



## NEWS RELEASE

### **Record Results Headlined by 287% increase in Net Earnings and 257% increase in Net Earnings per Share driven by Continued Strength in Operations**

***EIC Posts First Quarter Records for Revenue of \$867 Million, Adjusted EBITDA<sup>1</sup> of \$166 Million, Net Earnings of \$28 Million and Adjusted Net Earnings<sup>1</sup> of \$34 million, Free Cash Flow<sup>1</sup> and Free Cash Flow Less Maintenance Capital Expenditures<sup>1</sup> of \$120 Million and \$41 Million, respectively***

**WINNIPEG, Manitoba – May 11, 2026** – Exchange Income Corporation (TSX: EIF) (“EIC” or the “Corporation”) a diversified, acquisition-oriented company focused on opportunities in the Aerospace & Aviation and Manufacturing segments, reported its financial results for the three-months ending March 31, 2026. All amounts are in Canadian currency.

#### **Q1 Financial Highlights**

- Record first quarter Revenue of \$867 million, an increase of \$198 million or 30% compared to the prior period.
- Record Adjusted EBITDA of \$166 million, representing growth of \$36 million or 28% over the prior period.
- Free Cash Flow first quarter record of \$120 million representing growth of 48% compared to the prior period of \$81 million.
- Net Earnings of \$28 million compared to the prior period of \$7 million, an increase of 287%, and Net Earnings per share of \$0.50 compared to the prior period of \$0.14 or an increase of 257%.
- Record Adjusted Net Earnings of \$34 million compared to the prior period of \$14 million, an increase of 139%, and Adjusted Net Earnings per share of \$0.61 compared to the prior period of \$0.28.
- Record Free Cash flow less Maintenance Capital Expenditures of \$41 million compared to \$26 million in the prior period.
- Trailing Twelve Month Free Cash Flow less Maintenance Capital Expenditures Payout Ratio<sup>1</sup> improved to 57% compared to the prior period of 63% and Trailing Twelve Month Adjusted Net Earnings Payout Ratio<sup>1</sup> improved to an all-time record of 67% compared to the prior period of 84%. The payout ratios significant declines included period over period increases in weighted average number of shares outstanding of 11% along with the 5% increase in dividend during the fourth quarter of fiscal 2025.
- Announced the extension and expansion of the Credit Facility to \$3.5 billion while increasing the flexibility as the facility changed from a secured to unsecured facility.
- Announced an investment grade corporate rating and the issuance of \$600 million of 4.324% senior unsecured notes due March 13, 2031 with the proceeds used to repay existing indebtedness under the Credit Facility.
- Announced the acquisition of Mach2 and the extension and expansion of the commercial agreement with Air Canada.
- Announced the renewal of the Normal Course Issuer Bid for Common Shares.

#### **2026 Guidance Update**

- Based on the first quarter results we expect that our Adjusted EBITDA for Fiscal 2026 to be in the range of \$825 million to \$875 million with an updated bias to the upper end of the range.

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<sup>1</sup> Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, Free Cash Flow less Maintenance Capital Expenditures, Maintenance and Growth Capital Expenditures, and the corresponding per share amounts and payout ratios are Non-IFRS measures. See Appendix A for more information.



## CEO Commentary

Mike Pyle, CEO, commented “This quarter reinforces a simple truth about EIC: when conditions become more volatile, our diversified portfolio and essential-service businesses provide stability. In an environment marked by geopolitical conflict, constantly shifting trade policy, rising fuel prices and uneven business sentiment, EIC delivered record results by staying focused on what we control—operational execution and taking a long-term view of our businesses. The proof is in our performance: record Revenue, record Adjusted EBITDA, record Free Cash Flow, record Free Cash Flow less Maintenance Capital Expenditures, record Net Earnings and record Adjusted Net Earnings. These results were achieved alongside continued progress in simplifying and strengthening our balance sheet. The extension and upsize of our credit facility, our investment grade corporate rating and the successful issuance of senior unsecured notes are tangible demonstrations of external confidence in EIC’s stability—providing us with meaningful liquidity, flexibility and runway to keep investing. Across our Aerospace & Aviation and Manufacturing segments, our teams continued to deliver critical services, advance contract-driven growth initiatives, and position our businesses to capture opportunities.

