

2025

Financial Report



Management's Discussion and Analysis

For the year ended December 31, 2025

YYC



MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2025

Dated March 11, 2026

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information. This forward-looking information is based on a variety of assumptions and is subject to risks and uncertainties. Please refer to the section titled "Caution Regarding Forward-Looking Information" contained at the end of this MD&A for a discussion of such risks and uncertainties and the material factors and assumptions related to the forward-looking information.

This Management's Discussion and Analysis ("MD&A") report discusses the financial and operating results of The Calgary Airport Authority (the "Authority") for the year ended December 31, 2025, and should be read in conjunction with the Authority's audited Financial Statements and note disclosures for the year ended December 31, 2025, available at www.yyc.com. As the Authority is a non-share capital, not-for-profit entity, the MD&A is prepared voluntarily and, although similar, should not be construed to have been prepared in accordance with National Instrument 51-102 - Continuous Disclosure Obligations. The Financial Statements have been prepared in accordance with CPA Canada Handbook – Accounting Part II - Accounting Standards for Private Enterprises ("ASPE"). All amounts in the MD&A are in Canadian dollars unless otherwise stated.

MANAGEMENT'S DISCUSSION & ANALYSIS

CORPORATE PROFILE

The Authority was incorporated on July 26, 1990, under the *Regional Airports Authorities Act* (Alberta) (the Act) as a non-share capital corporation. The mandate of the Authority, as defined in the Act, is to manage and operate the airports for which it is responsible in a safe, secure and efficient manner and to advance economic and community development by means that include promoting and encouraging improved airline and transportation service and an expanded aviation industry, for the general benefit of the public in its region.

The Authority has been operating YYC Calgary International Airport ("YYC") since July 1992 pursuant to the Agreement to Transfer which provided for the transfer of operational control of YYC Calgary International Airport from the Government of Canada to the Authority under a long-term lease agreement (the "Canada Lease"). The Canada Lease has an initial term of 60 years with a 20-year option to extend that was exercised in 2011. In October 1997, the Authority entered into a lease with the Government of Canada for the operation of Springbank Airport ("YBW") (the "Springbank Lease") for a term concurrent with the Canada Lease term. The Canada Lease term expires June 30, 2072.

Pursuant to the Act, the Authority reinvests all surplus in the capital renovation and expansion requirements of the airports for which it is responsible. The Authority is authorized to borrow for investment in airport infrastructure and operations. Capital includes investment in both leasehold and freehold assets of the Authority. Renovation requirements are determined through life-cycle management processes and physical asset inspections, while expansion requirements are determined in reference to airport capacity and demand. Capital requirements are generally determined on an annual basis in conjunction with the Authority's business plan, although larger projects may involve financial commitments that extend beyond one year. The Authority conducts an annual re-evaluation of projected economic conditions and facility demand factors.

HIGHLIGHTS

The financial and operating results for the fourth quarter and year of 2025 showed continued growth compared to the prior period.

FINANCIAL INFORMATION (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Total Revenues	126.6	124.9	1.7	541.0	518.9	22.1
EBITDA	49.0	48.3	0.7	245.1	230.7	14.4
Loss from Operations	(12.6)	(24.1)	11.5	(4.2)	(34.2)	30.0
Net Income (Loss)	27.0	(14.5)	41.5	62.5	(30.5)	93.0
<i>See "Financial Performance" section for details. See "Net Operating Results" section for reconciliation from net loss.</i>						
Free Cash Flow (\$ millions) <i>See "Liquidity and Capital Resources" section for details</i>	22.6	20.1	2.5	136.7	118.0	18.7

OPERATING INFORMATION (thousands)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	% Change	2025	2024	% Change
Total Enplaned & Deplaned	4,524.2	4,509.5	0.3	19,409.5	18,896.1	2.7
Local Enplanements	1,568.7	1,525.3	2.8	6,514.8	6,179.4	5.4
Aircraft Landings	23.5	22.6	4.0	98.9	94.4	4.8
Landed Passenger Seats	2,616.7	2,595.8	0.8	11,431.5	10,731.8	6.5
Load Factor (%)	87.2%	87.3%	-0.1 pts	84.7%	87.7%	-3.0 pts

EBITDA and Free Cash Flow are non-GAAP financial measures. Refer to the "Non-GAAP Financial Measures" section of this MD&A for additional information.

During the fourth quarter of 2025:

- Enplaned & Deplaned (E&D) Passengers increased by 0.3% to 4.5 million compared to the fourth quarter of 2024.
- Local Enplanements increased by 2.8% to 1.6 million compared to the fourth quarter of 2024, driving a 2.6% increase in Airport Improvement Fee (AIF) revenue to \$54.8 million, compared to the same period of 2024.
- Landed Passenger Seats increased by 0.8% compared to the fourth quarter of 2024.

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- Total Revenues increased by 1.4% to \$126.6 million in the fourth quarter of 2025, compared to the same period of 2024.
- The Authority generated \$49.0 million of EBITDA (margin of 38.7%) in the fourth quarter of December 31, 2025, an increase of \$0.7 million, or 1.4%, from the \$48.3 million of EBITDA (margin of 38.7%) in the fourth quarter of 2024.
- The West Runway Rehabilitation project was completed with the runway returning to service on December 1, 2025, ahead of schedule.
- The Centralized Passenger Screening project which consolidates all three domestic screening points for passengers, opened its first seven preboarding lanes on schedule on December 10, 2025.

The financial and operating results for the year ended December 31, 2025 showed continued growth compared to the prior period, driven by increased passenger levels and flight activity.

During the full year of 2025:

- E&D Passengers increased by 2.7% to 19.4 million compared to 2024. This was a record high E&D Passenger result compared to the previous record set in 2024.
- Local Enplanements increased by 5.4% to 6.5 million compared to 2024, driving a 5.5% increase in AIF Revenue to \$228.1 million in 2025.
- YYC saw a 4.8% increase in Aircraft Landings compared to 2024, primarily driven by a 5.9% increase in Passenger Aircraft Landings, partially offset by a 0.6% decrease in Corporate Aircraft Landings. Landed Passenger Seats increased 6.5% compared to 2024.
- Total Revenues increased by 4.3% to \$541.0 million in 2025, driven by increases in AIF Revenue and Non-Aeronautical Revenue.
- The Authority generated \$245.1 million of EBITDA (margin of 45.3%) in 2025, an increase of \$14.4 million, or 6.2%, from the \$230.7 million EBITDA (margin of 44.5%) generated in 2024.

In the first quarter of 2025, the Authority announced its plan, in partnership with Lufthansa Technik, a global leader in aircraft maintenance, repair and overhaul, to invest approximately \$120.0 million to build an engine maintenance and test cell facility on nine acres of land at YYC. The project has broken ground and the Authority is responsible for planning, development, construction and deployment. This new, state-of-the-art facility is a first step in the Authority's real estate development initiative ("YYC AeroNex"), establishing YYC as a strategic centre for maintenance, development, training, and innovation in aviation and its ancillary services that will support both cargo and passenger flights in and out of the region, making YYC an aviation hub in the North American aviation services network.

During the first quarter of 2025, the Authority entered into a Bond Purchase Agreement with the Canada Infrastructure Bank ("CIB") to support the establishment of YYC AeroNex, under the existing Master Trust Indenture Agreement. This transaction has been formalized through the execution of the Fifth Supplemental Indenture authorizing a total issuance of \$171.9 million, which governs the issuance of Series G Bonds, establishing specific terms, conditions, tranche structures, and payment mechanisms. The Board of Directors approved the issuance of the first tranche of bonds in the Series G Bonds. The indenture is structured into four distinct bonds, with the first bond issued on March 6, 2025 at \$67.2 million. The funds are restricted to projects related to YYC AeroNex.

In September 2025, the Authority received \$21.3 million under the Alberta Jobs, Economy, Trade and Immigration Capital Grant Agreement, to be spent on certain capital expenditures. This grant will accelerate the development of YYC AeroNex by contributing to broader infrastructure investments such as utility improvements, roadway rehabilitation and electrical upgrades.

The Authority continues to monitor the evolving geopolitical environment and its influence on air passenger demand, as well as national and regional economic growth. For the fourth quarter ended December 31, 2025, the Authority experienced a traffic decrease of 10.2% in the Transborder sector compared to the same period in 2024, as compared to the 2.0% decline, 1.6% increase, and 3.4% decline recorded during the first, second, and third quarters of 2025, respectively. For the year ended December 31, 2025, the Authority experienced a 3.4% decrease in Transborder passenger traffic compared to the same period in 2024. Unfavorable impacts could be experienced in 2026 due to continued uncertainties, however YYC's position as a hub airport could partially mitigate unfavourable impacts of potential air travel demand reductions. The Authority will continue to monitor the evolving environment, and work closely with partners to accommodate current and future potential adjustments to capacity.

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For the year ended December 31, 2025, the Authority recognized a \$69.1 million gain on insurance recovery for property damage resulting from the August 2024 hailstorm (2024 - \$10.9 million). The restoration activities and insurance claim remains in progress, and the total recoverable amount continues to be indeterminate.

OPERATING ACTIVITY

The key activity drivers that have a direct impact on the Authority's financial results are passenger and flight activity, which includes passenger type mix, aircraft movements, aircraft size and the number of seats per aircraft.

Passenger Activity

Total Enplaned & Deplaned (E&D) Passenger activity at YYC is categorized into one of three sectors: Domestic (passengers travelling within Canada), Transborder (passengers travelling to and from destinations between Canada and the United States of America) and International (passengers travelling to and from destinations outside Canada excluding the United States of America).

