

# Air Canada announces preliminary results of \$500 million substantial issuer bid

MONTRÉAL, June 23, 2025 /CNW/ - Air Canada (TSX: AC) today announced the preliminary results of the now expired substantial issuer bid (the "**Offer**") to purchase for cancellation up to \$500 million of its Class A Variable Voting Shares and Class B Voting Shares (collectively, the "**Shares**") at a purchase price of not less than \$18.50 and not more than \$21.00 per Share.



Air Canada (TSX: AC) today announced the preliminary results of the now expired substantial issuer bid (the "Offer") to purchase for cancellation up to \$500 million of its Class A Variable Voting Shares and Class B Voting Shares (collectively, the "Shares") at a purchase price of not less than \$18.50 and not more than \$21.00 per Share. (CNW Group/Air Canada)

Air Canada expects to take up and pay for 26,595,744 Shares at a price of \$18.80 per Share under the Offer, representing an aggregate purchase price of about \$500,000,000 and about 8.24% of the total number of Air Canada's issued and outstanding Shares as of June 20, 2025 and before giving effect to the Offer.

In response to the Offer, 26,823,988 Shares were validly deposited and not withdrawn pursuant to auction tenders at or below the purchase price and purchase price tenders. Since the Offer was oversubscribed, shareholders who made auction tenders at or below the purchase price and purchase price tenders will have the number of Shares purchased prorated following the determination of the final results of the Offer (other than "odd lot" tenders, which are not subject to proration). Air Canada currently expects that shareholders who made auction tenders at or below the purchase price and purchase price tenders will have about 99.14% of their validly deposited Shares purchased by Air Canada.

After giving effect to the Offer and based on the number of issued and outstanding Shares on June 20, 2025, Air Canada expects to have 296,131,236 Shares issued and outstanding.

## Further information

The number of Shares validly deposited and not withdrawn, the number of Shares to be purchased, the proration factor and the purchase price referred to above are preliminary and remain subject to verification by TSX Trust Company (the "**Depository**"), as depository for the Offer. Upon take up and payment of the Shares purchased, Air Canada will release the final results, including the estimated paid-up capital per Share and "specified amount" (each for purposes of the *Income Tax Act* (Canada)) and the final proration factor.

The full details of the Offer are described in the offer to purchase and issuer bid circular dated May 16, 2025, as well as the related letter of transmittal and notice of guaranteed delivery, copies of which were filed and are available under Air Canada's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

This press release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Air Canada's Shares. All dollar amounts are in Canadian dollars.

## **CAUTION REGARDING FORWARD-LOOKING INFORMATION**

*This news release includes forward-looking statements within the meaning of applicable securities laws. Forward-looking statements relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These statements may involve, but are not limited to, comments relating to guidance, strategies, expectations, planned operations or future actions. Forward-looking statements are identified using terms and phrases such as "preliminary"; "anticipate"; "believe"; "could"; "estimate"; "expect"; "intend"; "may"; "plan"; "predict"; "project"; "will"; "would"; and similar terms and phrases, including references to assumptions. These statements also include statements relating to the terms of the Offer, the maximum dollar value and number of Shares that Air Canada may purchase under the Offer, the price at which Air Canada will repurchase Shares under the Offer, the proration factor, and the number of Shares expected to be issued and outstanding after completion of the Offer.*

*Forward-looking statements, by their nature, are based on assumptions including those described herein and are subject to important risks and uncertainties, which are amplified in the current environment. Forward-looking statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business of Air Canada. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including those discussed below.*

*Factors that may cause results to differ materially from results indicated in forward-looking statements include economic conditions, statements or actions by governments and uncertainty relating to the imposition of (or threats to impose) tariffs on Canadian exports or imports and their resulting impacts on the Canadian, North American and global economies and travel demand, geopolitical conditions such as the military conflicts in the Middle East and between Russia and Ukraine, Air Canada's ability to successfully achieve or sustain positive net profitability, industry and market conditions and the demand environment, competition, Air Canada's dependence on technology, cybersecurity risks, interruptions of service, climate change and environmental factors (including weather systems and other natural phenomena and factors arising from anthropogenic sources), Air Canada's dependence on key suppliers (including government agencies and other stakeholders supporting airport and airline operations), employee and labour relations and costs, Air Canada's ability to successfully implement appropriate strategic and other important initiatives (including Air Canada's ability to manage operating costs), energy prices, Air Canada's ability to pay its indebtedness and maintain or increase liquidity, Air Canada's dependence on regional and other carriers, Air Canada's ability to attract and retain required personnel, epidemic diseases, changes in laws, regulatory developments or proceedings, terrorist acts, war, Air Canada's ability to successfully operate its loyalty program, casualty losses, Air Canada's dependence on Star Alliance® and joint ventures, Air Canada's ability to preserve and grow its brand, pending and future litigation and actions by third parties, currency exchange fluctuations, limitations due to restrictive covenants, insurance issues and costs, and pension plan obligations as well as the factors identified in Air Canada's public disclosure file available at [www.sedarplus.ca](http://www.sedarplus.ca) and, in particular, those identified in section 18 "Risk Factors" of Air Canada's 2024 MD&A and in section 14 "Risk Factors" of Air Canada's First Quarter 2025 MD&A.*

*The forward-looking statements contained in this news release represent Air Canada's 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. However, Air Canada disclaims any intention or obligation to update or revise any forward-looking statements whether because of new information, future events or otherwise, except as required under applicable securities regulations.*

## About Air Canada

Air Canada is Canada's largest airline, the country's flag carrier and a founding member of Star Alliance, the world's most comprehensive air transportation network. Air Canada provides scheduled service directly to more than 180 airports in Canada, the United States and Internationally on six continents. It holds a Four-Star ranking from Skytrax. Air Canada's Aeroplan program is Canada's premier travel loyalty program, where members can earn or redeem points on the world's largest airline partner network of 45 airlines, plus through an extensive range of merchandise, hotel and car rental partners. Through Air Canada Vacations, it offers more travel choices than any other Canadian tour operator to hundreds of destinations worldwide, with a wide selection of hotels, flights, cruises, day tours, and car rentals. Its freight division, Air Canada Cargo, provides air freight lift and connectivity to hundreds of destinations across six continents using Air Canada's passenger and freighter aircraft. Air Canada's climate-related ambition includes a long-term aspirational goal of net-zero greenhouse gas emissions by 2050. For additional information, please see [Air Canada's TCFD disclosure](#). Air Canada shares are publicly traded on the TSX in Canada and the OTCQX in the US.

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