



# Revitalizing Transat

Delivering a Superior, Recapitalized, and Thriving Transat

**Financière Outremont Inc.**

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# Transat is Underperforming

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## It is time to revamp Transat and unleash its full potential

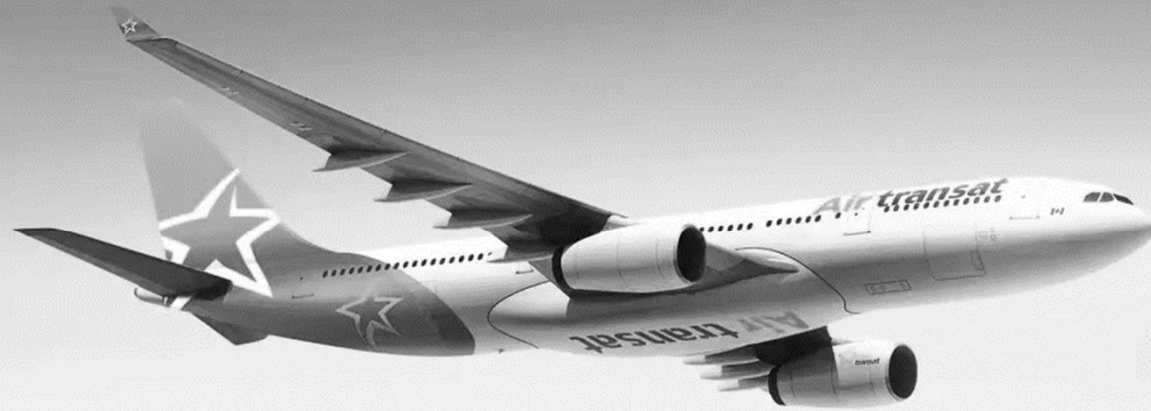
- Transat A.T. Inc. (“Transat” or the “Company”) has **severely underperformed under the stewardship of the incumbent Board of Directors** (“Board ”). Over the last 5 years, Transat shares are down 57%, making it the clear loser among peers. In contrast, airline peers are up 31%, and the S&P/TSX Composite Index is up 82%.
- Transat has been plagued with a track-record of operational and financial underperformance, having reported **five consecutive years of negative earnings per share**. Transat has consistently delivered the **worst margins among its peers** with a five-year average EBITDAR margin of (15.9%), representing a delta of 2,290 bps to its peer group of North American airlines.
- Transat remains **highly over-levered** (despite the restructuring of the LEEFF debt) at 5.5x total debt / EBITDAR and has **limited access to new capital** to invest in growing the Company
- **Financière Outremont Inc.** (“Financiere Outremont”) is the **second largest shareholder** with an investment representing approximately a 9.5% economic interest in Transat A.T. Inc. (“Transat” or the “Company”)
- **We are deeply concerned regarding the long-term viability of Transat**, and will no longer accept the status-quo governance that has resulted in the persistent value-erosion of our investment and for those of our fellow shareholders over the past several years
- **We have already made multiple attempts to privately and constructively engage with the Board**; however, we have been consistently rebuffed and have failed to see any meaningful progress or actionable outcomes

# Proposal for a Superior, Recapitalized, and Thriving Transat

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- Our significant and long-standing investment in Transat is rooted in the firm belief that, **under the right leadership, Transat has the potential for success** and to become a leading airline alternative for Quebec and Canadian consumers
- Our goal is for Transat to reverse course and return to growth, operational excellence, financial discipline, and fix the Company's broken balance sheet
- To deliver improved results and restore the confidence that has been lost, Financière Outremont believes the Company must pursue the following critical steps:
  - **Board Improvements:** Reduce the Board size from eleven members to six members; three of which would be new directors with deep expertise in business and operational excellence, and three would be existing Board members of the Company. The new Board members would be Pierre-Karl Péladeau, André Brosseau and Jean-Marc Léger. André Brosseau would assume the role of Chairman of the Board
  - **Balance sheet restructuring:** Restructure Transat's broken balance sheet to guarantee its sustainability and provide the Company with much needed new capital to invest in growth initiatives.
  - **Strategic Review:** Initiate a comprehensive strategic review process including an assessment of strategic direction, capital allocation, senior management, cost structure, investments and financing, strategic partnerships, and strategic alternatives

**A revamped, recapitalized, and thriving Transat would benefit all key stakeholders and position Transat to increase Shareholder value, maintain and create jobs, preserve debtholder value, and benefit Quebec and Canadian consumers through improved service and increased competition**



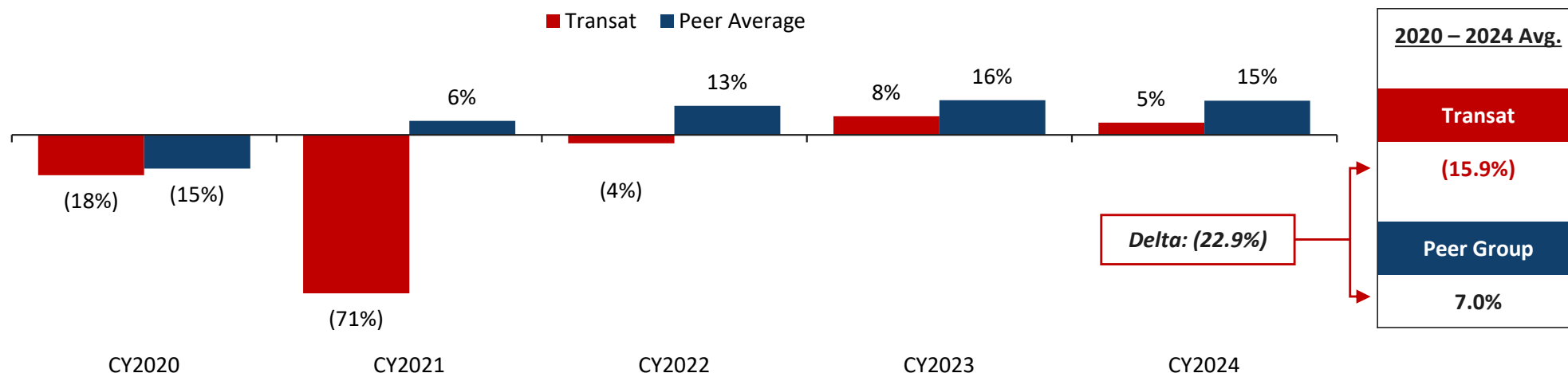
# **1 The Underperforming and Broken Transat**