The following table summarizes passenger activity by sector for the fourth quarter and year ended December 31, 2025 and 2024:

PASSENGER ACTIVITY (thousands)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	% Change	2025	2024	% Change
Domestic	3,093.7	3,050.3	1.4	13,098.8	12,604.2	3.9
Transborder	787.8	877.1	(10.2)	3,731.4	3,863.7	(3.4)
International	642.7	582.1	10.4	2,579.3	2,428.2	6.2
Total Enplaned & Deplaned	4,524.2	4,509.5	0.3	19,409.5	18,896.1	2.7
Local Enplanements	1,568.7	1,525.3	2.8	6,514.8	6,179.4	5.4
Connecting Enplanements	712.0	740.9	(3.9)	3,172.5	3,233.8	(1.9)
Total Enplaned	2,280.7	2,266.2	0.6	9,687.3	9,413.2	2.9
Local Enplanements (%)	68.8%	67.3%	1.5 pts	67.3%	65.6%	1.7 pts
Connecting Enplanements (%)	31.2%	32.7%	-1.5 pts	32.7%	34.4%	-1.7 pts

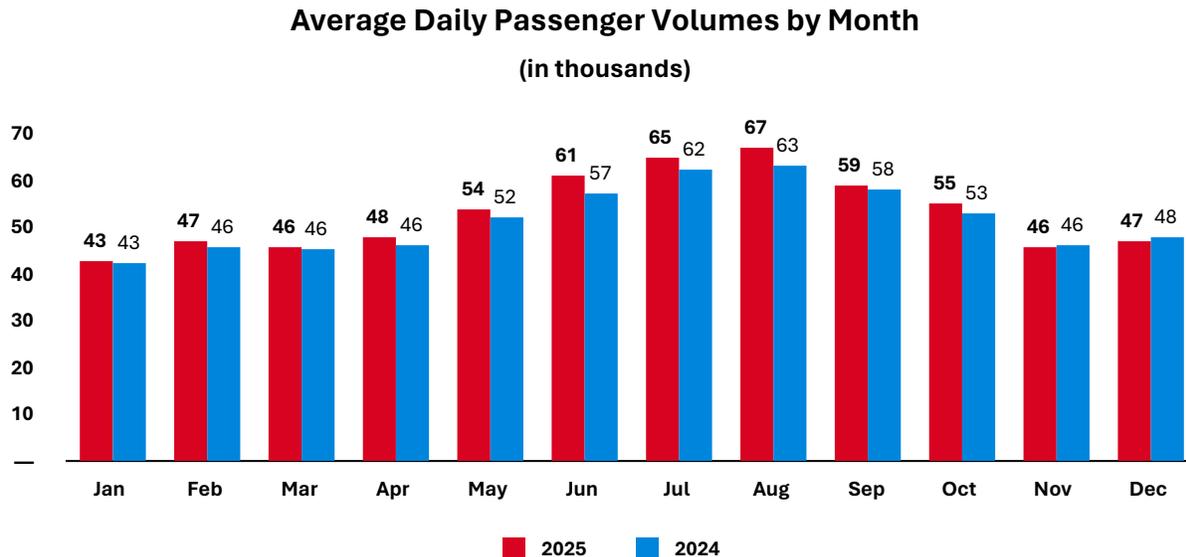
Total E&D Passenger activity at YYC in the fourth quarter of 2025 was 4.5 million, an increase of 0.3%, compared to the same period of 2024. During the fourth quarter of 2025, the Domestic and International sectors saw growth of 1.4%, and 10.4%, respectively while the Transborder sector saw a decline of 10.2% compared to the same period of 2024.

Growth in the fourth quarter of 2025 in the Domestic sector was driven by increased flight activity by Flair, WestJet, and Porter. During the fourth quarter, Domestic carriers expanded service with additional flights to Kelowna and Toronto, as well as introducing new flight service to Sudbury. Growth in the International sector was mainly driven by WestJet as they shifted capacity into increased flight service to Narita, as well as new service in 2025 to Mexico City. The decrease in Transborder passenger traffic was mainly driven by WestJet, Flair, and Delta, with lower flight frequencies to Las Vegas and Orlando, partially offset by additional flight service to Chicago and Atlanta. Despite the ongoing uncertainty in Transborder travel demand, YYC grew its Transborder network in the quarter with new services to Washington, DC and Raleigh-Durham.

Total E&D Passenger activity at YYC for the year ended December 31, 2025 reached a record 19.4 million, an increase of 2.7%, compared to the same period of 2024. During the year ended December 31, 2025, the Domestic and International sectors saw growth of 3.9% and 6.2% respectively, while the Transborder sector declined by 3.4% year-over-year. Growth in the Domestic sector was driven by increased flight activity by WestJet, Flair and Porter, with additional flight service to Vancouver, Toronto, and Kelowna, as well as new service to Sudbury. Growth in the International sector was driven by WestJet, and Condor, with additional flight service to Narita and Seoul, as well as new service in 2025 to Munich, Panama City and various destinations in Mexico. The decrease in Transborder passenger traffic was mainly driven by WestJet, United, and Flair, with lower flight frequencies to Las Vegas, Portland, and Los Angeles partially offset by additional flight service to Chicago and new flight service to Raleigh-Durham and Washington, DC. YYC has 108 direct flight destinations as of December 31, 2025.

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Daily Passenger Volumes



Daily Passenger Volumes at YYC for the fourth quarter of 2025 increased 0.6% to an average of 49,300 passengers per day, up from an average of 49,000 per day in the same period of 2024.

Daily Passenger Volumes at YYC for 2025 increased 2.9% to an average of 53,200 passengers per day, up from an average of 51,700 per day in the same period of 2024.

Enplanements

The Authority monitors two principal types of Passengers: Local Enplanements and Connecting Enplanements. A Local Enplanement is a passenger originating at YYC, while a Connecting Passenger continues their journey after arrival at YYC enroute to their final destination.

During the fourth quarter of 2025, Local Enplanements increased by 2.8% to 1.6 million passengers while Connecting Enplanements decreased by 3.9% to 0.7 million passengers when compared to the same period of 2024. The percentage split between Local and Connecting Enplanements was 68.8% and 31.2%, respectively, compared to 67.3% and 32.7% in the same period of 2024. The increase in Local Enplanement was driven by new and expanded destinations including the introduction of new international routes added in 2025.

For the year ended December 31, 2025, Local Enplanements increased by 5.4% to 6.5 million passengers and Connecting Enplanements decreased by 1.9% to 3.2 million passengers, when compared to the same period of 2024. The percentage of Local Enplanements versus Connecting Enplanements was 67.3% and 32.7%, respectively, compared to 65.6% and 34.4% in 2024.

Flight Activity

All aircraft have a Maximum Take-Off Weight (MTOW), as specified by the aircraft manufacturer, and a total number of seats that varies by airline. MTOW and seats are used to calculate the majority of posted air carrier charges for each aircraft landing, driving aircraft landing fee revenue. Load Factor, the ratio of passengers to seats, is a measure of aircraft capacity utilization and is presented as a percentage of seats filled by passengers.

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The following table summarizes Aircraft Landings, Landed Passenger Seats, MTOW, Seats per Passenger Aircraft Landing and Load Factor for the fourth quarter and year ended December 31, 2025 and 2024.

FLIGHT ACTIVITY	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	% Change	2025	2024	% Change
<i>(thousands)</i>						
Aircraft Landings	23.5	22.6	4.0	98.9	94.4	4.8
Passenger Aircraft Landings	18.3	17.4	5.2	77.4	73.1	5.9
Landed Passenger Seats	2,616.7	2,595.8	0.8	11,431.5	10,731.8	6.5
<i>(millions)</i>						
Total MTOW (kg)	1,587.3	1,603.7	(1.0)	6,822.9	6,610.8	3.2
Passenger MTOW (kg)	1,345.1	1,358.0	(0.9)	5,846.4	5,619.8	4.0
Cargo MTOW (kg)	153.8	150.9	1.9	590.4	611.9	(3.5)
Seats per Passenger Aircraft Landing (average)	143.0	148.8	(3.9)	147.7	146.8	0.6
Load Factor (%)	87.2%	87.3%	-0.1 pts	84.7%	87.7%	-3.0 pts

Total Aircraft Landings increased 4.0% and 4.8% in the three months and year ended December 31, 2025, respectively, compared to the same period of 2024. Passenger Aircraft Landings for the fourth quarter of December 31, 2025 increased by 5.2% compared to the same period in 2024, while for the year ended December 31, 2025, increased by 5.9% compared to the same period of 2024. The year-over-year increase was primarily due to capacity increases by WestJet, Flair, and Porter in 2025. These increases were partially offset by the cessation of Lynx Air in February 2024, as well as carriers adjusting their Transborder capacity in the second to fourth quarters of 2025. There were 13 passenger airlines operating at YYC at the end of December 2025, consistent with the 13 that were operating at the end of December 2024.

During the fourth quarter of 2025, total MTOW was 1,587.3 million kilograms, a decrease of 1.0% from the same period of 2024. This change was primarily driven by a 0.9% decrease in Passenger MTOW during the fourth quarter of 2025, partially offset by a 1.9% increase in Cargo MTOW during the period.

For the full year of 2025, total MTOW was 6,822.9 million kilograms, an increase of 3.2% from the same period of 2024. This change was primarily driven by a 4.0% increase in Passenger MTOW during the period, partially offset by a 3.5% decrease in Cargo MTOW compared to the same period of 2024.

Landed Passenger Seats in the fourth quarter of 2025 were 2.6 million, an increase of 0.8% compared to the same period of 2024. The average number of Seats per Passenger Aircraft Landing during the fourth quarter of 2025 was 143.0, a decrease of 5.8 seats, or 3.9%, compared to 148.8 average number of Seats per Passenger Aircraft Landing in the same period in 2024. Load Factor decreased 0.1 points to 87.2% in the fourth quarter of 2025, compared to the same period of 2024.

Landed Passenger Seats for the full year of 2025 were 11.4 million, an increase of 0.7 million, or 6.5%, compared to the same period in 2024. The average number of Seats per Passenger Aircraft Landing was 147.7, an increase of 0.9 seats, or 0.6%, compared to 146.8 average number of Seats per Passenger Aircraft Landing in the same period in 2024. Load Factor decreased by 3.0 points from 87.7% to 84.7% for the year ended December 31, 2025.

