



Cargojet Kicks Off the Year with a Strong Q1

Mississauga, ON, May 2, 2022 - Cargojet Inc. ("Cargojet" or the "Corporation") (TSX: CJT) announced today financial results for the first quarter ended March 31, 2022.

Total Revenues for the quarter were \$233.6 million compared to first quarter 2021 Revenues of \$160.3 million. Gross Margin for the quarter was \$66.9 million compared to first quarter 2021 Gross Margin of \$45.3 million. Adjusted EBITDA⁽¹⁾ and Adjusted EBITDAR⁽¹⁾ for the quarter were \$83.0 million compared to the first quarter 2021 Adjusted EBITDA⁽¹⁾ and Adjusted EBITDAR⁽¹⁾ of \$64.2 million. Net loss for the quarter was \$56.4 million (net income of \$30.4 million excluding warrant valuation loss) compared to net income of \$89.4 million in 2021 (net income of \$7.5 million excluding warrant valuation gain).

Total revenue growth of 45.7% for the quarter compared to prior year reflecting a strong contribution from the All-in Charter segment that benefited from a robust demand for global air-cargo. Domestic network posted 10.3%, ACMI posted 36.2% and the Charter business posted 298.0% growth compared to the same period last year. Domestic Network Revenue for this quarter accounted for less than 37% of total revenues compared to over 47% for the same period in 2021.

Adjusted Free Cash Flow⁽¹⁾ was \$42.7 million for the three-month period ended March 31, 2022 compared to \$35.2 million for the same period in 2021.

While the macro environment remains volatile with several uncertainties, Cargojet has been squarely focused on executing its plans. The global supply chains are going through a major change and this large-scale dislocation is also creating demand for air-cargo to selectively meet critical production schedules. Cargojet is well positioned to participate in this emerging opportunity.

"Ever since March 2020, we have been constantly adapting to the changing air-cargo landscape. The recent geo-political events have further added pressure on the already strained traditional supply chains but they are also creating new opportunities for air-cargo." said Dr. Ajay Virmani, President & CEO.

"We are acutely aware of the uncertainties and are well positioned to not only tackle them but capitalize wherever new opportunities are emerging. The investments we made in aircraft acquisition, technology and in attracting and retaining top talent are paying off, allowing us to scale up the business in a seamless manner." concluded Dr. Virmani.

All references to "\$" in this press release are to Canadian dollars.

About Cargojet

Cargojet is Canada's leading provider of time sensitive premium air cargo services to all major cities across North America, providing Dedicated, ACMI and International Charter services and carries over 25,000,000 pounds of cargo weekly. Cargojet operates its network with its own fleet of 32 aircraft. For further information, please contact

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(1) Non-GAAP Measures

"Adjusted EBITDA", "Adjusted EBITDAR" and "Adjusted Free Cash Flow" are non-GAAP measures used by the Corporation to provide additional information on its financial and operating performance. Adjusted EBITDA and Adjusted EBITDAR are not recognized measures for financial statement presentation under Canadian GAAP and it does not have standardized meanings and may not be comparable to similar measures presented by other public companies.

Adjusted EBITDA is used by the Corporation to assess earnings before interest, taxes, depreciation, amortization, gain or loss on disposal of capital assets, unrealized foreign exchange gains or losses, unrealized gain or loss on forward foreign exchange contracts, aircraft heavy maintenance amortization, contract asset amortization, gain or loss on cash settled share based payment arrangement related to a financing arrangement, unrealized gain or loss on fair value of total return swap related to a financing arrangement, gain or loss on fair value of stock warrant, loss on settlement of cash settled share based payment arrangement related to a financing arrangement, gain on settlement of total return swap related to a financing, loss on extinguishment of debts, and non-cash employee pension expense, as these costs can vary significantly among airlines due to differences in the way airlines finance their aircraft and other assets.

Adjusted EBITDAR is calculated as Adjusted EBITDA excluding aircraft rents. The Corporation believes that these alternative measures provide a more consistent basis to compare the performance of the Corporation between the periods. Adjusted EBITDA and Adjusted EBITDAR provide additional information to users of Management's Discussion and Analysis of Financial condition and Results of Operations ("MD&A") to enhance their understanding of the Company's financial performance.

Adjusted Free Cash Flow is calculated as Standardized Free Cash Flow as defined by CPA Canada, less operating cash flows provided from or used in discontinued operations, changes in working capital, plus the provision for current income taxes

Reconciliation of non-GAAP Measures, including Adjusted EBITDA, Adjusted EBITDAR and Adjusted Free Cash Flow to GAAP income is provided on page 15 of the MD&A for the three month period ended March 31, 2022.

Notice on Forward Looking Statements:

Certain statements contained herein constitute "forward-looking statements". Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "intends," "anticipates," "should," "estimates," "expects," "believes," "indicates," "targeting," "suggests" and similar expressions. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Reference should be made to the issuer's most recent Annual Information Form (AIF) filed with the Canadian securities regulators, and its most recent Annual Consolidated Financial Statements and Notes thereto and related Management's Discussion and Analysis (MD&A), for a summary of major risks. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if our estimates or assumptions prove inaccurate. The Company cautions that the list of risk factors and uncertainties described in the AIF and MD&A is not exhaustive and other factors could also adversely affect its results. Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such information. The forward-looking information contained herein represents our expectations as of the date hereof (or as the date they are otherwise stated to be made), and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws. In the event the issuer does update any forward-looking statement, no inference should be made that the issuer will make additional updates with respect to that statement, related matters, or any other forward-looking statement.