## **2 A Superior, Recapitalized, and Thriving Transat**

# Transat Systematically Delivers Poor Financial Performance...

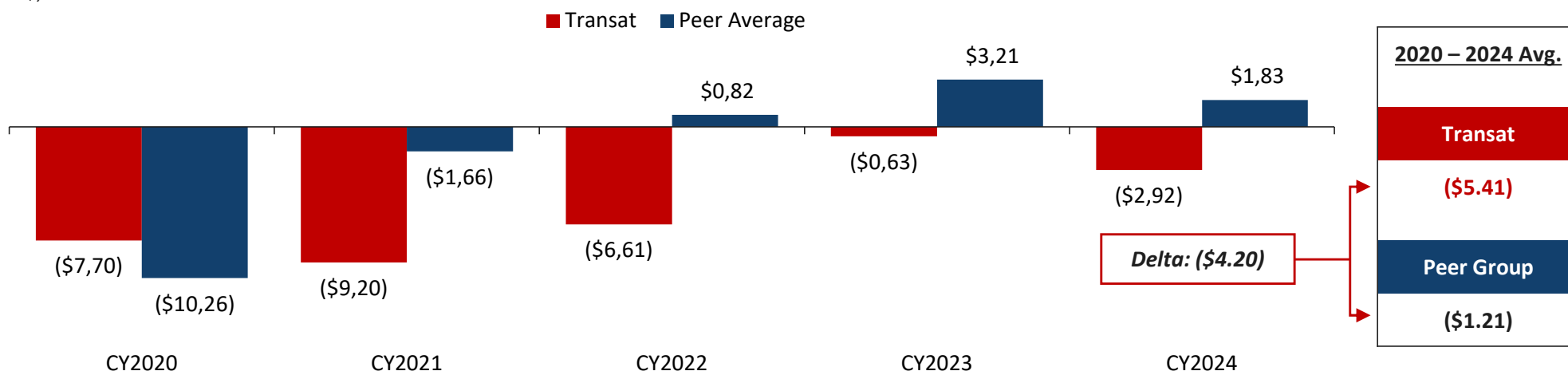
## History of Financial Underperformance Relative to Peer Group

### 2020 to 2024 Average EBITDAR Margin



### 2020 to 2024 Average Adj. Earnings Per Share

(in US\$)



Peer Group includes Air Canada, Delta Air Lines, United Airlines, Southwest Airlines, American Airlines, Alaska Air, SkyWest, JetBlue Airways Corporation, Allegiant Travel Company, Sun Country Airlines, and Frontier Group



## ...and Constantly Dealing With Negative Headlines

*"We remain cautious due mostly to the **company's elevated leverage ratio (including leases) and high sensitivity to exogenous factors** [...] Fundamentally, we see some **challenges for the next 2-3 quarters**, which could pressure the stock in the near term [...] Overall, we expect FQ4 to be **challenging y/y due to capacity decline, softer loads, increased competition, and tough revenue comps**"*

**Scotiabank**

September 11, 2025

*"FQ3 results and outlook keep us cautious with the company noting it is seeing a **softening environment exiting F2025** [...], its **leverage remains elevated**. [...] TRZ noted it is showing a downward trend reflecting some **cautiousness by the Canadian consumer and competitive pressure**. TRZ's recent results reflect some of the **structural concerns we have with the company**"*

**CIBC**

September 11, 2025

### **Air Transat accused of inflating its prices during Air Canada dispute**

*"A **class action lawsuit has been filed against Air Transat** by passengers who believe the airline **took advantage of the Air Canada flight attendant strike to inflate its prices** [...] there could be **tens of thousands of passengers affected** [...] who paid an **"inflated or excessive price compared to the prices historically charged by Air Transat for similar routes during the same period"**"*

**CTV NEWS**

August 26, 2025

### **Air Transat to lay off nearly 400 flight attendants**

*"Transat A.T. is reducing its flight crew by **20 per cent**, which amounts to around **400 people**, as the company will transport **fewer travelers than expected** this winter and fly shorter distances [...] Throughout the year, Transat A.T. has faced several challenges, including **stiff competition, engine recalls, and the threat of a union strike**. These factors have collectively put additional strain on Transat's **already fragile financial position**"*

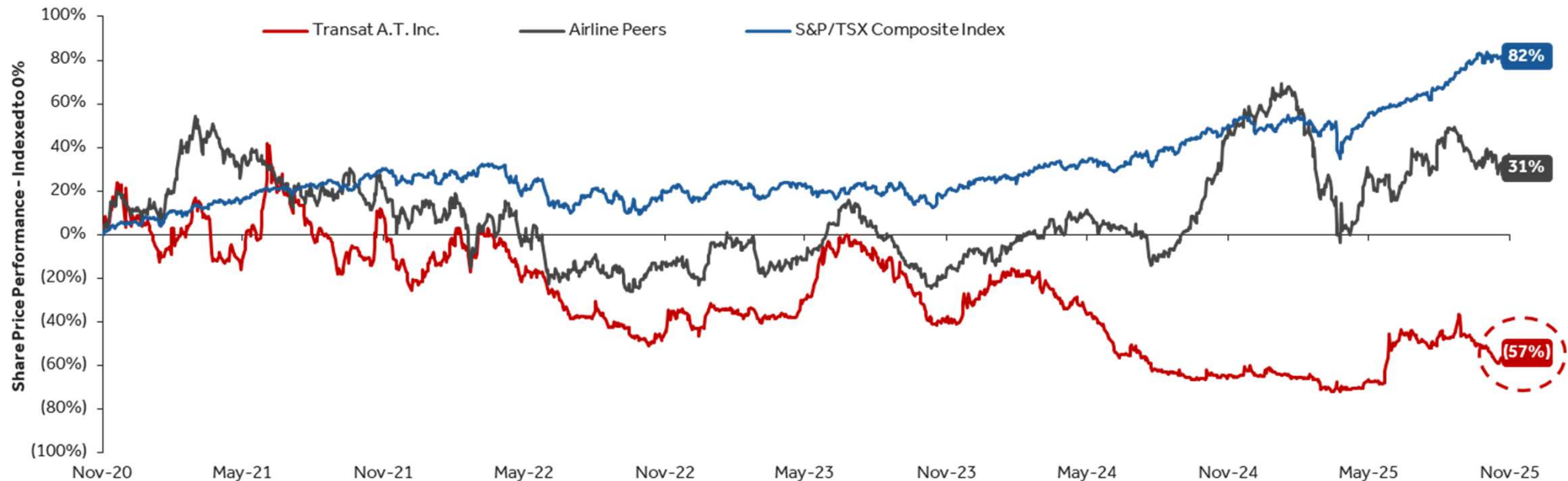
**pax NEWS**

October 18, 2024

# Transat Shares Have Consistently Underperformed and Face Further Downside

- **Transat shares have meaningfully underperformed** relative to key benchmarks and competitors, including Air Canada, US airlines, and the S&P / TSX Composite Index
  - Over the last 5 years, **Transat shares are down 57%**, making it the clear loser among peers. In contrast, airline peers are up 31% and the S&P / TSX Composite Index is up 82%. This material gap underscores **persistent underperformance and investor skepticism**, a trend that shows no signs of reversing without a **major strategic reset**
- **Shareholders are disengaged** and the Company is **unfinanceable**, unless offered at a significant discount, which would introduce further dilution and **downward pressure on the stock**, compounding its already **weak investor sentiment**