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FINANCIAL PERFORMANCE

Net Operating Results

The following table summarizes the Authority's Net Operating Results for the fourth quarter and year ended December 31, 2025 and 2024.

NET OPERATING RESULTS (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Net Income (Loss)	27.0	(14.5)	41.5	62.5	(30.5)	93.0
Post-employment pension benefits remeasurement loss	(1.7)	(1.3)	(0.4)	(2.4)	(7.2)	4.8
Insurance recovery	41.3	10.9	30.4	69.1	10.9	58.2
Loss from Operations	(12.6)	(24.1)	11.5	(4.2)	(34.2)	30.0
Add: Interest and financing costs	26.4	28.2	(1.8)	108.4	112.7	(4.3)
Depreciation and amortization	35.2	34.8	0.4	140.9	141.3	(0.4)
Loss on disposal of capital assets	—	9.4	(9.4)	—	10.9	(10.9)
EBITDA	49.0	48.3	0.7	245.1	230.7	14.4
EBITDA margin (%)	38.7%	38.7%	— pts	45.3%	44.5%	0.8 pts

The Authority incurred a Loss from Operations of \$12.6 million in the fourth quarter of December 31, 2025, compared to a Loss from Operations of \$24.1 million in the same period of 2024, primarily due to the Loss on disposal of capital assets incurred in 2024, as well as lower Interest and financing costs incurred in 2025 compared to 2024. For the year ended December 31, 2025, the Authority incurred a Loss from Operations of \$4.2 million, compared to a Loss from Operations of \$34.2 million in the same period of 2024. The main drivers of the improved results were higher total revenues earned in 2025, the Loss on disposal of capital assets incurred in 2024, and lower Interest and financing costs in 2025, partially offset by increased expenses for the period.

EBITDA was \$49.0 million and \$245.1 million for the fourth quarter and year ended December 31, 2025, respectively, an increase of \$0.7 million and \$14.4 million, compared to the same periods of 2024. The EBITDA margin was 38.7% and 45.3% for the fourth quarter and year ended December 31, 2025, respectively, consistent with the fourth quarter of 2024 and an increase of 0.8 points for the full year 2025. The \$0.7 million and \$14.4 million increases in EBITDA for the fourth quarter and year ended December 31, 2025, were mainly due to increased AIF and Non-Aeronautical Revenues earned during the period, driven by the higher passenger activity experienced.

Net Income was \$27.0 million and \$62.5 million for the fourth quarter and year ended December 31, 2025, respectively, an increase of \$41.5 million and \$93.0 million, compared to the same periods of 2024. The primary driver of the improved financial results for both the quarter and year ended December 31, 2025 was the Insurance recoveries of \$27.8 million and \$41.3 million recognized in the third and fourth quarters of 2025, respectively.

Revenues

Revenues are derived from Airport Improvement Fees ("AIF"), Aeronautical Revenues, and Non-Aeronautical Revenues (NAR).

AIF is charged to each local originating enplaned passenger at YYC. This fee supports the funding of major infrastructure improvements and the related debt service.

Aeronautical Revenues include landing fees, general terminal fees and other aeronautical fees. Landing fees are based on the MTOW of arriving aircraft, general terminal charges are based on the number of seats and flight activity sector of an arriving aircraft, and other aeronautical fees are based on the usage of apron, aircraft gates and bridges, and certain fees per enplaned passenger.

NAR is generated from commercial activities not directly related to aircraft operations, such as concessions, car parking, property rentals, interest income, and other miscellaneous sources. A significant portion of NAR, particularly from parking, car rentals, concessions, and ground transportation, is closely tied to passenger activity, as these services have a correlation in demand with the level of terminal traffic.

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The following table summarizes the Authority's revenues for the fourth quarter and year ended December 31, 2025 and 2024.

REVENUES (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Airport Improvement Fees	54.8	53.4	1.4	228.1	216.3	11.8
Aeronautical Revenues	23.2	24.0	(0.8)	100.1	101.2	(1.1)
Concessions	23.0	22.0	1.0	108.6	100.6	8.0
Car parking	12.8	13.0	(0.2)	50.7	50.0	0.7
Rentals and other	10.6	10.0	0.6	44.8	39.5	5.3
Interest income	2.2	2.5	(0.3)	8.7	11.3	(2.6)
Non-Aeronautical Revenues	48.6	47.5	1.1	212.8	201.4	11.4
Total Revenues	126.6	124.9	1.7	541.0	518.9	22.1

AIF Revenue was \$54.8 million and \$228.1 million for the fourth quarter and year ended December 31, 2025, respectively, an increase of \$1.4 million, or 2.6%, and an increase of \$11.8 million, or 5.5%, compared to the same periods of 2024. The primary driver for the higher AIF Revenue in both periods was growth of Local Enplanement passenger traffic.

Aeronautical Revenues were \$23.2 million in the fourth quarter of 2025, a decrease of 0.8 million or 3.3% compared to the same period in 2024. Total Aeronautical Revenues for the full year of 2025 declined by \$1.1 million, or 1.1%, to \$100.1 million. The Authority may enter into long-term commercial agreements with airline partners which may include rebates of aeronautical fees if certain growth thresholds are achieved.

Total NAR of \$48.6 million in the fourth quarter of 2025 increased by \$1.1 million, or 2.3%, while NAR of \$212.8 million for the full year of 2025 increased \$11.4 million, or 5.7%, compared to the same periods of 2024. The increases were mainly due to targeted commercial initiatives including higher negotiated yields with key retail partners, new restaurant and retail locations opened in the terminal, new leases signed with land and terminal space tenants, and advertising portfolio expansion. Additionally, elevated passenger volumes, boosted in part by Calgary hosting major international events such as the G7 Summit and the Rotary International Convention in June 2025, contributed growth across key revenue streams, with the largest impacts seen in Concessions.

Concessions revenue totaled \$23.0 million and \$108.6 million in the fourth quarter and year ended December 31, 2025, respectively, representing an increase of \$1.0 million, or 4.5%, and \$8.0 million, or 8.0%, compared to the same period of 2024. This revenue stream includes car rental providers, in-terminal concessionaires, ground transportation providers, advertising, and in-terminal hotels. Growth in this category was primarily driven by negotiated increases in lease yields with key retail partners, as well as higher passenger volumes that supported increases in passenger-driven revenue. In addition, the opening of three new retail locations and five full-service restaurants during the year contributed to the overall year-over-year improvement. In the fourth quarter of 2025, four full-service restaurants were open, being Wander, Stack & Press, Mi Casa, and Tacos Locos.

Car parking revenue was \$12.8 million in the fourth quarter of 2025, a decrease of \$0.2 million, or 1.5% compared to the same period of 2024. For the full year of 2025, Car parking revenue was \$50.7 million, a \$0.7 million, or 1.4%, increase from the same period of 2024. The decline in revenue in the fourth quarter of 2025 is primarily attributable to a decline in remote parking revenue, as a result of lower sales activity reported by the Authority's joint venture remote parking partners. The growth in revenue experienced over the full year of 2025 was driven by higher passenger volumes, annual rate adjustments, and continued expansion of YYC's online reservation system, and adding additional avenues for reservations through membership associations, travel agencies and airlines, which supported increased booking activity across all parking segments.

Rentals and other revenue is generated by sub-leasing terminal space and airport lands to companies that operate at YYC and YBW. Most land lease agreements tend to be longer term and do not fluctuate with passenger activity. Rentals and other revenue was \$10.6 million and \$44.8 million in the fourth quarter and year ended December 31, 2025, respectively, an increase of \$0.6 million, or 6.0%, and \$5.3 million, or 13.4%, compared to the same periods of 2024. The increase in revenue for the fourth quarter and year ended December 31, 2025, was due to the lease amendments with existing tenants, addition of new tenants, and year-over-year rent escalations.

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Expenses

Expenses include the costs to operate and maintain YYC and YBW, amortization of property, equipment and intangible assets, and interest and financing costs.

The following table summarizes the Authority's expenses for the fourth quarter and year ended December 31, 2025 and 2024.

EXPENSES (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Goods and services	41.8	41.8	—	153.0	154.1	(1.1)
Salaries and benefits	14.9	14.5	0.4	55.4	51.3	4.1
Property taxes	5.5	5.3	0.2	22.5	21.3	1.2
Direct operating costs	62.2	61.6	0.6	230.9	226.7	4.2
Canada lease	13.2	12.9	0.3	56.0	53.0	3.0
Airport improvement fee service fees	2.2	2.1	0.1	9.0	8.5	0.5
Total Operating Expenses	77.6	76.6	1.0	295.9	288.2	7.7
Depreciation and amortization	35.2	34.8	0.4	140.9	141.3	(0.4)
Interest and financing costs	26.4	28.2	(1.8)	108.4	112.7	(4.3)
Post-employment pension benefits remeasurement loss	1.7	1.3	0.4	2.4	7.2	(4.8)
Loss on disposal of capital assets	—	9.4	(9.4)	—	10.9	(10.9)
Total Expenses	140.9	150.3	(9.4)	547.6	560.3	(12.7)

Goods and services was \$41.8 million in the fourth quarter of 2025, consistent with the prior year. For the full year of 2025, Goods and services was \$153.0 million, a \$1.1 million, or 0.7%, decrease from the same period of 2024.

This full year reduction reflects a focus on cost management efforts across the organization on controllable costs. Also contributing were favourable utility rates and lower consumption experienced in the period which was partially offset by certain operational service contracts experiencing cost increases due to service enhancements and inflationary pressures, and an increase in IT support and repair and maintenance costs.

Salaries and benefits costs increased by \$0.4 million, or 2.8%, and \$4.1 million, or 8.0%, in the fourth quarter and year ended December 31, 2025, respectively, compared to the same period of 2024, driven mainly by direct salary costs due to increased staffing levels and annual merit increases.