With our updated expectation that fiscal 2026 will be near the upper end of our guidance, a strong pipeline of organic and acquisition opportunities, and dedicated teams across the organization, we are well positioned to provide stability and resilience today and long into the future. To implement our strategic priorities, we expanded our executive team and realigned roles and responsibilities which will drive the next growth phase for EIC. Our executive team was bolstered by the announcement of three internal promotions to the executive team including Carmine Lisi, Chief Corporate Risk Officer, Marly Spivak, Chief Taxation Officer, and Garth Waddell, Chief Administrative Officer. Carmine, Marly and Garth have been long-time leaders at EIC and have built out teams and capabilities that align with the culture of EIC. The addition of the three into the executive ranks, along with the existing team of Jake, Adam, Richard, Darwin, Curtis, Steve, Dave and Pam is a logical extension to allow for future accelerated growth and enhanced capacity at the executive level. In concert with the announcements, Darwin Sparrow will be assuming the critically important role of Chief Integration Officer and Travis Muhr will be taking on the Chief Operating Officer role. I believe we have one of the strongest executive teams assembled and we are collectively excited to usher in a new phase for EIC while retaining the culture and lessons learned from the past. People drive results and we are proactively growing the team to prepare for future successes.

Our Aerospace & Aviation segment continued to generate strong operating results due to the acquisitions of Canadian North on July 1, 2025, the acquisition of Mach2 on January 31, 2026, strong passenger load factors across various jurisdictions, solid performance under our medevac contracts, past contract awards, and growth capital investments. The deployment of the second aircraft on the UK Home Office contract in the fourth quarter of Fiscal 2025 coupled with high tempo flying of ISR assets around the world also contributed to the positive results. Momentum continued within our Aircraft Sales & Leasing business line as additional aircraft were placed on lease, and we are continuing to experience robust demand for our business line’s aircraft and engines. During the quarter and after quarter end, jet fuel prices moved higher amid supply-related uncertainty tied to geopolitical events. While some global air operators have adjusted schedules in response to these dynamics, our Aircraft Sales & Leasing customers have not been materially impacted to date. We continue to see robust demand for aircraft, engines, and parts, and our team is proactively monitoring the market and engaging with customers to manage risk and mitigate any potential exposure as well as executing on opportunities.

Our Manufacturing segment had strong performance relative to our internal expectations. Compared to the prior period, Revenue and Adjusted EBITDA, were down marginally due to the expected moderation in the Multi-Storey Window Solutions business line as the market works through a softer demand environment driven by project timing and past developer decision-making. Our Environmental Access Solutions business line profitability was consistent with the prior period. The Canadian operations continued to see strong volumes



of mat rentals supporting solid revenue and profitability compared to the prior period. The first quarter of 2025 for the Canadian operations benefited from unusually strong demobilization results related to project decommissioning activity; current period operations results were consistent with expectations and normal seasonality. The US composite operations continued to see robust demand for their products and the decision to build a state-of-the-art composite mat plant in Saltillo, Mississippi will provide further opportunities for US expansion. The plant is on-budget and on-time with operations expected to commence in the latter part of Fiscal 2027. Our Precision Manufacturing and Engineering business line delivered steady performance on Revenues and Adjusted EBITDA, with improving momentum through the quarter, supported by increased customer orders late in the period and after quarter end including several individual company record contract awards.

We are very proud to achieve first quarter records in all our key metrics. The financial results continue to show the diversification and resiliency of our business lines and the critical services that our businesses provide. We remain poised to grow organically and our management teams have been proactively identifying opportunities for growth, while Adam and his team have been evaluating a number of potential acquisitions.”