## Indexed Share Price Performance – Last 5 Years



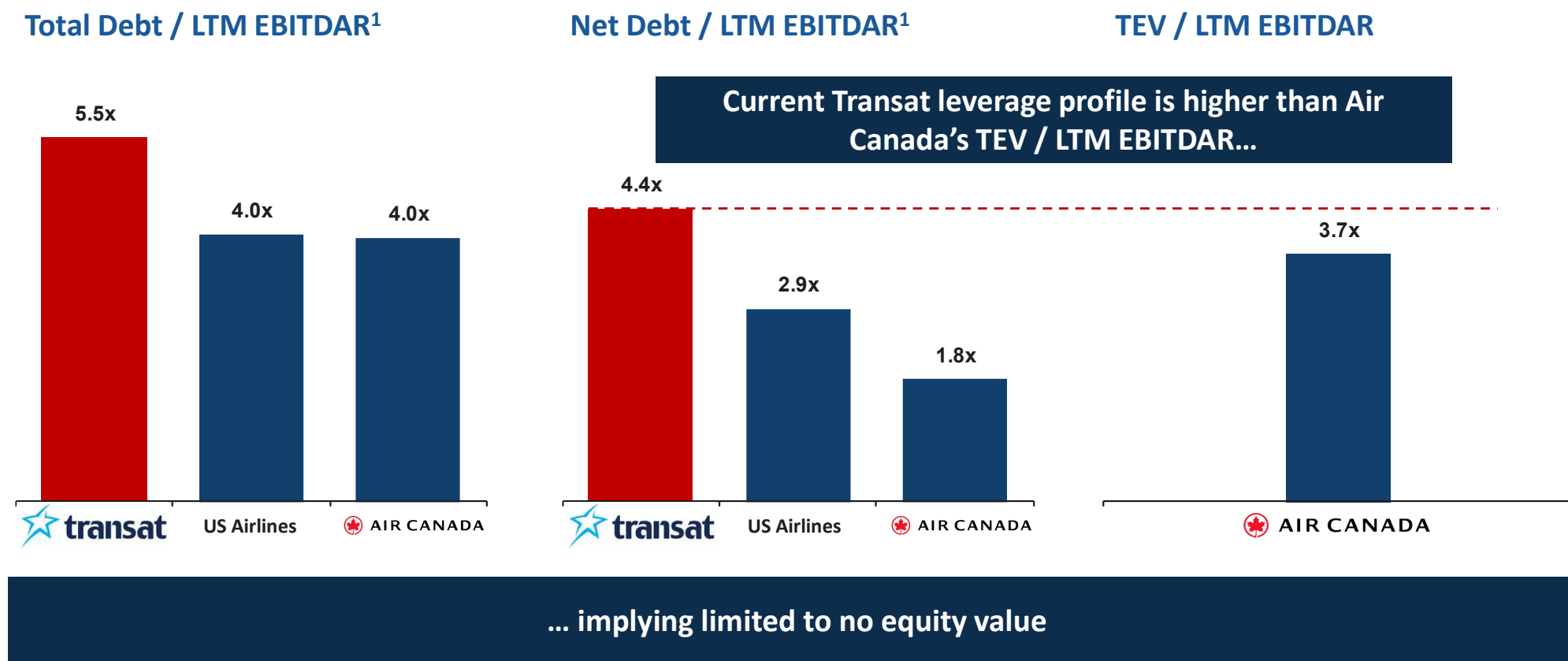
Source: Capital IQ as of November 14, 2025

Note: Indexed share price performance reflects changes in the underlying stock price and is presented in a single reporting currency, which includes historical FX translation effects. Peer Group includes Air Canada, Delta Air Lines, United Airlines, Southwest Airlines, American Airlines, Alaska Air, SkyWest, JetBlue Airways Corporation, and Allegiant Travel Company.



# Transat Still Has a Broken Balance Sheet

- The Company's over-levered capital structure limits its financial flexibility and further constrains its ability to invest in growth opportunities within the capital-intensive airline sector
- Despite the restructuring of the CEEFC debt, Transat remains highly over-levered at 5.5x total debt / EBITDAR<sup>1</sup>, vs US Airline Peers and Air Canada at 4.0x
- Furthermore, Air Canada trades at 3.7x TEV / EBITDAR, implying limited to no equity value for Transat post-restructuring



Note: US Airlines is based on the Adjusted Mean of the group  
Source: Company filings and Capital IQ as of November 14, 2025

US Airlines includes: Delta Air Lines, United Airlines, Southwest Airlines, American Airlines, Alaska Air, SkyWest, JetBlue Airways Corporation, Allegiant Travel Company, Frontier Group, and Sun Country Airlines

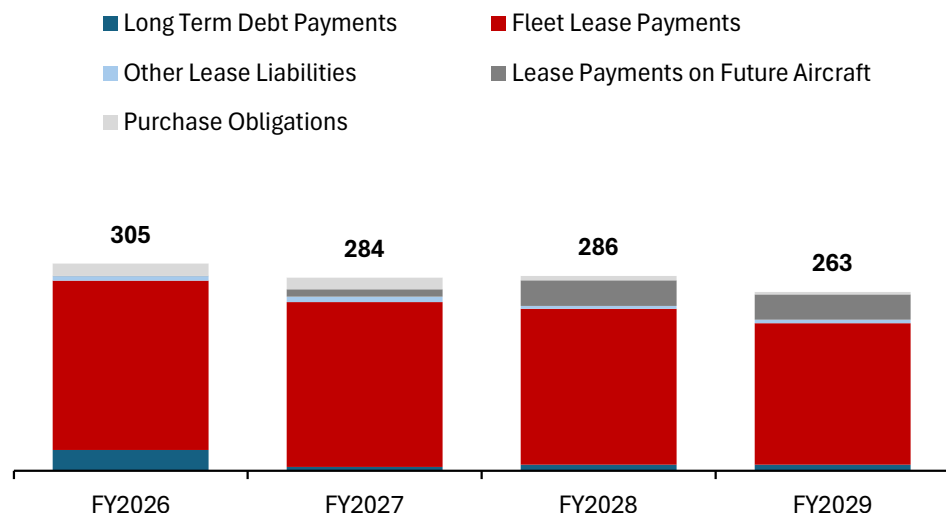
1. Transat net debt is pro-forma based on sale-leaseback announced August 7, 2025, and redemption of Series 4 preferred shares and partial repayment of CEEFC debt announced August 14, 2025

# Severe Liquidity Constraints Limit Strategic Flexibility

## Despite the recent LEEFF Restructuring, Transat is still facing liquidity shortfall

### Post-Restructuring Maturity Ladder<sup>1</sup>

(in C\$ millions)



- Transat still faces sizable upcoming obligations, including a major mandatory payment of C\$25.0M under its revolving term credit agreement coming due on January 15, 2026
- Future aircraft purchase obligations only reflect the minimum contractual payments due to suppliers in the normal course of business and exclude additional capital expenditures for growth, which implies a conservative view. In reality, Transat will **require significantly more capital to support its position and remain competitive**
- Mandatory repayment events imposed by the LEEFF debt further hinders the Company's cash flow profile or **ability to grow including expanding fleet and adding new routes**