Canada lease expense increased by \$0.3 million, or 2.3%, and \$3.0 million, or 5.7%, in the fourth quarter and year ended December 31, 2025, respectively, compared to the same period of 2024 due to higher revenues earned during the period. The Canada lease expense is recorded based on the contractual lease rate multiplied by the actual qualifying revenues for the entire period.

The Airport improvement fee service fee is paid to the airlines and calculated as a percentage of the gross AIF collected by the airlines on behalf of the Authority which is 4%. The Airport improvement fee service fee expense of \$2.2 million and \$9.0 million in the fourth quarter and year ended December 31, 2025, respectively.

Interest and financing costs of \$26.4 million and \$108.4 million in the fourth quarter and year ended December 31, 2025, respectively, were \$1.8 million, or 6.4% lower, and \$4.3 million, or 3.8%, lower than the same period of 2024, due to increased capitalization of interest expense as a result of the larger capital program in 2025 partially offset by the interest expense incurred on additional debt issued in 2025.

Post-employment pension benefits remeasurement resulted in a loss of \$1.7 million and a loss of \$2.4 million in the fourth quarter and year ended December 31, 2025, respectively, primarily driven by the difference between the actual return on pension plan assets and the expected actuarial return during the period.

MANAGEMENT'S DISCUSSION & ANALYSIS

Summary of Quarterly Results

Select unaudited quarterly financial information for the quarters ended March 31, 2024 through December 31, 2025 is set out in the following table.

(\$ millions)	Quarter Ended							
	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	126.6	166.5	134.3	113.6	124.9	155.2	125.7	113.1
Operating expenses	(77.6)	(74.9)	(70.3)	(73.1)	(76.6)	(70.6)	(69.2)	(71.8)
EBITDA	49.0	91.6	64.0	40.5	48.3	84.6	56.5	41.3
Depreciation and amortization	(35.2)	(35.7)	(35.0)	(35.0)	(34.8)	(35.0)	(36.3)	(35.2)
Interest and financing costs	(26.4)	(27.3)	(27.4)	(27.3)	(28.2)	(28.0)	(28.3)	(28.2)
Post-employment pension benefits remeasurement loss	(1.7)	0.9	(1.3)	(0.3)	(1.3)	3.4	(7.6)	(1.7)
Loss on disposal of capital asset	—	—	—	—	(9.4)	(1.5)	—	—
Insurance recovery	41.3	27.8	—	—	10.9	—	—	—
Net Income (Loss)	27.0	57.3	0.3	(22.1)	(14.5)	23.5	(15.7)	(23.8)

EBITDA is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" of this MD&A for additional information.

Quarterly results for the Authority are influenced by passenger activity and aircraft movements, which tend to be cyclical in nature and vary with travel demand, which is typically higher in Q3, with holiday periods and other seasonal factors.

CAPITAL EXPENDITURES

The Authority focuses on capital programs and projects which improve passenger, baggage, and aircraft processing and flow, and enhance safety, security and customer experience, as well as compliance with regulatory requirements.

The following table provides information on Capital Expenditures for the fourth quarter and year ended December 31, 2025 and 2024.

CAPITAL EXPENDITURES (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Improvement projects	36.8	26.1	10.7	149.8	101.2	48.6
Restoration capital	33.8	14.7	19.1	80.2	43.5	36.7
Revenue projects	1.4	2.1	(0.7)	3.4	3.1	0.3
Project based Capital Expenditures	72.0	42.9	29.1	233.4	147.8	85.6
Acreage assessment	—	—	—	—	0.3	(0.3)
Total Capital Expenditures	72.0	42.9	29.1	233.4	148.1	85.3

Total Capital Expenditures of \$72.0 million and \$233.4 million in the fourth quarter and year ended December 31, 2025, respectively, were \$29.1 million and \$85.3 million higher than the same periods of 2024, primarily due to spend in Improvement projects such as West Runway Rehabilitation, Restoration capital such as Domestic Restoration, Pavement Restoration, and the Centralized Passenger Screening Project.

The West Runway Rehabilitation project has been successfully completed, with the runway returning to service on December 1, 2025. The project involved a full rehabilitation of the aging runway, parts of which were originally constructed in 1939. The rehabilitation ensures The Authority is able to safely operate while meeting the increasing expected volumes of passenger and cargo traffic for the next 40 years.

The Domestic Restoration project is restoring areas of the terminal damaged in August 2024 due to the severe hailstorm experienced.

The scope for the Pavement Restoration project for 2025 has been completed. The scope was to rehabilitate taxiway pavements connecting to the West Runway and included removal of concrete panels to accommodate for a new base.

MANAGEMENT'S DISCUSSION & ANALYSIS

The Centralized Passenger Screening project opened its first phase of seven preboarding lanes on December 10, 2025. This project consolidates all three security screening points for domestic passengers into one centralized checkpoint in the Domestic Terminal. Passengers on all domestic flights originating from YYC will pass through this checkpoint. Each lane is equipped with upgraded technology screening equipment.

The development of YYC AeroNex will position Calgary and the region as a strategic aviation hub for maintenance and repair, training, and innovation in aviation and its ancillary services. The first project under YYC AeroNex is a partnership with Lufthansa Technik to build a state-of-the-art engine maintenance and test cell facility, a made-in-Canada solution that will benefit passenger and cargo airlines across the country.

ASSETS AND LIABILITIES

Total assets, Total liabilities and Net Deficit as at December 31, 2025 and 2024 are set out in the following table.

Net Assets, as at (\$ millions)	Dec 31, 2025	Dec 31, 2024	\$ Change
Total assets	3,312.0	3,150.4	161.6
Total liabilities	3,534.0	3,434.9	99.1
Net Deficit	(222.0)	(284.5)	62.5

As at December 31, 2025, when compared to December 31, 2024, the Authority's Total assets increased by \$161.6 million, primarily due to a \$93.0 million net increase in Capital assets, a \$66.5 million increase in Restricted cash, and a \$33.1 million increase in Cash and cash equivalents, partially offset by a \$27.1 million decrease in Accounts receivable. The restricted cash relates to funds raised from the Fifth Supplemental Indenture which is restricted to the projects under YYC AeroNex as agreed upon with the CIB.

The Authority's Total liabilities increased by \$99.1 million, primarily due to a \$58.3 million increase in Other long-term liabilities which is mainly due to government assistance recognized during the year, a \$29.7 net increase in Long-term debt, and an \$11.4 million increase in Accounts payable and accrued liabilities.

The Authority has a Net Deficit position of \$222.0 million as at December 31, 2025. The Net Deficit has decreased by \$62.5 million, compared to December 31, 2024, due to the Insurance recovery of \$69.1 million, partially offset by the Loss from Operations of \$4.2 million incurred in the period.

LIQUIDITY AND CAPITAL RESOURCES

The following table provides Cash Flow information for the fourth quarter and year ended December 31, 2025 and 2024.

CASH FLOW (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Cash generated by operating activities	75.0	5.2	69.8	205.1	122.2	82.9
Cash provided by (used in) financing activities	(4.5)	(4.2)	(0.3)	57.3	(9.0)	66.3
Cash used in investing activities	(103.0)	(51.9)	(51.1)	(229.3)	(124.5)	(104.8)
Increase (decrease) in cash and cash equivalents	(32.5)	(50.9)	18.4	33.1	(11.3)	44.4

Net Cash Flows decreased by \$32.5 million for the three months ended December 31, 2025, an \$18.4 million change compared to the same period of 2024, due to higher cash generated by operating activities, partially offset by higher cash used in investing activities. Net cash flows increased by \$33.1 million for the year ended December 31, 2025, an increase of \$44.4 million compared to 2024 due to higher cash generated by operating activities and higher cash provided by financing activities specifically from the issuance of bonds in 2025, partially offset by higher cash used in investing activities.

The following table provides information on the Authority's Free Cash Flow for the fourth quarter and year ended December 31, 2025.

MANAGEMENT'S DISCUSSION & ANALYSIS

CASH FLOW (\$ millions)	For the three months ended Dec 31			For the year ended Dec 31		
	2025	2024	\$ Change	2025	2024	\$ Change
Net Income (Loss)	27.0	(14.5)	41.5	62.5	(30.5)	93.0
Add: Depreciation and amortization	35.2	34.8	0.4	140.9	141.3	(0.4)
Interest and financing costs	26.4	28.2	(1.8)	108.4	112.7	(4.3)
Post-employment pension benefits remeasurement loss	1.7	1.3	0.4	2.4	7.2	(4.8)
Loss on disposal of capital asset	—	9.4	(9.4)	—	10.9	(10.9)
Insurance recovery	(41.3)	(10.9)	(30.4)	(69.1)	(10.9)	(58.2)
EBITDA	49.0	48.3	0.7	245.1	230.7	14.4
Less: Interest and financing costs	(26.4)	(28.2)	1.8	(108.4)	(112.7)	4.3
Free Cash Flow	22.6	20.1	2.5	136.7	118.0	18.7

Free Cash Flow is the Authority's measure of the net result generated by operations, less debt service costs, excluding working capital changes. Free Cash Flow is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" of this MD&A for additional information.

The following table provides information on the Authority's debt position as at December 31, 2025 and 2024.

LONG TERM DEBT (\$ millions)	As at Dec 31, 2025	As at Dec 31, 2024	\$ Change
Long-term debt, including current portion	3,285.6	3,255.9	29.7
Government assistance related to financing	30.0	—	30.0
Less:			
Cash	230.5	197.4	33.1
Restricted cash	66.5	—	66.5
Net Debt	3,018.6	3,058.5	(39.9)
Key Credit Metrics			% Change
Debt service coverage ratio	2.25	2.12	
Gross debt service coverage ratio	5.92	5.46	
Gross debt/enplaned passenger (\$)	\$ 339.17	\$ 345.89	(1.9)
Net debt/enplaned passenger (\$)	\$ 311.60	\$ 324.92	(4.1)

Key Credit Metrics in the above table have been calculated based on operating results for the twelve months ended December 31, 2025.

