



# HAVE YOU VOTED FOR TRANSAT?

PROTECT YOUR  
INVESTMENT NOW  
DEADLINE TO VOTE:  
MARCH 6 AT 9:00 A.M.

 [VOTETRANSAT.CA](https://www.transat.ca/votetransat)



Questions? Need help voting?  
Contact Laurel Hill Advisory Group  
Call or text "INFO" to:  
1.877.452.7184 | 416.304.0211  
[assistance@laurelhill.com](mailto:assistance@laurelhill.com)

Dear Fellow Shareholders,

The proxy voting deadline is fast approaching and your vote supporting Transat is critical. This vote is about one thing: protecting and growing your Transat investment by continuing our turnaround plan that is delivering measurable results.

## TRANSAT'S PLAN IS DELIVERING MEASURABLE RESULTS

**80%**

STOCK PRICE INCREASE<sup>1</sup>

**50%**

REDUCTION IN DEBT<sup>2</sup>

**45%**

LOWER CASH BURN<sup>2</sup>

We've done the hard part: stabilized the business and strengthened the balance sheet after the global COVID pandemic hit international leisure travel hard. We are now positioned for sustainable long-term growth and we need your support to stay on course and grow value for shareholders. It is important you VOTE by March 6 at 9:00 A.M. Do not risk your vote being received too late to be counted.

## OUR PLAN TO COMPLETE TRANSAT'S TURNAROUND



**A Smaller, More Agile Board with Shareholder Representation**

- Going from 11 to 8 members
- Transat nominees bring airline operations expertise, restructuring and capital markets depth



**Elevation Program: Accelerating our Strategy & Driving Profitable Growth**

- We're on track to deliver \$100M uplift in adjusted operating income by mid-2026



**Improving our Competitive Position**

- Launching our new loyalty program
- Enhancing our cabins & premium seats
- Expanding Porter partnership and other code shares



**Operational Excellence**

- Reducing seasonality with new destinations + increasing capacity in Africa, EU, South America
- Boosting the efficiency and reliability of our fleet
- Expanding use of automation and AI

<sup>1</sup>As of February 23, 2026, from 52-week low in April 2025.

<sup>2</sup>Following Transat's debt restructuring with the Federal government in July 2025

# EXPERIENCE, INDEPENDENCE AND AIRLINE EXPERTISE MATTERS

At the centre of this contest is a question of experience and airline operations expertise and which nominees have a proven plan to deliver long-term value for shareholders. The eight Transat nominees we have put forward bring extensive airline operations and transportation expertise, restructuring and capital markets depth, and experience leading large international organizations through transformation.

Airlines operate in a highly regulated, safety-critical environment where steady oversight matters. Major governance disruption during a recovery, especially without a clear plan, can slow decision-making, cause disruption and distract leadership at the wrong time.

The eight Transat nominees you are voting for bring the right experience and expertise, discipline and independence to complete our turnaround plan and deliver long-term sustainable value for shareholders. The choice is clear: choose a proven plan that is delivering results over disruptive change without a disclosed detailed plan or financed roadmap. A strong vote sends a clear message that shareholders support disciplined execution and independent governance.

Transat's path forward is about finishing its turnaround and building value as a strong public company based in Québec. Our objective is simple: a stronger balance sheet, improving profitability, and a growing airline operating successfully as a public company based in Québec for years to come.

## PROTECT VALUE. DO NOT RISK DISRUPTION

Here are the facts that matter:

↑ **\$100M EARNINGS**

Uplift in adjusted EBITDA by mid-2026

↓ **90%**

Interest Cost Reduction

↑ **16 PERCENTAGE POINTS**

TRZ stock performance vs. S&P/TSX Composite

**11 ⇒ 8**

Smaller More Agile Board

**4 NEW DIRECTORS + 4 RETURNING DIRECTORS**

Deep Airline, Transportation, Restructuring and Capital Markets Experience

## 1. A PROVEN PLAN THAT IS DELIVERING RESULTS

Transat is executing a defined turnaround plan, including via the Elevation Program (Transat's comprehensive plan to accelerate our strategy and drive long-term profitable growth) targeting approximately \$100 million uplift in adjusted EBITDA<sup>3</sup> by mid-2026 through revenue optimization, cost discipline and operational efficiencies. In fiscal 2025, Transat delivered record Adjusted EBITDA<sup>3</sup> and materially improved cash burn year over year. These initiatives are underway and delivering results.