## The Street Remains Skeptical Over Transat's Long-Term Viability Post-Restructuring

*"We think equity dilution risk will increase given **the issuance of preferred shares that will be convertible into common shares** while the expiry of equity warrants will also be extended to 2035. [...] We remain cautious on TRZ **due to its elevated pro forma leverage ratio at sub-7x**, which creates high risk for equity investors during these uncertain times"*

**Scotiabank®**

*"Underlying profitability needs to improve significantly for long-term viability. [...] With the new capital structure, we estimate net financing costs at ~\$100 million [...], even after the debt restructuring and assuming a material improvement in profitability, **we still forecast Transat to have negative net income**"*

**NATIONAL BANK**

Source: Public Disclosure, Equity Research

1. Long-term debt payments are CG estimates based on subsequent events and company filings, and assumes the Revolving Credit Facility is extended annually on each anniversary date

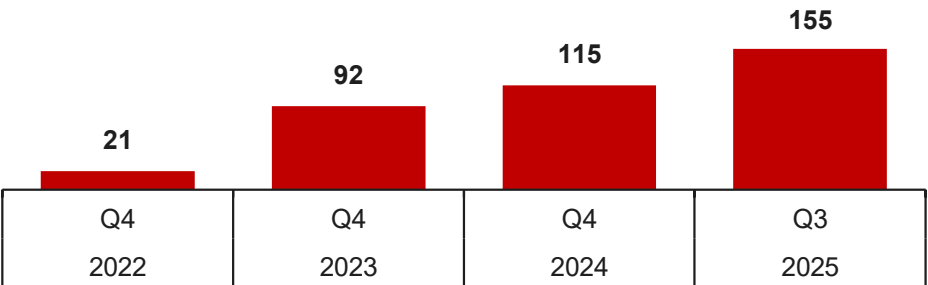
# Transat Relies Heavily on Availability of Credit Card Financing

## Credit Card Deposits in Airline Sector

- Airlines typically rely on credit card processors as a major source of working capital financing
- When customers purchase an airline ticket with a credit card, the payment processor typically holds back a percentage of the funds (the “holdback”) that is released to the airline when the passenger travels
- The percentage of “holdback” varies depending on, among other factors, the financial strength of the airline
- A deterioration of the financial risk profile of an airline could trigger a downward spiral and trigger a liquidity crisis:
  - When an airline weakens, holdbacks rise → liquidity collapses → potential financial distress

## Transat Historical Deposits with Credit Card Processors

(in C\$ millions, FYE Oct. 31)



## Excerpts from Transat’s 2024 Annual Report

- *“Credit card processors also require reserves, drawn from the Corporation's cash resources, in connection with transactions processed for customer reservations. These reserves usually vary depending on the seasonal nature of operations and the specific terms of the contracts with credit card processors. Credit card processors may also require a higher level of reserves based on their assessment of the outlook for the Corporation's business environment or financial position. An increase of these reserves may adversely impact the cash resources available for the Corporation's operations.”*
- *“As a Corporation that processes information with respect to credit cards used by our customers, we must comply with the regulatory requirements of our credit card processors. Failure to comply with certain financial ratios or certain rules regarding deposits or bank card data security may result in penalties or in the suspension of service by credit card processors. In addition, credit card processors have already taken mitigation measures such as withholding funds until the service is re-established. The inability to use credit cards could have a significant negative impact on our reservations and consequently on our operating results and profitability.”*

# Debt Covenants Limit Transat's Ability to Generate Incremental Liquidity to Invest in Growth

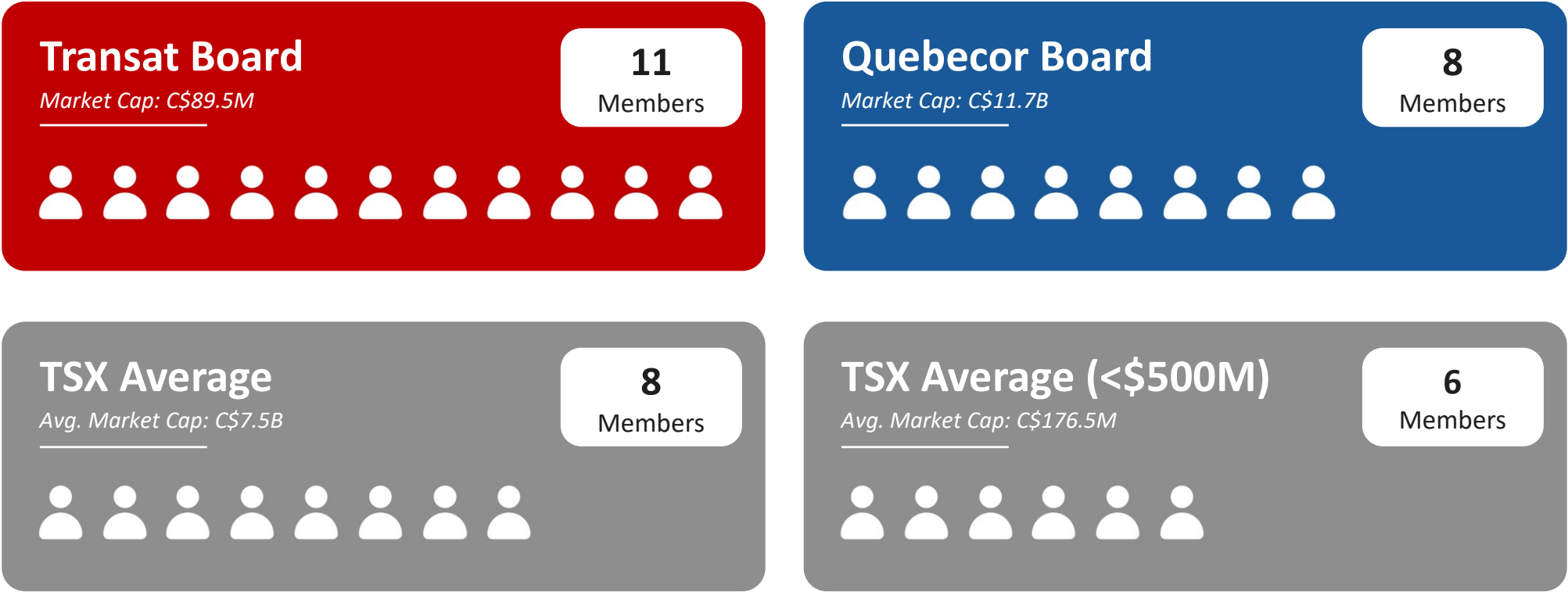
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1. Despite exerting significant negative control on the business, **Transat has not released a full credit agreement for the LEEFF loan**, limiting shareholders' ability to see the full extent of the government control of the business and the ramifications of such for go-forward value
2. Even with the limited disclosure, it is clear that any monetization or sale of assets above an undisclosed threshold, or excess cash flow beyond a specified limit, will trigger a **Mandatory Prepayment Event**. In such an event, Transat is required to **apply the excess cash toward repayment** of its outstanding credit facilities
3. A Mandatory Prepayment Event also grants the Government the right to:
  - Demand early repayment on its \$145.0 million debenture
  - Exercise its conversion rights on its newly issued preferred shares, representing up to 19.9% of the outstanding common shares
4. The embedded triggers and potential for immediate **dilution inhibit Transat's ability to pursue future financing or strategic transactions**. Any new capital raise or asset monetization risks activating these provisions, effectively poisoning future term sheets and deterring prospective investors or acquirers
5. The Government is the largest creditor, fully-diluted shareholder, and regulator of Transat - creating inherent conflicts of interest and potential misalignment with minority shareholders and other key stakeholders
6. Given Transat's ongoing cash burn and upcoming debt maturities, the Company will require additional capital. **However, under its current capital structure and the restrictive credit terms, Transat is effectively unfinanceable**. Without access to new funding, another restructuring appears inevitable, further deepening the Company's reliance on the Government and entrenching Ottawa's control