“Our pipeline of opportunities continues to be strong,” noted Adam Terwin, EIC’s Chief Corporate Development Officer. “We are presently assessing opportunities that would strategically fit within each of our operating segments. Our disciplined acquisition approach focuses on the strength of management teams, sustainability of the target’s cash flow and ensures that any ultimate acquisition would be accretive to our shareholders. The acquisition of Mach2 was a strategic fit for our Aircraft Sales & Leasing business line and met all our disciplined acquisition requirements. The Mach2 management team has been working very closely with our Aircraft Sales & Leasing executive management team to execute on strategic initiatives, and the integration of the business has been going very well.

Our EIC story is resonating with the potential vendors I speak with on a daily basis and the collective success of our established strategy, and the success of our underlying businesses will drive future successful negotiations with potential vendors.”

### Q1 Selected Financial Highlights

(All amounts in thousands except % and share data)

|                                                                                                 | Q1<br>2026 | Q1<br>2025 | %<br>Change |
|-------------------------------------------------------------------------------------------------|------------|------------|-------------|
| Revenue                                                                                         | \$866,583  | \$668,276  | 30%         |
| Adjusted EBITDA                                                                                 | \$166,094  | \$130,136  | 28%         |
| Net Earnings                                                                                    | \$27,894   | \$7,207    | 287%        |
| per share (basic)                                                                               | \$0.50     | \$0.14     | 257%        |
| Adjusted Net Earnings                                                                           | \$34,104   | \$14,295   | 139%        |
| per share (basic)                                                                               | \$0.61     | \$0.28     | 118%        |
| Trailing Twelve Month Adjusted Net Earnings Payout Ratio (basic)                                | 67%        | 84%        |             |
| Free Cash Flow                                                                                  | \$120,246  | \$81,484   | 48%         |
| per share (basic)                                                                               | \$2.14     | \$1.61     | 33%         |
| Free Cash Flow less Maintenance Capital Expenditures                                            | \$41,027   | \$25,500   | 61%         |
| per share (basic)                                                                               | \$0.73     | \$0.50     | 46%         |
| Trailing Twelve Month Free Cash Flow less Maintenance Capital Expenditures Payout Ratio (basic) | 57%        | 63%        |             |
| Dividends declared                                                                              | \$38,816   | \$33,550   | 16%         |
| Dividends per share                                                                             | \$0.69     | \$0.66     | 5%          |

### Review of Q1 Financial Results



Consolidated revenue for the quarter was \$867 million, which was an increase of \$198 million or 30% over the prior period. Consolidated Adjusted EBITDA for the quarter was \$166 million, which was an increase of \$36 million or 28% compared to prior period.

Revenue in the Aerospace & Aviation segment grew by \$226 million or 59% to \$608 million and Adjusted EBITDA generated by the Aerospace & Aviation segment increased by \$44 million to \$146 million, an increase of 43%. The most significant increases in revenue and profitability within the Essential Air Services business line were related to the acquisition of Canadian North, increased passenger load factors across various jurisdictions and strong performance under our various medevac contracts. The Aerospace business line continued to experience high tempo flying amongst various contracts along with the operational deployment of a second aircraft for the UK Home Office during the fourth quarter of Fiscal 2025. The Aircraft Sales & Leasing business line demonstrated continued strength in the leasing business along with strong demand for its parts, aircraft and engines.

