anticipated benefits of the Falko acquisition including the transition to an asset light model; the potential impact of the completion of the Falko acquisition on relationships, including with employees, suppliers, customers, investors and other providers of capital; Falko's ability to successfully launch a new fund on the terms currently contemplated or at all; deviations from the key economic assumptions described in the Outlook section; a prolonged duration of the COVID-19 pandemic (including as a result of the emergence of new COVID-19 variants) and/or further restrictive measures to minimize its public health impacts; the evolving impact of COVID-19 on Chorus' contractual counterparties; changes in aviation industry and general economic conditions, including inflation; the continued payment (in whole or in part) of amounts due under the CPA and/or under aircraft lease agreements with Chorus' customers; the risk of disputes under the CPA and/or under aircraft lease agreements; Chorus' ability to pay its indebtedness and otherwise remain in compliance with its debt covenants; the risk of cross defaults under debt agreements and other significant contracts; the risk of asset impairments and provisions for expected credit losses; a failure to conclude transactions (including potential financings) referenced in this news release and in Chorus' public disclosure record available at www.sedar.com. The forward-looking statements contained in this news release represent Chorus' expectations as of the date of this news release (or as of the date they are otherwise stated to be made) and are subject to change after such date. Chorus disclaims any intention or obligation to update or revise such statements to reflect new information, subsequent events or otherwise, except as required by applicable securities laws. Readers are cautioned that the foregoing factors and risks are not exhaustive.

**About Chorus Aviation Inc.**

Chorus' vision is to deliver regional aviation to the world. Headquartered in Halifax, Nova Scotia, Chorus is an integrated provider of regional aviation solutions, including asset management services. Its principal subsidiaries are: Falko Regional Aircraft, the world's largest asset manager and aircraft lessor focused solely on the regional aircraft leasing segment; Jazz Aviation, the sole provider of regional air services under the Air Canada Express brand; and Voyageur Aviation, a provider of specialty air charter, aircraft modification, and parts provisioning services to regional aviation customers around the world. Together, Chorus' subsidiaries provide support services that encompass every stage of a regional aircraft's lifecycle, including: aircraft acquisition and leasing; aircraft refurbishment, engineering, modification, repurposing and transition; contract flying; aircraft and component maintenance, disassembly, and parts provisioning.

Chorus Class A Variable Voting Shares and Class B Voting Shares trade on the Toronto Stock Exchange under the trading symbol 'CHR'. Chorus 5.75% Senior Unsecured Debentures due December 31, 2024, 6.00% Convertible Senior Unsecured Debentures due June 30, 2026, and 5.75% Senior Unsecured Debentures due June 30, 2027 trade on the Toronto Stock Exchange under the trading symbols 'CHR.DB.A', 'CHR.DB.B', and 'CHR.DB.C' respectively. www.chorusaviation.com.

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