**The cash flow sweeps under Mandatory Prepayment Event provisions leave the Company with little flexibility to generate incremental liquidity**

# Transat Has a Severely Bloated and Inefficient Board

- **Transat maintains an outsized 11-director Board**, surpassing both the TSX average of 8 and the board size of materially larger companies such as Quebecor
- Among sub-\$500M market cap TSX listed companies, boards average just 6 members, further underscoring Transat's bloated and inefficient governance structure



# Transat Board and Senior Management Have Limited Economic Alignment with Shareholders

- Shareholder base is highly fragmented, with **management and the Board collectively owning only 0.9% of shares** – signaling limited insider alignment
- **Financière Outremont is the second-largest shareholder at 9.5%**, representing one of the few meaningful long-term holders
- Institutional ownership is thin at 26.1%, reflecting a shareholder base that has become largely disillusioned with management and the Board over time

	Number of Shares	% Ownership
<b>Individuals / Insiders</b>		
Annick Guerard	115,175	0.3%
Joseph Adamo	107,724	0.3%
Marc-Philippe Lumpé	69,818	0.2%
Bamba Sissoko	42,178	0.1%
All Other Individuals / Insiders	16,731	0.0%
<b>Total Individuals / Insiders</b>	<b>351,626</b>	<b>0.9%</b>
<b>Disclosed Institutional Investors</b>		
Fonds de solidarité FTQ	4,360,426	10.8%
Financière Outremont	3,832,900	9.5%
Caisse de dépôt et placement du Québec	2,200,000	5.5%
All Other Disclosed Institutional Investors	144,587	0.4%
<b>Total Disclosed Institutional Investors</b>	<b>10,537,913</b>	<b>26.1%</b>
<b>Undisclosed and Retail</b>	<b>29,428,120</b>	<b>73.0%</b>
<b>Total Shares Outstanding</b>	<b>40,317,659</b>	<b>100.0%</b>
<b>Float</b>	<b>35,605,607</b>	<b>88.3%</b>

Note: Float excludes Individuals / Insiders and Disclosed Institutional Investors with 10%+ of Total Shares Outstanding  
Source: Capital IQ, Public Disclosures as of November 18, 2025



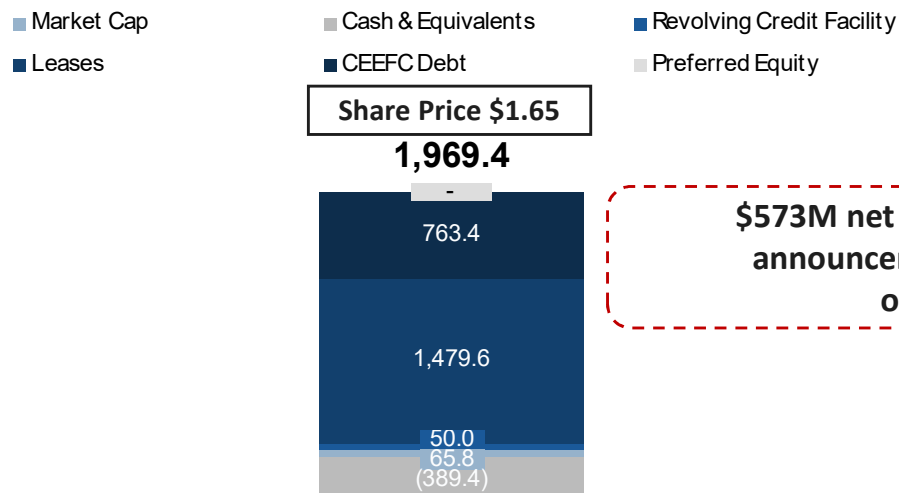
# LEEFF Restructuring Raises Questionable Governance

- The restructuring transaction has the potential to be highly dilutive to shareholders, significantly altering the economic and voting ownership of the Company, and **may result in the Federal Government as the largest creditor, shareholder, and regulator of Transat**
- **The transaction raises governance concerns**, as it was not submitted for minority shareholder approval under MI 61-101, and has been accompanied by limited disclosure from the Company
- The restructuring has resulted in a net negative impact on the Company's Enterprise Value, further reaffirming the unsatisfactory nature of the transaction as perceived by the market
  - The **market capitalization has increased by merely \$49M despite a net debt reduction of \$622M<sup>2</sup>**

## Capitalization Table

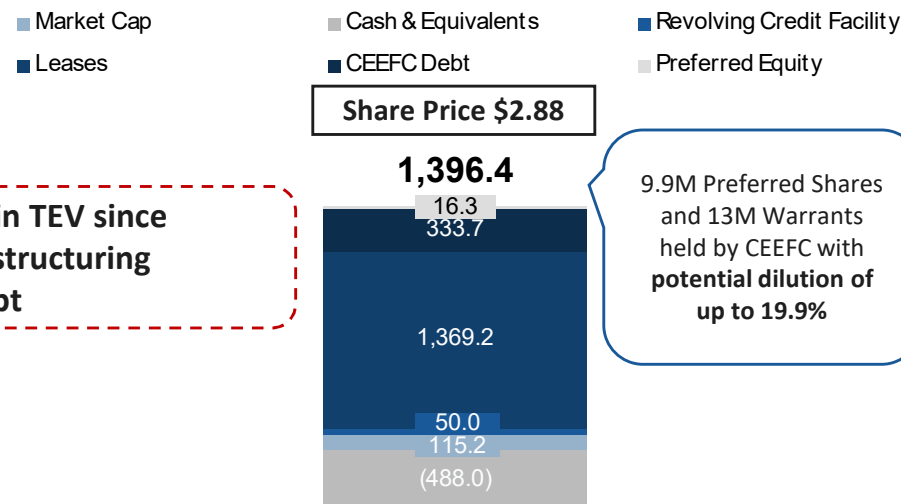
### Pre-Restructuring of the CEEFC Debt - June 4, 2025

(in C\$ M unless otherwise stated)



### Post Restructuring of the CEEFC Debt - July 10, 2025<sup>1</sup>

(in C\$ M unless otherwise stated)



**\$573M net reduction in TEV since announcement of restructuring of CEEFC debt**

**Shareholders were denied a voice on the restructuring**

Source: Public Disclosures and Capital IQ

1. Date reflects the closing of the CEEFC restructuring and incorporates the post-Q2 FY2025 earnings release, presented on a pro forma basis for the CEEFC debt restructuring

2. Net debt including Preferred Equity

# Transat and the Federal Government Have Faced Public Backlash on the Poor Treatment of Minority Shareholders

## ***Transat shareholders deserved a vote in the federal government's bailout***

July 14, 2025

*"There's no debate shareholders in Montreal-based Transat **deserved an opportunity to vote on a restructuring that froze out Mr. Péladeau, one of the company's largest investors, and instead increased the federal government's stake in the airline [...]** The federal government is now playing a kingmaker at a flagship airline [...]* The courts denied Transat shareholders a voice in the transaction that created this situation."