Revenue in the Manufacturing segment decreased by \$28 million or 10% to \$258 million and Adjusted EBITDA decreased by \$4 million or 9% to \$37 million. The Environmental Access Solutions business line continued to experience robust demand for its composite mat solutions within its US operations. The Canadian operations continued to see strong volumes on mat rentals supporting solid revenue and profitability compared to the prior period. The first quarter of 2025 benefited from unusually strong operational results related to project decommissioning activity; current period operations results were consistent with expectations and normal seasonality. Revenues and profitability within the Multi-Storey Windows Solutions business line moderated as expected relative to the prior period reflecting the timing of project awards in prior years due to cautious developer decision-making at that time. Furthermore, US tariffs on aluminum negatively impacted profitability during the quarter compared to the prior period. Our Precision Manufacturing & Engineering business line revenues and Adjusted EBITDA were relatively consistent with the prior period and specifically noted improved momentum throughout the quarter, supported by increased customer orders late in the period and subsequent to quarter end, and accordingly we expect increased profitability relative to the comparative period in the second quarter.

EIC recorded Net Earnings of \$28 million compared to \$7 million in the prior period or an increase of 287%. Furthermore, EIC recorded Adjusted Net Earnings of \$34 million compared to \$14 million in the prior period or an increase of 139%.

The Corporation generated Free Cash Flow of \$120 million, a \$39 million increase over \$81 million in the prior period primarily due to the higher Adjusted EBITDA coupled with a decrease in interest expense. Free Cash Flow less Maintenance Capital Expenditures was \$41 million compared to \$26 million in the prior period or an increase of 61%. The increase in Adjusted EBITDA was partially offset by the expected increase in Maintenance Capital Expenditures, due to the acquisition of Canadian North, the increase in fleet size, hours flown and inflationary effects on maintenance events. The Corporation's Trailing Twelve-Month Free Cash Flow less Maintenance Capital Expenditures payout ratio improved to 57% compared to the prior year of 63%. Despite the increase in shares outstanding of 11% due to the conversion of convertible debt instruments and the 5% dividend increase announced in the fourth quarter, our dividend payout metrics continued to improve on both Free Cash Flow less Maintenance Capital Expenditures and Adjusted Net Earnings basis—reinforcing the strength of our model.

Richard Wowryk, EIC's CFO commented, "During the quarter, we announced the upsize of our syndicated credit facility to \$3.5 billion and extended its maturity to January 2030, with more flexible terms and conditions along with a change from a secured to an unsecured facility. We also announced an investment grade credit rating of BBB (low) with a stable outlook from Morningstar DBRS. Subsequent to the announcement of the



investment grade credit rating, we executed on our inaugural offering of investment grade 4.324% senior unsecured notes with a principal amount of \$600 million due March 2031 which will result in substantial interest savings when compared to alternative fixed rate instruments, including 5-year fixed rate hedges. The proceeds of the senior unsecured notes were used to repay outstanding indebtedness on the credit facility and at quarter end we had liquidity in excess of \$2 billion to execute on organic growth initiatives and acquisitions. The transactions do not change our conservative attitude on debt and leverage. Rather, the investment grade credit rating and senior unsecured bonds provide a permanent layer of fixed rate capital to ensure available liquidity to execute on our strategies long into the future. Our balance sheet is incredibly strong and will continue to be a cornerstone to our business strategy. The senior unsecured notes transaction and investment grade credit rating were executed during a time of significant geopolitical uncertainty and provide external validation of the resilient and stable business model that we have built over time.”

## **Outlook**

Mr. Pyle concluded by saying, “We are reaffirming our Fiscal 2026 Adjusted EBITDA guidance range of \$825 million to \$875 million and based on our first-quarter performance and the momentum we are seeing across the portfolio, we now expect results to have a bias towards the upper end of that range. The strength of the quarter reflects the durability of our diversified model and the disciplined execution of our teams. Our significant liquidity and investment grade credit rating provides us with significant runway to execute on our acquisition and organic growth strategies. As we look ahead, we remain encouraged by continued demand across our essential-service businesses, improving payout metrics, and a solid pipeline of opportunities—positioning EIC to deliver stable, compounding value for shareholders.”

EIC’s complete interim financial statements and management’s discussion and analysis for the three months ending March 31, 2026 can be found at [www.ExchangeIncomeCorp.ca](http://www.ExchangeIncomeCorp.ca) or at [www.sedarplus.ca](http://www.sedarplus.ca).