As at December 31, 2025, Net Debt decreased by \$39.9 million to \$3.0 billion, compared to December 31, 2024, due to an increase in cash of \$99.6 million which includes \$66.5 million of Restricted cash related to the bond issuance to the CIB and principal repayments of \$8.0 million made during the year, partially offset by an increase in Long-term debt of \$37.2 million related to the G-1 Series bond issued on March 6, 2025. Net Debt is a non-GAAP financial measure. Refer to the section "Non-GAAP Financial Measures" of this MD&A for additional information.

The Master Trust Indenture (MTI Agreement) contains certain financial covenants to be calculated on a yearly basis at the year-end balance sheet date. The Authority has met the required Debt service coverage ratio and Gross debt service coverage ratio thresholds as per the MTI Agreement, as at December 31, 2025.

Gross debt per enplaned passenger is one of the airport industry's key financial metrics. As at December 31, 2025, Gross debt per enplaned passenger decreased to \$339.17 and Net debt per enplaned passenger decreased to \$311.60, both as a result of an increase in passenger activity experienced over the trailing twelve-month period, partially offset by the G-1 Series bond issued on March 6, 2025. Net debt per enplaned passenger is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" for additional information.

MANAGEMENT'S DISCUSSION & ANALYSIS

The following table provides information on the Authority's liquidity position at December 31, 2025 and 2024.

LIQUIDITY & CREDIT FACILITIES (<i>\$ millions</i>)	As at Dec 31, 2025	As at Dec 31, 2024	\$ Change
Cash and cash equivalents	230.5	197.4	33.1
O&M expense reserve	(53.0)	(47.9)	(5.1)
Credit facilities:			
Available operating credit facility	200.0	200.0	—
Less: Letters issued	—	—	—
Operating Credit Facility	200.0	200.0	—
Total Net Liquidity (including cash and cash equivalents)	377.5	349.5	28.0
Available letter of credit facility	100.0	70.0	30.0
Less: Letters issued	(65.7)	(65.0)	(0.7)
Letter of Credit Facility	34.3	5.0	29.3

As at December 31, 2025, the Authority's Total Net Liquidity stood at \$377.5 million reflecting an increase of \$28.0 million, or 8.0%, from December 31, 2024. This increase was primarily driven by a \$33.1 million increase in available Cash and cash equivalents, partially offset by an additional \$5.1 million allocated to the Operating and Maintenance (O&M) expense reserve. The increase in available Cash and cash equivalents was due to \$205.1 million cash generated by operating activities and \$57.3 million cash provided by financing activities, partially offset by \$229.3 million cash used in investing activities during the period.

MANAGEMENT'S DISCUSSION & ANALYSIS

NON-GAAP FINANCIAL MEASURES

Throughout this MD&A, there are references to the following performance measures which in Management's view are valuable in assessing the economic performance of the Authority. While these financial measures are not defined by the Canadian Accounting Standard for Private Enterprises ("ASPE"), and they are referred to as non-GAAP measures which may not have any standardized meaning, they are common benchmarks in the industry and are used by the Authority in assessing its operating results, including operating profitability, cash flow and investment program.

EBITDA and EBITDA Margin

EBITDA is earnings before interest and financing costs and depreciation, and EBITDA margin is EBITDA divided by total revenues. EBITDA is a commonly used measure of a company's cash flow and operating performance. This is used to evaluate the Authority's performance and cash flow generation.

Free Cash Flow

Free Cash Flow is the Authority's measure of the net result generated by operations less debt service cost paid, excluding working capital changes, in the year.

Gross Debt

Gross Debt is Long Term Debt, including current portion, from the Authority's Balance Sheet.

Gross debt per enplaned passenger

Gross Debt per Enplaned Passenger is defined as Gross Debt divided by total enplaned passengers. Gross debt per Enplaned Passenger is commonly used by airports and other users to assess an appropriate debt burden for an airport.

Net Debt

Net Debt is defined as Gross Debt (Long Term Debt, including current portion) less Cash and Cash Equivalents.

Net debt per enplaned passenger

Net Debt per Enplaned Passenger is defined as net debt divided by total enplaned passengers. Net debt per Enplaned Passenger is commonly used by airports and other users to assess the relative debt burden of an airport.

GLOSSARY

Enplaned and Deplaned (E&D) passengers

E&D Passengers are defined as the total number of passengers boarding an aircraft at YYC plus the total number of passengers disembarking from an aircraft at YYC as reported by air carriers on a regular basis.

Enplaned passengers

Enplaned passengers are defined as the total number of passengers boarding an aircraft at YYC as reported by air carriers on a regular basis.

Landed Passenger Seats

Landed Passenger Seats is defined as the total seating capacity in aggregate of all passenger aircraft arriving at the terminal buildings.

MTOW

MTOW is an aviation abbreviation used to describe the maximum take-off weight of an aircraft.

MANAGEMENT'S DISCUSSION & ANALYSIS

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements or forward-looking information (collectively, "forward-looking information") about the Authority. This forward-looking information is based on a variety of expectations, estimates, projections, judgments and assumptions and is subject to a number of risks and uncertainties. Words such as "believe", "expect", "plan", "intend", "estimate", "anticipate", "preliminary", "project", "trend" and similar expressions, as well as future or conditional verbs such as "will", "should", "would" and "could" often identify forward-looking information.

Specific forward-looking information in this document includes, among others, statements regarding the following: the Authority's strategy and development opportunities, as well as its future financial and operational performance; expectations in respect of future demand, capacity or activity and related monitoring efforts, including with respect to air passenger demand across all sectors, revenue sources and the drivers thereof and future actions taken in relation thereto; the Authority's capital, renovation and expansion requirements and decisions and actions taken in relation thereto, including statements with respect to related funding and the outcomes thereof; expectations about current and future market and economic conditions, industry activities and development opportunities, as well as the anticipated impacts thereof, including general market conditions, geopolitical conditions and events (including trade policies and tariffs), and industry developments; expectations concerning the Authority's long-term commercial agreements, capital projects and other programs and developments at YYC, including the YYC AeroNex development program and the West Runway Rehabilitation project, the Domestic Restoration project, the Pavement Restoration project and the Centralized Passenger Screening project, as well as the anticipated effects, timing, budgets and funding of such projects, programs and developments.

Forward-looking information is based on certain assumptions and other factors, including: government and passenger actions remaining consistent with management's expectations; that Calgary's population base and diversified economy will provide the basis for strong aviation demand in the future; that air carrier capacity will meet future demand for air travel to and from Calgary; that Calgary will continue to attract domestic and international travelers; the expected duration and cost of land lease agreements at YYC; that no significant event such as a pandemic, natural disaster or other calamity will occur that has a material impact on the ordinary course of business or the macroeconomic environment; that the Authority will continue to be able to access capital markets at competitive terms and rates; that the Authority will be able to repay or refinance its existing debt as it becomes due; the sufficiency of budgeted capital expenditures in carrying out planned activities and that no significant cost overruns or delays relating to capital projects will occur. These assumptions are based on information currently available to the Authority, including information obtained by the Authority from third-party experts and analysts.

Although Management believes that the assumptions and other factors upon which forward-looking information is based are reasonable, there is risk that predictions, forecasts, conclusions and projections, which constitute forward-looking information, will not prove to be accurate, that the assumptions may not be correct and that actual results may vary materially from those anticipated in forward-looking information. Factors that could cause actual results to differ materially from the results expressed or implied by forward-looking information include, but are not limited to: air carrier instability; passenger volumes; the Authority's inability to meet business objectives; non-payment by customers and the Authority's ability to comply with covenants under its MTI Agreement and existing and future credit facilities; reliance on third parties, including airlines, to successfully operate and maintain operations; volatility in economic activity including shocks to the macroeconomic environment (such as changes in fuel prices, inflation, interest rates, currencies, employment and spending); risks associated with potential changes in trade policies or the imposition of new or additional tariffs, including the impacts thereof on the economic conditions in Canada, North America and worldwide; changes in supply and demand trends; public health emergencies; capital market conditions and credit rating risk; competition from other airports; extended interruptions or disruptions in operations at YYC; outbreaks of war, riots, civil unrest or political action; labour disruptions; disruptions caused by extreme weather, natural disasters or other events which impact air industry networks; geopolitical unrest; acts of terrorism or cyber-security threats; disruptions to information technology infrastructure; the loss of key personnel; changes in laws or regulations including rate regulation; adverse amendments to the Canada Lease and the Springbank Lease with the Government of Canada that govern the Airport lands; the use of telecommunications and ground transportation as alternatives to air travel; loss of commercial revenues; carbon emission costs and restrictions; adverse regulatory developments or proceedings; environmental factors and climate change; changing attitudes towards air travel; the availability of aviation liability and other insurance; the timing of recovery and receipt of insurance proceeds; construction risk; legal proceedings and litigation; and other risks detailed from time to time in the Authority's other published documents.

The forward-looking information contained in this document represents expectations as of the date of this report and is subject to change. The Authority disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information or future events or for any other reason except as required by law.

The Calgary Airport Authority's Financial Statements

For the year ended December 31, 2025



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Management of The Calgary Airport Authority (the "Authority") is responsible for the preparation of the financial statements which include amounts based on estimates and judgments, in accordance with Canadian Accounting Standards for Private Enterprises. The financial statements and notes include all disclosures necessary for a fair presentation of the financial position, result of operations and cash flows of the Authority in accordance with Canadian Accounting Standards for Private Enterprises, and disclosures otherwise required by the laws and regulations to which the Authority is subject.

The Authority's Management is responsible for establishing and maintaining appropriate internal accounting and financial reporting control systems, policies and procedures which provide Management with reasonable assurance that assets are safeguarded, that financial records are reliable and form a proper basis for the preparation of the financial statements. Embedded in these control systems are a code of conduct and management policies that provide guidance to employees. As well there is a system of corporate governance that provides oversight to the Authority's risk management activities. The financial statements have been audited by PricewaterhouseCoopers LLP, an independent firm of chartered professional accountants, who were appointed by the Board of Directors.