**THE GLOBE AND MAIL**

## ***Ottawa holds Transat Hostage***

July 9, 2025

*"Given the federal government's new and strong grip on Transat, it could eventually **sell its large block of shares to a predator outside Quebec.** This would be a very bad omen for ardent defenders of the protection of Quebec head offices[...] **Ottawa is now Transat's largest shareholder,** while any sale of Canadian airlines requires its authorization. **Nasty situation of apparent conflict of interest.**"*

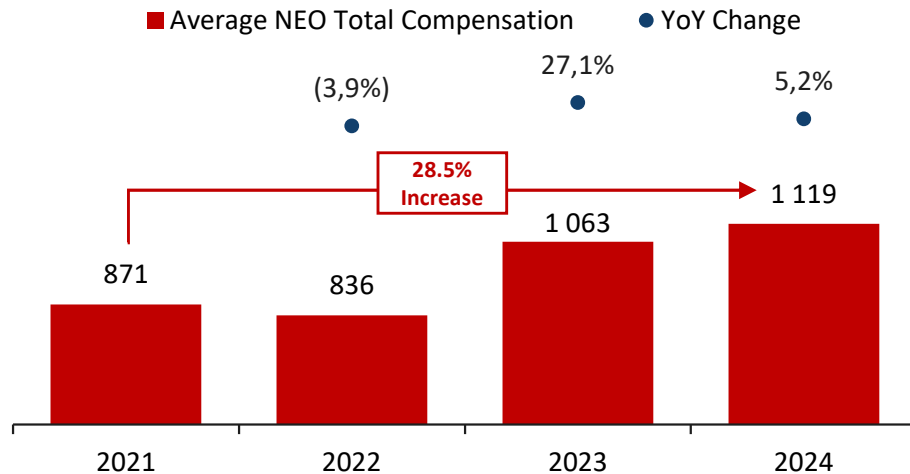
**LE JOURNAL  
DE MONTRÉAL**

# Despite Persistent Underperformance, Executive Compensation Has Soared While Employees Have Been Neglected

## Despite Poor Share Price Performance, Transat Has Prioritized Executive Compensation...

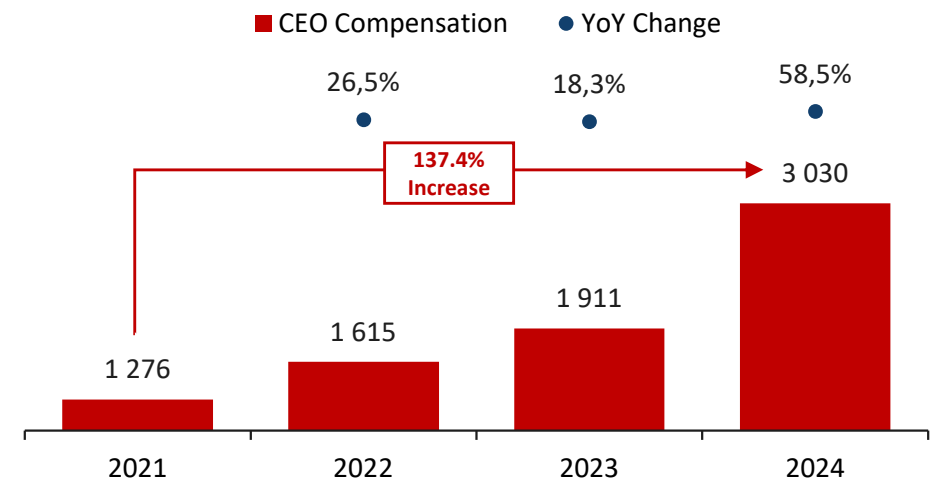
### Average NEO Compensation<sup>1,2</sup>

(in C\$ thousands)



### CEO Compensation<sup>2</sup>

(in C\$ thousands)



## ... while Neglecting its Employees

- Since 2021, Transat has stopped awarding RSUs to employees under its restricted share unit plan
- Employees that have participated in Transat's share purchase plan and stock ownership incentive and capital accumulation plan have faced significant losses as the Company's share price has declined ~57% in the last 5 years
- Transat has faced ongoing labor tensions with both its flight attendants and pilots over poor compensation and working conditions
- Extended negotiations and strike threats by flight attendants in FY2024 have negatively impacted bookings as consumers chose competitors fearing flight cancellations





### Capt. Bradley Small (Master Executive Council Chair) on Air Transat's Lagging and Outdated Pilot Contracts

*"For a decade, our pilots have repeatedly made significant sacrifices—delaying career growth, quality of life, and fair compensation—to help stabilize and grow this company [...] Since the end of the pandemic, over 170 pilots have left the airline to pursue better opportunities elsewhere; as a result, the airline has continually struggled to attract and retain flight crew [...] Our pilots desperately need modern compensation to reflect the value they bring to the airline, improve their quality of life, and ensure substantive job security."* - April 30, 2025

Source: Public Disclosure

1. Adjusted to exclude compensation received in the final year of employment for Jean-François Lemay, Jordi Solé, Denis Pétrin and Jean-Marc Eustache due to significant retirement or severance packages, and Jacques Simoneau due to his interim tenure
2. Total compensation including salary, share-based awards, options, STIPs, retirement plan benefits, and all other compensation received

# Canada and Canadian Consumers Needs Transat to Compete as a Strong Airline Alternative

	Leisure Focus	Operational Base	Main Destinations					Outlook
			Regional	Domestic	USA	South	Transatlantic	
	✓	Montréal				✓	✓	✗ Underperforming, broken balance sheet, limited access to capital
porter		Toronto	✓	✓	✓			✓ New structured equity investment following expansion, showing signs of aggressiveness in quest for market share growth
		National	✓	✓	✓	✓	✓	✓ Dominant national carrier with clean balance sheet
	✓	Calgary	✓	✓	✓	✓		✓ New capital partners to grow more aggressively
		Edmonton		✓	✓	✓		✓ Pursuing capital raise with new partners

If customers lose confidence in Transat, they will choose to fly with competing airlines, triggering a downward spiral as customer deposits are a key source of working capital