## **Conference Call Notice**

Management will hold a conference call to discuss its 2026 first quarter financial results on Tuesday, May 12, 2026 at 8:30am ET. To join the conference call, dial 1-800-717-1738 or 1-646-307-1865 (International). Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until May 19, 2026 at midnight. To access the archived conference call, please dial 1-888-660-6264 or 1-646-517-3975 (International) and enter the encore code 39236#.

A live audio webcast of the conference call will be available at [www.ExchangeIncomeCorp.ca](http://www.ExchangeIncomeCorp.ca). Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to join the webcast. An archived replay of the webcast will be available for 90 days.

## **About Exchange Income Corporation**

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two segments: Aerospace & Aviation and Manufacturing. The Corporation uses a disciplined acquisition strategy to identify already profitable, well-established companies that have strong management teams, generate steady cash flow, operate in niche markets and have opportunities for organic growth. For more information on the Corporation, please visit [www.ExchangeIncomeCorp.ca](http://www.ExchangeIncomeCorp.ca). Additional information relating to the Corporation, including all public filings, is available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

## **Caution concerning forward-looking statements**

*The statements contained in this news release that are forward-looking are based on current expectations and are subject to a number of uncertainties and risks, and actual results may differ materially. Many of these forward-looking statements may be identified by looking for words such as “believes”, “expects”, “will”, “may”, “intends”, “projects”, “anticipates”, “plans”, “estimates”, “continues” and similar words or the negative thereof. These uncertainties and risks include, but are not limited to, external risks, operational risks, financial risks*



*and human capital risks. External risks include, but are not limited to, risks associated with economic and geopolitical conditions, competition, government funding for Indigenous health care, access to capital, market trends and innovation, general uninsured loss, climate, acts of terrorism, armed conflict, labour and/or social unrest, pandemic, level and timing of government spending, government-funded programs and environmental, social and governance. Operational risks include, but are not limited to, significant contracts and customers, operational performance and growth, laws, regulations and standards, acquisitions (including receiving any requisite regulatory approvals thereof), concentration and diversification, maintenance costs, access to parts and relationships with key suppliers, casualty losses, environmental liability, dependence on information systems and technology, cybersecurity, international operations, fluctuations in sales prices of aviation related assets, fluctuations in purchase prices of aviation related assets, warranty, performance guarantees, global offset and intellectual property risks. Financial risks include, but are not limited to, availability of future financing, income tax matters, commodity risk, foreign exchange, interest rates, credit facilities, trust indentures, dividends, unpredictability and volatility of securities pricing, dilution, credit and credit rating risk. Human capital risks include, but are not limited to, reliance on key personnel, employees and labour relations and conflicts of interest.*

*Except as required by Canadian Securities Law, Exchange Income Corporation does not undertake to update any forward-looking statements; such statements speak only as of the date made. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Exchange Income Corporation with the securities regulatory authorities, available at [www.sedarplus.ca](http://www.sedarplus.ca).*

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## Appendix A

Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance and Growth Capital Expenditures are not recognized measures under IFRS and are, therefore, defined below.

**Adjusted EBITDA:** is defined as earnings before interest, income taxes, depreciation, amortization, other non-cash items such as gains or losses recognized on the fair value of contingent consideration items, asset impairment, and restructuring costs, and any unusual non-operating one-time items such as acquisition costs. It is used by management to assess its consolidated results and the results of its operating segments. Adjusted EBITDA is a performance measure utilized by many investors to analyze the cash available for distribution from operations before allowance for debt service, capital expenditures, and income taxes. The most comparable IFRS measure, presented in the Corporation's Statements of Income as an additional IFRS measure, is Operating profit before Depreciation, Amortization, Finance Costs, Taxes and Other.