The Audit and Finance Committee of the Board of Directors is composed of seven directors who are not employees of the Authority. The Audit and Finance Committee meets periodically with Management and PricewaterhouseCoopers LLP to review any significant accounting, internal control and auditing matters. The Audit and Finance Committee also reviews and recommends the annual financial statements of the Authority together with the independent auditor's report to the Board of Directors, which approves the financial statements.



Chris Dinsdale

President & Chief Executive Officer



Jennifer Pon

Chief Financial Officer

March 11, 2026

Calgary, Alberta



Independent auditor's report

To the Board of Directors of The Calgary Airport Authority

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Calgary Airport Authority (the Authority) as at December 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Private Enterprises (ASPE).

What we have audited

The Authority's financial statements comprise:

- the balance sheet as at December 31, 2025;
- the statement of operations and net deficit for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
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Calgary, Alberta, Canada T2P 5L3
T.: +1 403 509 7500, F.: +1 403 781 1825
Fax to mail: ca_calgary_main_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and Ground Lease Disclosure Requirements included in the Authority's 2025 Financial Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants
Calgary, Alberta
March 11, 2026

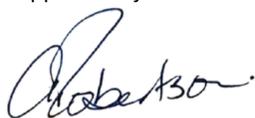
BALANCE SHEET

As at December 31, 2025 and 2024

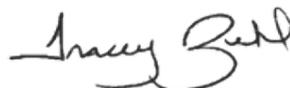
<i>As at (\$ millions)</i>	Note	December 31, 2025	December 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 230.5	\$ 197.4
Restricted cash	6	66.5	—
Accounts receivable	14	21.9	49.0
Inventory	3	9.2	8.3
Prepaid expenses		6.6	8.1
		334.7	262.8
Tenant Inducements		2.8	3.5
Other Long-term Assets and Prepaid Expenses		2.4	2.5
Capital Assets	4, 11	2,959.3	2,866.3
Intangible Assets	5	2.2	2.7
Pension Asset	13	10.6	12.6
		\$ 3,312.0	\$ 3,150.4
LIABILITIES AND NET DEFICIT			
Current Liabilities			
Accounts payable and accrued liabilities	12, 14	67.9	56.5
Interest payable on long-term debt	6, 14	26.3	26.4
Deferred revenue		1.4	1.3
Current portion of other long-term liabilities	6, 8, 11, 14	7.3	9.7
Current portion of long-term debt	6, 14	8.3	8.0
		111.2	101.9
Other Long-term Liabilities	6, 8, 11, 14	131.6	70.9
Pension Liability	13	13.9	14.2
Long-term Debt	6, 14	3,277.3	3,247.9
		\$ 3,534.0	\$ 3,434.9
Net Deficit		(222.0)	(284.5)
		\$ 3,312.0	\$ 3,150.4

See accompanying notes to the financial statements.

Approved by the Board of Directors:



Andrea Robertson
Board Chair



Tracey Zehl
Chair of Audit and Finance Committee

STATEMENT OF OPERATIONS AND NET DEFICIT

For the years ended December 31, 2025 and 2024

<i>For the year ended (\$ millions)</i>	Note	December 31, 2025	December 31, 2024
REVENUES			
Airport improvement fees	9	\$ 228.1	\$ 216.3
Aeronautical revenues		100.1	101.2
Non-aeronautical revenues			
Concessions		108.6	100.6
Car parking		50.7	50.0
Rentals and other	15	44.8	39.5
Interest income		8.7	11.3
		212.8	201.4
		541.0	518.9
EXPENSES			
Goods and services	3, 15	153.0	154.1
Canada lease	12	56.0	53.0
Salaries and benefits	13, 15	55.4	51.3
Property taxes		22.5	21.3
Airport improvement fee service fees	9	9.0	8.5
		295.9	288.2
Earnings before interest and financing costs and depreciation		245.1	230.7
Depreciation and amortization	4, 5	140.9	141.3
Interest and financing costs	11, 16	108.4	112.7
Loss on disposal of capital assets	4	—	10.9
Loss from Operations		\$ (4.2)	\$ (34.2)
Other Income			
Insurance recovery	4	69.1	10.9
Post-employment pension benefits remeasurement loss	13	(2.4)	(7.2)
Net Income (Loss)		\$ 62.5	\$ (30.5)
Net Deficit, Beginning of Year		\$ (284.5)	\$ (254.0)
Net Deficit, End of Year		\$ (222.0)	\$ (284.5)

See accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

For the years ended December 31, 2025 and 2024

<i>For the year ended (\$ millions)</i>	Note	December 31, 2025	December 31, 2024
OPERATING			
Net Income (Loss)	\$	62.5	\$ (30.5)
Employer defined benefit contributions	13	(1.4)	(1.5)
Adjustments:			
Depreciation and amortization	4, 5	140.9	141.3
Amortization of deferred financing costs	16	0.8	0.7
Post-employment pension benefits	13	2.8	7.7
Loss on disposal of capital assets	4	—	10.9
Amortization of government assistance	10	(1.4)	—
Accretion of G series bond	6	1.0	—
		205.2	128.6
Changes in non-cash working capital:			
Accounts receivable		27.1	(14.4)
Inventory		(0.9)	—
Prepaid expenses		1.5	(2.6)
Tenant inducements		0.7	0.6
Other long-term assets and prepaid expenses		0.1	0.1
Accounts payable and accrued liabilities		(7.8)	(3.7)
Interest payable on long-term debt		(0.1)	—
Deferred revenue		0.1	0.4
Other liabilities		(20.8)	13.2
		(0.1)	(6.4)
Cash provided by operating activities		205.1	122.2
FINANCING			
Proceeds from bond issuance	6	67.2	—
Repayment on long-term debt	6	(8.0)	(7.8)
Transaction costs incurred on issuance of long-term debt	6	(0.3)	—
Repayment of lease liabilities		(1.6)	(1.2)
Cash provided by (used in) financing activities		57.3	(9.0)
INVESTING			
Investment in capital and intangible assets	4, 5	(233.4)	(148.1)
Transfer to restricted cash	6	(66.5)	—
Government capital grant funds received	10	51.4	17.2
Change in accounts payable and accrued liabilities related to capital and intangible assets		19.2	6.4
Cash used in investing activities		(229.3)	(124.5)
Increase (decrease) in cash and cash equivalents	\$	33.1	\$ (11.3)
Cash and cash equivalents, beginning of year	\$	197.4	\$ 208.7
Cash and cash equivalents, end of year	\$	230.5	\$ 197.4

See accompanying notes to the financial statements.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

1 DESCRIPTION OF BUSINESS

The Calgary Airport Authority (the "Authority") was incorporated on July 26, 1990 under the *Regional Airports Authorities Act* (Alberta) (the "Act") as a non-share capital corporation. The mandate of the Authority, as defined in the Act, is to manage and operate the airports for which it is responsible in a safe, secure and efficient manner and to advance economic and community development by means that include promoting and encouraging improved airline and transportation service and an expanded aviation industry, for the general benefit of the public in its region.

The Authority has been operating YYC Calgary International Airport since July 1992 pursuant to the Agreement to Transfer, which provided for the transfer of operational control of YYC Calgary International Airport from the Government of Canada to the Authority under a long-term lease agreement (the "Canada Lease"). The Canada Lease has an initial term of 60 years with a 20-year option to extend which was exercised in 2011. In October 1997, the Authority entered into a lease with the Government of Canada for the operation of Springbank Airport (the "Springbank Lease") for a term concurrent with the Canada Lease term. The Canada Lease term expires June 30, 2072.

Pursuant to the Act, the Authority reinvests all surplus in the major infrastructure renovation and expansion requirements of the airports for which it is responsible. The Authority is authorized to borrow for investment in airport infrastructure and operations. Capital includes investment in both leasehold and freehold assets of the Authority, as detailed in Notes 4 and 5. Renovation requirements are determined through life-cycle management processes and physical asset inspections, while expansion requirements are determined in reference to airport capacity and demand. Capital requirements are generally determined on an annual basis in conjunction with the Authority's business plan, although larger projects may involve financial commitments that extend beyond one year. The Authority conducts an annual re-evaluation of projected economic conditions and facility demand factors.

These financial statements were approved on March 11, 2026 by the Board of Directors.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement and presentation

These annual financial statements have been prepared in accordance with Canadian Accounting Standards for Private Enterprises ("ASPE"), which sets out generally accepted accounting principles ("GAAP"). The annual financial statements have been prepared on a going-concern basis using historical cost, except for the revaluation of certain financial assets and liabilities measured at fair value.

Revenue recognition

Aircraft landing fees, general terminal fees, other aeronautical fees and car parking revenues are recognized as the airport facilities are utilized. The Airport Improvement Fee ("AIF") revenue is recognized when originating departing passengers have commenced their journey. Other revenue is recognized when earned or services rendered. Certain revenues may be subject to discounts or rebates, and these amounts are recognized net where applicable.

Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments that are highly liquid in nature and have an original term of 90 days or less.

Restricted cash

The Authority considers restricted cash to be those amounts received under contractual or regulatory agreements that limit its use. These balances are maintained in separate bank accounts and disbursed in accordance with the related agreement's terms.

Accounts Receivable

Receivables are recorded net of the allowance for doubtful accounts in the Balance Sheet. The Authority regularly analyzes and evaluates the collectability of the accounts receivable based on a combination of factors. If circumstances related to the collectability change, the allowance for doubtful accounts is further adjusted. Accounts are written off when future recovery is unlikely.

Inventory

Inventory consists of consumable parts and supplies held for use by the Authority. Inventory is stated at the lower of cost and net realizable value. Cost is determined using the weighted-average cost method. Net realizable value is determined as being the estimated replacement cost.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

Leases

As lessee

Leases are classified as capital leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Operating lease payments are recognized as an expense on a straight-line basis over the term of the lease. The Canada Lease and Springbank Lease are accounted for as operating leases.