**Where does that leave Transat in the competitive landscape?**  
We fear a long descent into irrelevancy

## Transat Is in an Extremely Vulnerable Position and Must Change

 <b>Leverage</b>	× Over-levered capital structure limits financial flexibility, hindering ability to remain competitive
 <b>Liquidity</b>	× Despite the recent LEEFF Restructuring, Transat is still facing liquidity shortfall
 <b>Restrained Independence to Grow</b>	× Government mandatory cash sweep hinders the Company's ability to invest in the business, favoring capital recovery over investments in growth
 <b>Market Value</b>	× Has lost ~57% of its market value in the last 5 years
 <b>Access to Capital</b>	× Limited access to new capital under the status quo
 <b>Margins</b>	× Worst margins amongst peers since 2020
 <b>Return to Shareholders</b>	× EPS consistently underperforming peers
 <b>Return to Employees</b>	× Despite poor share price compensation, executive compensation has soared × Facing high turnover from its compensation practices and poor working conditions

**Under the current stewardship of the Board, Transat has delivered a consistent track-record of underperformance and shareholder-value destruction**



## 1 The Underperforming and Broken Transat

## 2 A Superior, Recapitalized, and Thriving Transat



# Our Proposal for a Superior, Recapitalized, and Thriving Transat

## Board Improvements



- Reduce Board size from 11 to 6 members; 3 of which would be new directors with deep expertise in business and operational excellence, and 3 would be existing Board members
- New Board members would be Pierre Karl Péladeau, André Brosseau (Chairman), and Jean-Marc Léger

## New Capital for Accretive Investments



- Restructure broken balance sheet and provide new capital
- Increase number of regional routes in Canada, particularly in the Province of Quebec
- Modernize fleet
- Invest in technology and infrastructure
- Improve quality of service for consumers

## Deliver Operational Excellence and Best-in-class Financial Results



- Pursue operational excellence and improve financial performance and returns
- Expand margins and return profile to best-in-class among peers
- Resolve operational issues and proactively identify and mitigate risks

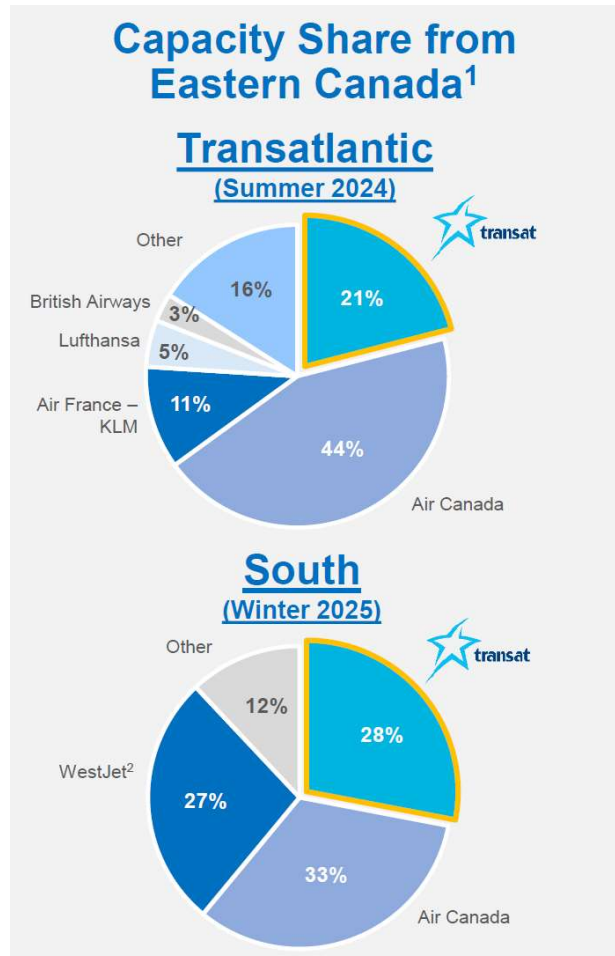
## Strategic Review



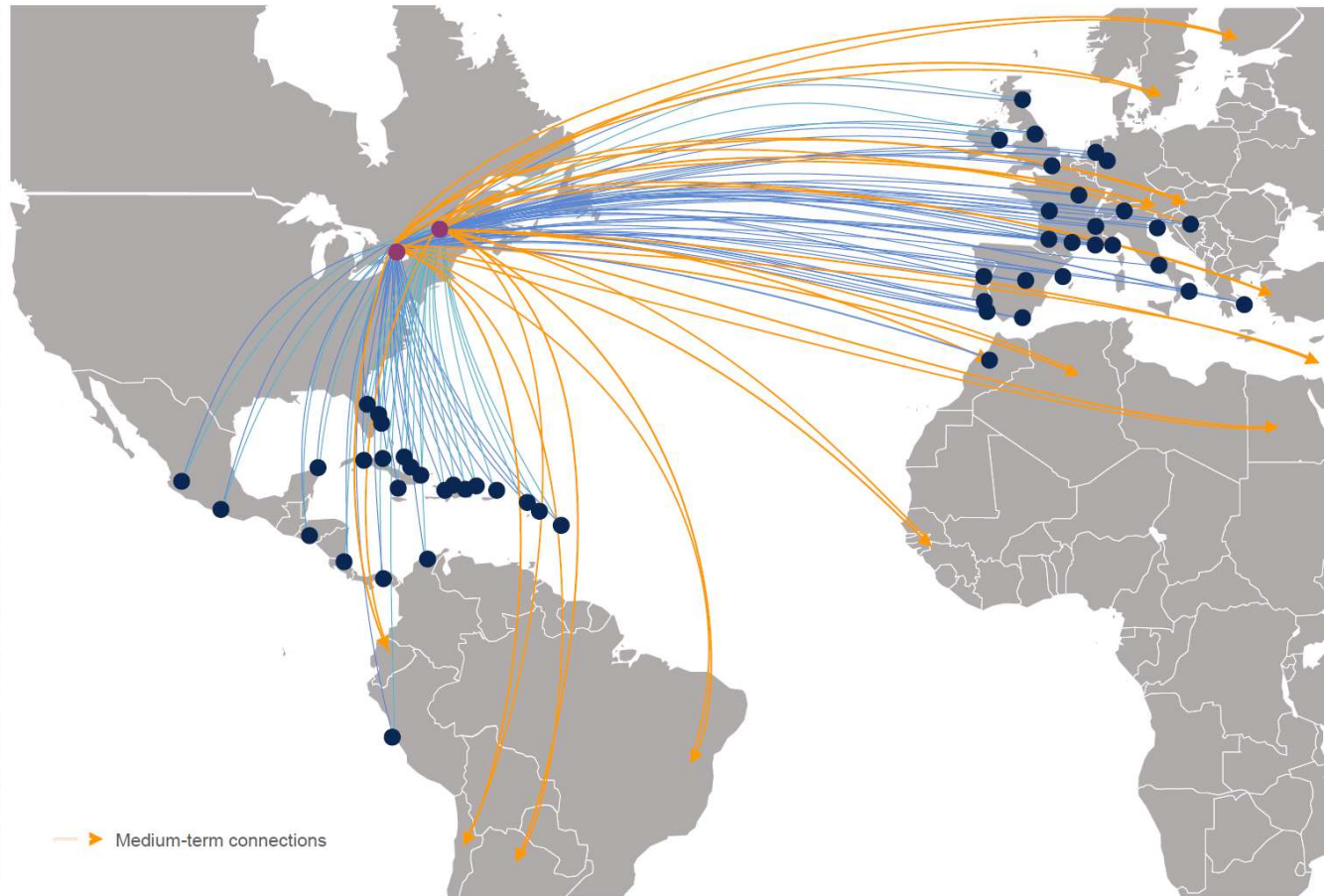
- Initiate a comprehensive strategic review process including an assessment of strategic direction, capital allocation, senior management, cost structure, investments and financing, strategic partnerships, and strategic alternatives of the Company