|                                              | Three Months Ended March 31, |                  |
|----------------------------------------------|------------------------------|------------------|
|                                              | 2026                         | 2025             |
| Adjusted EBITDA                              | \$ 166,094                   | \$ 130,136       |
| Depreciation of capital assets               | 84,722                       | 66,720           |
| Amortization of intangible assets            | 6,218                        | 6,191            |
| Finance costs - interest                     | 27,846                       | 30,636           |
| Depreciation of right of use assets          | 15,519                       | 10,409           |
| Interest expense on right of use liabilities | 2,805                        | 2,063            |
| Acquisition costs                            | 1,777                        | 2,674            |
| Other                                        | (8,581)                      | -                |
| <b>Earnings before taxes</b>                 | <b>\$ 35,788</b>             | <b>\$ 11,443</b> |

**Adjusted Net Earnings:** is defined as Net Earnings adjusted for acquisition costs, amortization of intangible assets, interest accretion on acquisition contingent consideration, accelerated interest accretion on convertible debentures, and non-recurring items. Adjusted Net Earnings is a performance measure, along with Free Cash Flow less Maintenance Capital Expenditures, which the Corporation uses to assess cash flow available for distribution to shareholders. The most comparable IFRS measure is Net Earnings. Interest accretion on contingent consideration is recorded in the period subsequent to an acquisition after the expected payment to the vendors is discounted. The value recorded on acquisition is accreted to the expected payment over the earn out period. Accelerated interest accretion on convertible debentures reflects the additional interest accretion recorded in a period that, but for the action to early redeem the debenture series, would have been recorded over the remaining term to maturity. This interest reflects the difference in the book value of the convertible debentures and the par value outstanding.

The Corporation presents an Adjusted Net Earnings payout ratio, which is calculated by dividing dividends declared during a period, as presented in the Corporation's Financial Statements and Notes, by Adjusted Net Earnings, as defined above. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

|                                                                                         | Three Months Ended March 31, |                  |
|-----------------------------------------------------------------------------------------|------------------------------|------------------|
|                                                                                         | 2026                         | 2025             |
| <b>Adjusted Net Earnings</b>                                                            |                              |                  |
| <b>Net Earnings</b>                                                                     | <b>\$ 27,894</b>             | <b>\$ 7,207</b>  |
| Acquisition costs (net of tax \$251 and \$226) <sup>1</sup>                             | 1,526                        | 2,448            |
| Amortization of intangible assets (net of tax \$1,648 and \$1,641)                      | 4,570                        | 4,550            |
| Interest accretion on acquisition contingent consideration (net of tax of \$39 and nil) | 114                          | -                |
| Accelerated interest accretion on redeemed debentures (net of tax of nil and \$33)      | -                            | 90               |
|                                                                                         | <b>\$ 34,104</b>             | <b>\$ 14,295</b> |

Note 1) The tax deductibility of Acquisition Costs is dependent on the nature of the expense and the jurisdiction in which they are incurred.

**Free Cash Flow:** is equal to cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, acquisition costs, principal payments on right of use lease liabilities, and any non-recurring items, such as restructuring costs. Free Cash Flow is a performance measure used by management and investors to analyze the cash generated from operations before the seasonal impact of changes in working capital items or other unusual items. The most comparable IFRS measure is Cash Flow from Operating Activities. Adjustments made to Cash Flow from Operating Activities in the calculation of Free Cash Flow include other IFRS measures, including adjusting the impact of changes in working capital and deducting principal payments on right of use lease liabilities.



The Corporation presents Free Cash Flow per share, which is calculated by dividing Free Cash Flow, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

| <b>FREE CASH FLOW</b>                                       | Three Months Ended March 31, | 2026              | 2025             |
|-------------------------------------------------------------|------------------------------|-------------------|------------------|
| Cash flows from operations                                  |                              | \$ 132,567        | \$ 89,383        |
| Changes in non-cash working capital                         |                              | 1,392             | (115)            |
| Acquisition costs (net of tax \$226 and \$359) <sup>1</sup> |                              | 1,526             | 2,448            |
| Principal payments on right of use lease liabilities        |                              | (15,239)          | (10,232)         |
|                                                             |                              | <b>\$ 120,246</b> | <b>\$ 81,484</b> |

Note 1) The tax deductibility of Acquisition Costs is dependent on the nature of the expense and the jurisdiction in which they are incurred.