Our plan is not abstract. It was carefully designed by Transat's executives, under the Board's disciplined oversight and with the support of seasoned advisors and includes adding new destinations to reduce seasonality, growing capacity in Africa, Europe and South America, expanding partnerships, and launching our loyalty program with Desjardins to drive repeat demand and new revenue.

This plan is already producing results in our financial performance, and it is the plan you are voting to protect. Shareholders have already regained value as the recovery gained traction. The safest way to protect that progress is to keep the plan on track.

## 2. A STRONGER BALANCE SHEET THAT PROTECTS SHAREHOLDER VALUE

In July 2025, Transat restructured its federal debt, reducing it by more than half, from approximately \$772 million to \$334 million, and lowering annual interest expense by approximately \$45 million (or approximately 90%). The restructuring preserved shareholder equity and was followed by an approximately 70% increase in the share price in the week after announcement. The balance sheet today is materially stronger than it was one year ago.

This matters to you because a stronger balance sheet reduces downside risk and supports long-term value creation.

## 3. PERFORMANCE MOMENTUM IS REAL

Over the past 12 months, Transat's shares have outperformed its main Canadian competitor by approximately 27.5 percentage points and the S&P/TSX Composite Index by approximately 16 percentage points.

Independent analysts expect continued progress in fiscal 2026.

<sup>3</sup>Adjusted EBITDA is a non-IFRS financial measure and refers to operating income (loss) before depreciation, amortization and asset impairment expense, reversal of impairment of the investment in a joint venture, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring costs and other significant unusual items, and including premiums related to derivatives that matured during the period. The Corporation uses this measure to assess the operational performance of its activities before the aforementioned items to ensure better comparability of financial results. Adjusted operating income is also used to calculate variable compensation for employees and senior executives. For more detailed information and for the reconciliations between the IFRS financial measures and the non-IFRS financial measures, please refer to Section 2 Non-IFRS financial measures of Transat's MD&A in its 2025 Annual Report, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) and on [www.transat.com](http://www.transat.com) in the Investors section.

#### 4. THE RIGHT-SIZED BOARD WITH SHAREHOLDER REPRESENTATION FOR THE NEXT PHASE

You are voting on a Board resized from 11 to eight directors, creating a smaller, more agile governance structure. This is a Board built for the next strategic phase: with four new independent directors, and four returning directors. Transat's slate includes nominees put forward by two major long-term shareholders, and enhanced expertise in international airline operations, turnaround execution, and capital markets/finance. This is a targeted, orderly renewal that strengthens oversight and accountability while preserving the stability needed to complete the recovery.

Transat's proposed Board is majority-independent and designed to represent all shareholders equally. In a public company, directors owe their duty to all shareholders. That fiduciary responsibility is essential during a recovery.

Two of the nominees have been nominated in accordance with a support and voting agreement with each of the Fonds de solidarité des travailleurs et travailleuses du Québec (FTQ) and La Caisse de dépôt et placement du Québec, together holding approximately 16.1% of shares, reflecting constructive engagement with these long-standing shareholders and representing their long-term support of Transat's strategy and management.

Your Board engaged constructively and offered Financière Outremont proportional representation aligned with its ownership and subject to standard protections to keep the Board and Company stable and protect all shareholders. That reasonable offer was rejected. Our nominees ensure meaningful shareholder representation within a balanced and independent Board.

#### 5. EXPERIENCED OVERSIGHT FOR A COMPLEX INDUSTRY

Airlines are highly regulated, capital-intensive and operationally complex. Transat's nominees you are being asked to elect bring direct airline operations and transportation expertise, financial discipline, and transformation experience required to navigate the final stages of recovery and position the Company for sustainable long-term growth.

This matters to you because mistakes in aviation are costly and stability during a recovery protects your investment.

# CONTEXT MATTERS: YOU DESERVE A COMPLETE PICTURE

Effective board oversight in a complex, highly regulated airline requires relevant experience, and a clear plan.

Shareholders have already regained value as the balance sheet has strengthened and results improved. Now is not the time to disrupt that progress. Shareholders deserve clear, accurate information and a straightforward explanation of the choice and what it could mean for your investment.