As lessor

Concession revenues are earned on a monthly basis and based on a percentage of sales or specified minimum rent guarantees from concessionaires, or based on a combination of monthly contract payments and utilization fees. Rental income from land and terminal space are recognized over the duration of the respective agreements.

Capital and intangible assets

Capital assets are recorded at cost less accumulated depreciation. Cost includes all expenditures that are directly attributable to the acquisition or construction of an asset which are required to bring the asset into service.

Depreciation is recognized over the estimated useful life using the following rates:

Leased land	over the remaining term of the Canada Lease	straight line
Buildings & structures	10 - 47 years	straight line
Vehicles	18 - 30%	declining balance
Machinery & equipment	10 - 30 years	straight line
Furniture & fixtures	15 years	straight line
Computer equipment	3 years	straight line
Computer software	3 years	straight line

The Authority has purchased land for operational purposes and future development. The Canada Lease requires that the land be transferred to the Government of Canada at commencement of development, at which time the Authority reclassifies the Land to Leased land and commences depreciation on a straight-line basis over the remaining years of the Canada Lease period. The Authority can also transfer land to the Government of Canada before the commencement of development obtaining approval from the Government of Canada, at which time the Authority reclassifies the Land to Leased land and commences depreciation on a straight-line basis over the remaining years of the Canada Lease period.

The various components of the Buildings & structures class include air terminal buildings, other buildings and structures, roadways, and airfield surfaces. This asset class is depreciated based on the estimated economic useful life of the component asset, limited to the term of the Canada Lease, as ownership of all Authority assets will revert to the Government of Canada upon the expiration of the Canada Lease.

Construction work in progress is capitalized at cost. Costs are transferred to the appropriate capital asset account, and depreciation commences when the assets become operational.

Cloud computing arrangements

Eligible costs incurred in the configuration and setup of a cloud computing arrangement are recognized on the Balance Sheet as part of "Long-term assets and prepaid expenses" and amortized over the life of the initial license term. All subsequent costs incurred directly attributable to enhancing the service potential are included in the carrying amount of the long-term asset. Maintenance activities not directly attributable to enhancing service potential are expensed as incurred.

Borrowing costs

Borrowing costs incurred for long-term debt utilized for the construction of capital assets are added to the cost of those assets during the period of time that is necessary to complete and prepare the asset for its intended use. All other borrowing costs are recognized on the Statement of Operations and Net Deficit under "Interest and financing costs".

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

Impairment

Long lived assets are tested for impairment when events and circumstances indicate the carrying amount may not be recoverable from future operations. When indicators of impairment in the carrying value of the assets exist, an impairment loss is recognized on a long-lived asset if its carrying value exceeds the total undiscounted future cash flows expected from its use and disposition. The amount of the loss is determined by deducting the asset's fair value (based on discounted cash flows expected from its use and disposition) from its carrying value.

Employee future benefits

The Authority maintains defined benefit and defined contribution pension plans for eligible employees. New permanent employees are members of the defined contribution pension plan upon hire. Term employees become members of the defined contribution pension plan after completion of 24 months of continuous service. The defined benefit pension plan has both defined benefit and defined contribution components. The defined benefit plan was closed to new non-union employees effective January 1, 2010 and new union employees effective August 1, 2013. The Authority does not provide any other post-retirement benefits. The pension cost for the defined contribution plan and defined contribution component of the defined benefit plan are expensed in the year the contribution has been earned.

Actuarial valuations for the defined benefit pension plans are calculated annually by accredited actuaries using the projected benefits method and assumptions for the discount rate, salary escalation and retirement timelines. The related pension benefit asset/liability recognized on the Balance Sheet is the present value of the pension benefit obligation as at the Balance Sheet date less the fair value of plan assets, if any. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that have terms to maturity approximating the terms of the related pension liability for that particular defined benefit plan. Actuarial gains and losses are recognized in full in the period in which they occur, and are included on the Statement of Operations and Net Deficit under "Post-employment pension benefits remeasurement." Current service costs are included on the Statement of Operations and Net Deficit under "Salaries and benefits" expense. Past service costs are recognized immediately to the extent the benefits are vested. For funded pension plans, surpluses are recognized only to the extent that the surplus is considered recoverable. Recoverability is primarily based on the extent to which the Authority can unilaterally reduce future contributions to the pension plan. The change in the pension benefit obligation in the year is included on the Statement of Operations and Net Deficit under "Post-employment pension benefits remeasurement."

Deferred revenue

Deferred revenue consists primarily of land leasing, space rental, prepaid parking reservations, and prepaid trip fees and AIF fees received in advance of land or facilities being utilized.

Government assistance

The Authority recognizes government assistance when there is reasonable assurance that the Authority has complied with and will continue to comply with all of the conditions of the assistance. Assistance related to capital assets are deferred as "Government assistance" in "Other long-term liabilities" on the Balance Sheet and then amortized on the same basis as the useful life assigned to the capital asset with the amortization recognized as "Rental and other revenue." Assistance relating to operating costs is recognized as a reduction of the respective expense.

Financial instruments

Financial assets, including cash and cash equivalents, restricted cash, accounts receivable and long-term receivables are initially measured at fair value and subsequently carried at amortized cost.

Financial liabilities, including accounts payable and accrued liabilities, other liabilities and long-term debt are initially measured at fair value and subsequently carried at amortized cost.

Financial assets and liabilities resulting from related party transactions are initially measured at cost.

Financial assets and liabilities are classified as current if payments are due within 12 months of the Balance Sheet date. Otherwise, they are presented as non-current in the Balance Sheet.

Transaction costs for obtaining debt financing other than line of credit arrangements are recognized as a direct deduction from the related debt liability on the Balance Sheet. The deferred charges are amortized over the life of the related debt and included in "Interest and financing costs" expense on the Statement of Operations and Net Deficit.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

Foreign currency translation

The financial statements are presented in Canadian dollars, which is the Authority's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than the Authority's functional currency are recognized on the Statement of Operations and Net Deficit.

Use of estimates and measurement uncertainty

The preparation of financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and commitments and contingencies at the date of the financial statements and the reported amounts of revenues, expenses and other income (expense) during the reporting period. Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Significant areas requiring the use of Management estimates relate to the determination of accrued revenue, accrued liabilities, allowance for doubtful accounts, useful lives for depreciation of capital assets, and assumptions with respect to employee future benefit plans. Actual results could differ from these estimates.

3 INVENTORY

As at December 31, 2025, all inventories were carried at weighted average cost. During the year, inventory use of \$7.7 million (2024 - \$6.7 million) was recognized on the Statement of Operations and Net Deficit under "Goods and Services" expense, of which \$0.1 million (2024 - \$0.1 million) was written off due to obsolescence.

As at December 31	2025	2024
Materials	\$ 9.1	\$ 8.0
Liquids	0.1	0.3
	\$ 9.2	\$ 8.3

4 CAPITAL ASSETS

As at December 31, 2025	Land	Leased Land	Buildings & Structures	Computer Equipment	Vehicles	Machinery & Equipment	Furniture & Fixtures	Construction in Progress	Total
Cost:									
Beginning Balance	\$ 5.8	\$ 34.6	\$ 4,236.3	\$ 23.9	\$ 60.3	\$ 154.7	\$ 20.5	\$ 137.4	\$ 4,673.5
Additions	—	—	7.7	—	0.2	0.4	—	224.5	232.8
Transfers	—	—	258.5	5.6	1.7	11.2	2.1	(279.1)	—
Disposals and write-offs	—	—	(0.1)	—	(3.6)	(0.7)	—	—	(4.4)
Ending Balance	5.8	34.6	4,502.4	29.5	58.6	165.6	22.6	82.8	4,901.9
Accumulated Amortization									
Beginning Balance	—	6.9	1,690.0	18.4	39.3	45.6	7.0	—	1,807.2
Depreciation & Amortization	—	0.7	126.5	1.5	3.2	6.8	1.1	—	139.8
Disposals and write-offs	—	—	(0.1)	—	(3.6)	(0.7)	—	—	(4.4)
Ending Balance	—	7.6	1,816.4	19.9	38.9	51.7	8.1	—	1,942.6
Net Carrying Value	\$ 5.8	\$ 27.0	\$ 2,686.0	\$ 9.6	\$ 19.7	\$ 113.9	\$ 14.5	\$ 82.8	\$ 2,959.3

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

As at December 31, 2024	Land	Leased Land	Buildings & Structures	Computer Equipment	Vehicles	Machinery & Equipment	Furniture & Fixtures	Construction in Progress	Total
Cost:									
Beginning balance	\$ 5.8	\$ 34.3	\$ 4,230.5	\$ 37.4	\$ 50.3	\$ 155.6	\$ 21.0	\$ 57.9	\$ 4,592.8
Additions	—	0.3	—	—	0.2	0.1	0.1	146.7	147.4
Transfers	—	—	47.2	3.6	10.2	6.1	0.1	(67.2)	—
Disposals and write-offs	—	—	(41.4)	(17.1)	(0.4)	(7.1)	(0.7)	—	(66.7)
Ending Balance	5.8	34.6	4,236.3	23.9	60.3	154.7	20.5	137.4	4,673.5
Accumulated Amortization									
Beginning balance	—	6.4	1,594.8	34.2	37.4	43.3	6.7	—	1,722.8
Depreciation & Amortization	—	0.5	128.3	1.1	2.3	7.0	1.0	—	140.2
Disposals and write-offs	—	—	(33.1)	(16.9)	(0.4)	(4.7)	(0.7)	—	(55.8)
Ending Balance	—	6.9	1,690.0	18.4	39.3	45.6	7.0	—	1,807.2
Net Carrying Value	\$ 5.8	\$ 27.7	\$ 2,546.3	\$ 5.5	\$ 21.0	\$ 109.1	\$ 13.5	\$ 137.4	\$ 2,866.3

Construction in progress balance consists of costs capitalized for both airside and groundside facility improvement projects. For the year ended December 31, 2025, interest capitalized in construction in progress was \$7.6 million (2024 – \$2.9 million). During the year, borrowing costs for active projects were capitalized at the rate of 3.43%, which represents the weighted average rate of the Authority's debt outstanding (2024 – 3.43%).