Free Cash Flow less Maintenance Capital Expenditures: is equal to Free Cash Flow, as defined above, less Maintenance Capital Expenditures, as defined below. The Corporation presents Free Cash Flow less Maintenance Capital Expenditures per share, which is calculated by dividing Free Cash Flow less Maintenance Capital Expenditures, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

The Corporation presents a Free Cash Flow less Maintenance Capital Expenditures payout ratio, which is calculated by dividing dividends declared during a period, as presented in the Corporation's Financial Statements and Notes, by Free Cash Flow less Maintenance Capital Expenditures, as defined above. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

Maintenance and Growth Capital Expenditures: Maintenance Capital Expenditures is defined as the capital expenditures made by the Corporation to maintain the operations of the Corporation at its current level. Maintenance Capital Expenditures within the Corporation's Aircraft Sales & Leasing business line is based on the utilization of the assets within the aircraft and engine lease portfolio. Maintenance Capital Expenditures within the Environmental Access Solutions business line reflects the depreciation of the mats and bridges as well as the maintenance or replacement of equipment. Other capital expenditures are classified as Growth Capital Expenditures as they will generate new cash flows and are not considered by management in determining the cash flows required to sustain the current operations of the Corporation. While there is no comparable IFRS measure for Maintenance Capital Expenditures or Growth Capital Expenditures, the total of Maintenance Capital Expenditures and Growth Capital Expenditures is equivalent to the total of capital asset and intangible asset purchases, net of disposals, on the Statement of Cash Flows.

| <b>CAPITAL EXPENDITURES</b>                                                   | Three Months Ended March 31, 2026 |               |             |            |
|-------------------------------------------------------------------------------|-----------------------------------|---------------|-------------|------------|
|                                                                               | Aerospace & Aviation              | Manufacturing | Head Office | Total      |
| Maintenance Capital Expenditures                                              | \$ 72,310                         | \$ 6,252      | \$ 657      | \$ 79,219  |
| Growth Capital Expenditures                                                   | 41,929                            | (1,944)       | -           | 39,985     |
| Total Net Capital Asset and Intangible Purchases, per Statement of Cash Flows | \$ 114,239                        | \$ 4,308      | \$ 657      | \$ 119,204 |

| <b>CAPITAL EXPENDITURES</b>                                                   | Three Months Ended March 31, 2025 |               |             |            |
|-------------------------------------------------------------------------------|-----------------------------------|---------------|-------------|------------|
|                                                                               | Aerospace & Aviation              | Manufacturing | Head Office | Total      |
| Maintenance Capital Expenditures                                              | \$ 48,877                         | \$ 6,925      | \$ 182      | \$ 55,984  |
| Growth Capital Expenditures                                                   | 54,518                            | 1,600         | -           | 56,118     |
| Total Net Capital Asset and Intangible Purchases, per Statement of Cash Flows | \$ 103,395                        | \$ 8,525      | \$ 182      | \$ 112,102 |

Investors are cautioned that Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance Capital Expenditures and Growth Capital Expenditures should not be viewed as an alternative to measures that are recognized under IFRS such as Net Earnings or cash from operating activities. The Corporation's method of calculating Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance Capital Expenditures and Growth Capital Expenditures may differ from that of other entities and therefore may not be comparable to measures utilized by them. For additional information on the Corporation's Non-



IFRS measures, refer to Section – Dividends and Payout Ratios and Section – Non-IFRS Financial Measures and Glossary of the Corporation's MD&A, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).