## FINANCIÈRE OUTREMONT, OWNING <10% OF TRANSAT IS SEEKING DE FACTO BOARD CONTROL



Financière Outremont holds approximately 9.5% of the outstanding shares but is seeking three seats of a proposed 6-person Board and the Chair role, attempting to take effective control of the Board without paying a premium or offering a clear plan. Financière Outremont's nominees do not have experience running an international airline and could put at risk the progress Transat has made. A <10% stake should not control 50% of your Board. We thank the shareholders who have voted to date, but every additional retail vote helps protect the outcome, starting with yours today.

Shareholders should not be asked to approve significant change without the information needed to judge the risk. To ensure shareholders have the full picture, the chart below compares Financière Outremont’s public claims with the relevant facts and context.

## Financière Outremont’s Claim Transat Factual and Contextual Information

Transat’s share price is down 57% over five years.

With Transat’s focus on international leisure travel, prolonged border closures and travel restrictions during the COVID pandemic had an outsized impact on Transat and its share price. Using 2020 as the starting point for share-price performance creates a distorted comparison.

Over the past 12 months, Transat’s shares have outperformed its main Canadian competitor by approximately 27.5 percentage points and the S&P/TSX Composite Index by approximately 16 percentage points.

Transat has the worst financial performance in the industry.

Broad “worst in the industry” claims depend on selective peer sets and selective time windows. What matters now is the recovery trajectory: record adjusted EBITDA<sup>3</sup> in FY2025, improved cash burn of 45%, and a stronger balance sheet than a year ago evidenced by a lower leverage ratio.

Transat is at risk of insolvency.

Liquidity is seasonal by nature in aviation. Cash burn has improved materially year over year. The balance sheet is materially stronger than it was 12 months ago.

Transat’s pilots went on strike in December 2025.

Transat and its pilots reached a negotiated agreement prior to the deadline, avoiding a strike and significant operational disruption. That agreement was ratified, with a vote of 91% in favour of ratification, in January 2026. In 38 years of operations, Transat has never experienced a labour conflict.

Labour relations are unstable.

<sup>3</sup>Adjusted EBITDA is a non-IFRS financial measure and refers to operating income (loss) before depreciation, amortization and asset impairment expense, reversal of impairment of the investment in a joint venture, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring costs and other significant unusual items, and including premiums related to derivatives that matured during the period. The Corporation uses this measure to assess the operational performance of its activities before the aforementioned items to ensure better comparability of financial results. Adjusted operating income is also used to calculate variable compensation for employees and senior executives. For more detailed information and for the reconciliations between the IFRS financial measures and the non-IFRS financial measures, please refer to Section 2 Non-IFRS financial measures of Transat’s MD&A in its 2025 Annual Report, available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) and on [www.transat.com](http://www.transat.com) in the Investors section.

Financière Outremont is protecting shareholders? Recent acquisition proposals received from Les Placements Péladeau Inc. were below market value, with some valuations of Transat's equity as low as at \$1, which would have significantly impaired or eliminated shareholder value.

The Board refused engagement. The Board is open to dialogue with all shareholders and has engaged in good faith negotiations with Financière Outremont for several years and, more recently, offered proportional representation consistent with an approximate 9.5% ownership stake. This offer came with entirely customary protections that were even less restrictive than what is typically asked of activist shareholders in similar circumstances, like voting support and limited covenants to ensure the activist will refrain from launching another proxy fight during an agreed, reasonable cooling off period so that the reconstituted Board could operate with stability during the execution of the Company's plan, for the benefit of the Company and all shareholders. The offer was declined.

Transat has no credible plan. Transat's plan, including the detailed Elevation Program, sets measurable financial and operational targets through mid-2026 and is already being executed. Our fiscal 2025 financial results prove that the Company's clear plan is working.

Financière Outremont is bringing necessary human and financial capital. Experience in unrelated industries does not translate to the ability to run a highly complex, regulated, safety-focused international airline where any missteps could have major consequences.

New capital is ready. Shareholders have not been shown any committed financing terms or capital, a detailed plan, or an execution roadmap. Promises of potential "new capital" are not the same as disclosed, fundable commitments. Statements about potential "new capital" are not a plan and shareholders should not be asked to approve major governance changes based on undefined capital claims.