# Investments are Required to Maintain and Expand Transat's Well-Established International Network



**Transat Routes**



Transat operates an international route network from Eastern Canada to Transatlantic and Southern destinations

# Our Track Record and Winning Culture Driven by Entrepreneurship, Operational Excellence and Value-Creation

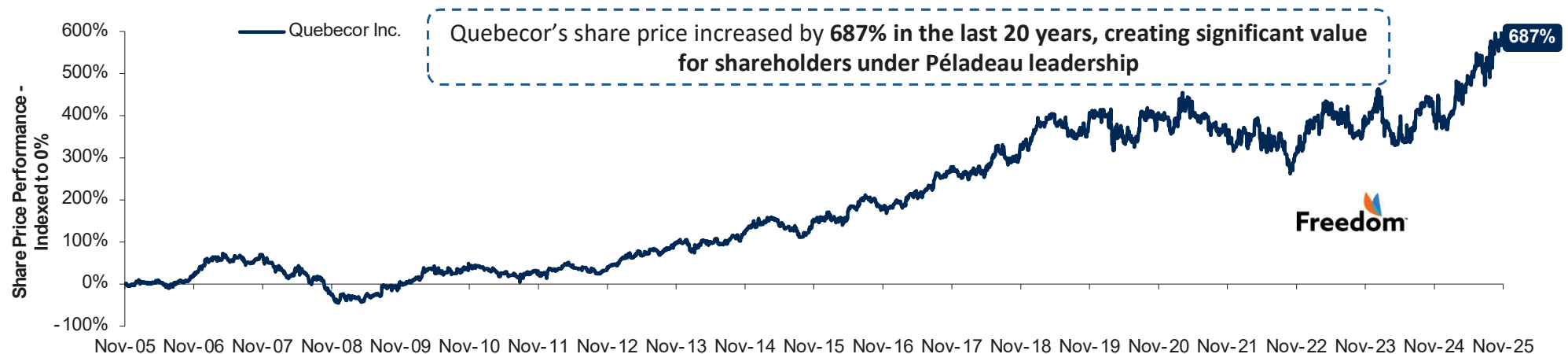
- We have a proven track record as majority shareholder and personally CEO of Quebecor and Videotron, driving significant job creation and economic growth in the Province while stimulating healthy competition
- A long-term partnership model centered on fostering strong relationships with key stakeholders and providing long-term capital to strengthen the Company's balance sheet for sustained growth
- Allows the Company to execute on its transformation plan, supported by a new long-term vision, driven by a culture of entrepreneurship, performance, and efficiency, as well as the appropriate financial backing to achieve its objectives
- Strong supporter of Quebec's economic and cultural development, through billions of dollars of investment
- Acquired Freedom Mobile as a local independent provider to stimulate competition, resulting in a 26% reduction in service prices for Canadians

**10,000+**  
Jobs Created in Canada

**5,500+**  
Jobs Created in Quebec

**Billions Invested**  
Into Canadian Economy

**Founded in 1950**  
in Quebec



Source: Public Disclosures and Capital IQ as of November 14, 2025

## Our Board Nominees Have a Track Record of Value Creation



André Brosseau

- Vice Chair of Quebecor Media Inc. and Chair/CEO of Du Musée Investments Inc., the family office he founded in 2010; also, Vice Chair and owner of Quintess, and previously Director and Chair of the Audit and Compensation Committees at DMD Digital Health Connections Group, where he was a co-founder until its sale in 2021
- Former President of Blackmont Capital Markets and earlier Chair of Québec Capital Markets, with prior executive roles at CIBC from 1994-2007, culminating as Co-Head of Canadian and Global Cash Equities and member of the Executive Committee
- Currently a Director of Alithya Group Inc. and Vice Chair of Quebecor Media Inc., as well as a Director of Videotron Ltd., and chairs QMI's Executive Committee. He is also the Governor for the Montreal Alouettes in the Canadian Football League (CFL)



Pierre Karl Péladeau

- 30+ years of leadership at Quebecor, having joined in 1985 and led several subsidiaries before becoming President and CEO in 1999; drove the pivotal acquisitions of Videotron and TVA Group in 2000 to build a national media and telecom platform
- Served in public office from 2014-2016 as MNA for Saint-Jérôme, Leader of the Parti Québécois, and Leader of the Official Opposition in the Québec National Assembly
- Returned as President and CEO of Quebecor in 2017 and serves as President of Videotron and acting President of TVA Group, leading the company's national expansion, including the 2023 acquisition of Freedom Mobile








Jean-Marc Léger

- Jean-Marc is an economist who founded Leger in 1986 with his father, Marcel Léger. Under his leadership, the company has become the largest Canadian-owned market research and analytics company, with offices across Canada and New York City
- Jean-Marc also founded WIN (the Worldwide Independent Network), which includes the largest independent survey and market research firms in 75 countries. He was the president of WIN from 2010 to 2016
- Jean-Marc was successively Chairman of the Université du Québec à Montréal's (UQAM) Board of Directors, the Publicité-Club de Montréal, the Board of Trade of Metropolitan Montreal (CCMM), and TVA. Currently, he is a board member for HEC Montréal's Pôle D, the Canadian Research Insights Council (CRIC), and the community organization Capsana



## Transat Would Thrive Again to the Benefit of All Key Stakeholders

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 <b>Shareholders</b>	✓ Renewed financial stability and a clear strategic plan would drive sustainable value creation and re-establish long-term shareholder confidence
 <b>Employees</b>	✓ A strengthened platform would protect existing jobs and support new job creation
 <b>Creditors</b>	✓ A restructured balance sheet with new capital and improved financial performance would preserve creditor value
 <b>CEEFC</b>	✓ A revamped Transat would ensure taxpayers have a credible path to recovery
 <b>Consumers</b>	✓ Quebec and Canadian travelers would benefit from improved service levels and enhanced competition

## Next Steps

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### **We believe that Transat should begin the process of change immediately**

1. Reduce Board size from 11 to 6 members (8 existing members to withdraw from the Board). Nominate Pierre-Karl Péladeau, André Brosseau and Jean-Marc Léger to the Board, with André Brosseau to assume the role of Chairman of the Board
2. Restructure Transat's broken balance sheet to guarantee its sustainability and provide the Company with much needed new capital to invest in growth initiatives.
3. Undertake comprehensive business and strategic review overseen by new board level committee

**Financière Outremont looks forward to engaging with our fellow shareholders and other Transat key stakeholders on the best path forward for the Company**