Government has taken Transat hostage. The government relationship is governed by legal and contractual terms, and Transat remains a public company accountable to shareholders through its Board. The 2025 restructuring improved solvency and preserved shareholder equity and the court rejected Financière Outremont's efforts to obtain an injunction which aimed in particular at preventing closing of the restructuring unless Transat obtained shareholder approval.

Minority representation would be a waste of Financière Outremont's nominees' time.

In a public company, directors serve all shareholders not one investor. Demanding influence beyond ownership without a premium or a financed plan is not a shareholder-friendly model. Ask yourself – why is something short of effective control a waste of time?

Urgent need for 'new capital' asserted without specifics.

If new capital is truly urgent, shareholders deserve to see the specifics: amount, pricing, source, conditions, and how it improves leverage and returns. In July 2025, Transat restructured its federal debt, reducing it by more than half, from approximately \$772 million to \$334 million, and lowering annual interest expense by approximately \$45 million (or approximately 90%). The restructuring allows us to work on structuring projects. Cash burn has improved materially year over year. The balance sheet is materially stronger than it was 12 months ago.

Telecom success translates to airline turnaround.

Airlines are safety-critical, heavily regulated, and operationally complex. Success in unrelated industries does not substitute for airline operating, safety and fleet expertise especially during a turnaround.

# EACH VOTE COUNTS

Your vote is important, and exercising it helps protect your Transat investment. By voting the BLUE proxy or voting instruction form for Transat, you actively protect your investment and support the recovery plan already delivering results. Every share counts.

If you have questions or require assistance voting, please contact Laurel Hill Advisory Group by calling or texting "INFO" to 1-877-452-7184 (toll-free in North America) or 1-416-304-0211 (international), or by email at [assistance@laurelhill.com](mailto:assistance@laurelhill.com).

This is a consequential decision and your support matters. I encourage you to vote today.

Sincerely,



**Susan Kudzman**  
Chair of the Board  
Transat A.T. Inc.



## PROTECT YOUR INVESTMENT.

**Keep Transat on the path to recovery.**

**Vote BLUE with Transat by March 6 at 9:00 A.M. (Montréal time).**

Voting is quick and simple. It takes about two minutes online or by phone. Please don't put it off: vote for all 8 (eight) Transat nominees today so your vote is counted.

Due to the essence of time, you are encouraged to vote online or by telephone to ensure your vote is received in a timely manner.

- **Online** at [www.meeting-vote.com](http://www.meeting-vote.com) (registered shareholders) or [www.proxyvote.com](http://www.proxyvote.com) (beneficial shareholders)
- **By phone** using the control number on your BLUE Proxy or voting instruction form

**THE BOARD OF TRANSAT UNANIMOUSLY RECOMMENDS YOU VOTE AS FOLLOWS:**

**FOR** the approval of Transat’s Board Size Resolution to amend the articles to provide for a minimum of 8 and maximum of 15 directors on the Board.

**FOR** the election of each of the 8 Transat Nominees:



Christiane Bergevin



Daniel Desjardins



Marie-Pierre Dhers<sup>4</sup>



Michael R. DiLollo<sup>5</sup>



Vincent Duhamel



Annick Guérard



Stéphane Lefebvre



Bruno Matheu

**FOR** the approval of an amendment and restatement of the Corporation’s employee share purchase plan.

**FOR** the appointment of Ernst & Young LLP as the Corporation’s auditor, at a remuneration to be fixed by the Board.

**FOR** the approval, in an advisory, non-binding capacity, of the Corporation’s approach to executive compensation.

**AGAINST** Dissident Shareholder Proposal 1 (to amend the articles to fix the Board at 6 directors).

**WITHHOLD** from Dissident Shareholder Proposal 2 (to elect André Brosseau).

**WITHHOLD** from Dissident Shareholder Proposal 3 (to elect Jean-Marc Léger).

**WITHHOLD** from Dissident Shareholder Proposal 4 (to elect Pierre Karl Péladeau).

<sup>4</sup> Nominee put forward by the Fonds de solidarité des travailleurs et travailleuses du Québec (FTQ)

<sup>5</sup> Nominee put forward by La Caisse de dépôt et placement du Québec



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