On August 5, 2024, a severe hailstorm caused significant damage to parts of the Authority's airport buildings and machinery. As at December 31, 2025, the Authority recognized a \$nil loss on disposal of assets (December 31, 2024 – \$10.9 million).

During the year ended December 31, 2025, the Authority recognized insurance recoveries of \$69.1 million (December 31, 2024 - \$10.9 million). The restoration activities and insurance claim remains in progress, and the total recoverable amount continues to be indeterminate.

5 INTANGIBLE ASSETS

As at December 31, 2025	Computer Software	Work in Progress	Total
Cost:			
Beginning Balance	\$ 9.3	\$ 0.3	\$ 9.6
Additions	—	0.6	0.6
Ending Balance	9.3	0.9	10.2
Accumulated Amortization			
Beginning Balance	6.9	—	6.9
Depreciation & Amortization	1.1	—	1.1
Ending Balance	8.0	—	8.0
Net Carrying Value	\$ 1.3	\$ 0.9	\$ 2.2

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

As at December 31, 2024	Computer Software	Work in Progress	Total
Cost:			
Beginning balance	\$ 39.2	\$ 2.5	\$ 41.7
Additions	—	0.7	0.7
Transfers	2.9	(2.9)	—
Disposals and write-offs	(32.8)	—	(32.8)
Ending Balance	9.3	0.3	9.6
Accumulated Amortization			
Beginning balance	38.6	—	38.6
Depreciation & Amortization	1.1	—	1.1
Disposals and write-offs	(32.8)	—	(32.8)
Ending Balance	6.9	—	6.9
Net Carrying Value	\$ 2.4	\$ 0.3	\$ 2.7

6 LONG-TERM DEBT

The Authority has an agreement with Computershare Advantage Trust of Canada (formerly BNY Trust Company of Canada) (the “Trustee”) to provide a framework for the Authority to create and issue bonds and other debt securities and to enter into credit facility agreements, swaps and other debt instruments as set forth in the Master Trust Indenture (“MTI Agreement”). Under the MTI Agreement, bonds are issued in series through a supplemental indenture authorizing that particular series of bonds.

For the first five bond series issued under the First Supplemental Indenture (Series A to E), interest accrues on a daily basis and is payable on a semi-annual basis on April 7 and October 7 of each year of the term of that particular bond series. For the sixth bond series issued (Series F), principal and interest payments are payable on a semi-annual basis on April 7 and October 7 of each year of the term for the bond.

For the first bond issued under the Second Supplemental Indenture (4002957), principal and interest payments are payable on a semi-annual basis on April 7 and October 7 of each year of the term for the bond. For the next ten bond series issued (Series 4002958 to 4002967), interest accrues on a daily basis and is payable on a semi-annual basis on April 7 and October 7 of each year for the term of that particular bond series.

On March 6, 2025, the Authority entered into a Bond Purchase Agreement, under the existing MTI Agreement, with the Canada Infrastructure Bank (“CIB”) to help support the launch of YYC AeroNex, establishing YYC as a strategic centre for maintenance, development, training, and innovation in aviation and its ancillary services that will support both cargo and passenger flights in and out of the region, and making YYC an aviation hub in the North American aviation services network. This transaction has been formalized through the execution of the Fifth Supplemental Indenture authorizing a total issuance of \$171.9 million. Funds raised from this Indenture are restricted to the projects under the YYC AeroNex program, as agreed upon with the CIB. The agreement allows for issuance of four bonds under the Series G subject to certain conditions precedent.

On March 6, 2025, the first bond under the Fifth Supplemental Indenture (Series G-1), was issued for \$67.2 million. These funds are considered restricted cash. For the Series G-1 bond, interest accrues on a daily basis and is payable on a semi-annual basis on April 7 and October 7 of each year until the earlier of construction completion for the build of an engine maintenance and test cell facility, or December 31, 2028. Once the threshold has been met, the semi-annual payments on April 7 and October 7 turn into principal and interest payments for the term of the bond. This Series G-1 bond is subject to partial redemption based on the final capital cost incurred on the project and also a full redemption in the event that the Authority does not issue Series G-2 and G-3 bonds.

The fair market value of the Series G-1 bond was calculated using a fair market interest rate of 4.80%, resulting in a calculated fair value of \$36.2 million, as at the issuance date. The difference between the proceeds and fair market value of the bond of \$31.0 million was classified as Government Assistance under “Other Long-term Liabilities.” The government assistance is amortized using the effective interest method over the term of the loan.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The bonds issued and outstanding are as follows:

Supplemental				December 31,	December 31,
Indenture	Series	Interest Rate	Maturity Date	2025	2024
First	Series A	3.1990%	October 7, 2036	\$ 350.0	\$ 350.0
First	Series B	3.3410%	October 7, 2038	300.0	300.0
First	Series C	3.4540%	October 7, 2041	350.0	350.0
First	Series D	3.5540%	October 7, 2051	350.0	350.0
First	Series E	3.5540%	October 7, 2053	300.0	300.0
First	Series F	3.7540%	October 7, 2061	405.1	410.4
Second	4002957	2.2580%	October 7, 2031	155.3	158.0
Second	4002958	3.0120%	April 6, 2035	25.0	25.0
Second	4002959	3.6430%	February 15, 2042	100.0	100.0
Second	4002960	3.1530%	December 15, 2047	25.0	25.0
Second	4002961	2.5622%	September 16, 2049	70.0	70.0
Second	4002962	3.8550%	March 17, 2034	83.0	83.0
Second	4002963	2.7900%	March 15, 2030	125.0	125.0
Second	4002964	4.0590%	November 30, 2033	107.9	107.9
Second	4002965	4.2580%	September 15, 2033	113.0	113.0
Second	4002966	3.4200%	June 29, 2032	200.0	200.0
Second	4002967	3.5130%	June 16, 2029	200.0	200.0
Fifth	G-1	4.8000% ⁽¹⁾	December 31, 2053	37.2	—
Total bonds issued				\$ 3,296.5	\$ 3,267.3
Less: Debt issuance costs				(10.9)	(11.4)
Less: Current portion				(8.3)	(8.0)
Long-term debt				\$ 3,277.3	\$ 3,247.9

(1) This interest rate represents the market rate of similar termed instruments.

The MTI Agreement contains certain financial covenants to be calculated on a yearly basis at the year-end balance sheet date. As at December 31, 2025, the Authority was in compliance with all its covenants.

Principal repayments of long-term debt during the next five years and thereafter are as follows:

2026	\$ 8.3
2027	\$ 9.2
2028	\$ 10.2
2029	\$ 210.5
2030	\$ 135.8
Thereafter	\$ 2,922.5
	\$ 3,296.5

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

7 CREDIT FACILITIES

As at December 31, 2025, the Authority has an available \$200.0 million revolving operating line of credit (the "Operating Facility") from a consortium of Canadian financial institutions (the "Lender"). Draws on the Operating Facility are by way of overdraft, Canadian prime rate loans and Canadian Overnight Repo Rate Average (CORRA) Loans, U.S. base-rate loans and Secured Overnight Financing rate (SOFR) Loans, and letters of credit. The Operating Facility bears interest at the Lender's prime rate or CORRA, plus an applicable pricing margin based on the debt rating received by the Authority and the type of draw on the facility. The maturity date of the Operating Facility is December 23, 2030. As at December 31, 2025, the amount drawn on the Operating Facility and letters of credit issued were \$nil (December 31, 2024 - \$nil).

As at December 31, 2025, the Authority has an available \$100.0 million revolving Letter of Credit Facility ("L/C Facility"). The facility was renewed in 2025, increasing the limit from \$70.0 million to \$100.0 million that can be used for specific operational expenses as identified within the letter of credit issued, capital projects and major infrastructure improvements. As at December 31, 2025, the letter of credit that was outstanding under the L/C Facility was \$65.7 million (December 31, 2024 - \$65.0 million). The maturity date of the L/C Facility is October 7, 2026.

Under the MTI Agreement, the Authority is required to cover at least 25% of operating and maintenance expenses incurred in the previous fiscal year or a twelve-month period from the issuance of bonds or pledged bonds using cash or letters of credit, which has been covered with \$53.0 million in cash (December 31, 2024 - \$47.9 million in cash). Also the Authority is required to cover at least 50% of the net interest accrued and the total principal amount to be paid for a twelve-month period after fiscal year-end or the 12-month period after issuance of a bond, using cash or letters of credit. This has been covered by a letter of credit of \$55.0 million and \$2.9 million in cash (December 31, 2024 - \$ 55.0 million letter of credit).

As at December 31, 2025, the Authority has outstanding two pledged bonds to the Operating and L/C Facilities lenders for \$385.0 million (December 31, 2024 - \$385.0 million) and \$110.0 million (December 31, 2024 - \$77.0 million), respectively, under the Third and Fourth Supplemental Indentures. The pledged bonds do not accrue interest and can be used by the lenders if the Authority defaults on any outstanding balance of each of the facilities including accrued interest and any applicable fees.

The covenants included in the Operating and L/C Facilities reference the covenants in the MTI Agreement. As at December 31, 2025, the Authority was in compliance with all its covenants.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

8 OTHER LIABILITIES

As at December 31	2025	2024
Current		
Security deposits	\$ 0.1	\$ 0.1
Long-term incentive plan	0.8	0.5
Government assistance (note 6,10)	3.1	0.5
Lease inducement liability	0.1	0.1
Canada lease rent payable (note 12)	1.9	1.9
City of Calgary payables (note 17)	—	5.4
Capital lease (note 11)	1.3	1.2
Current portion of other long-term liabilities	\$ 7.3	\$ 9.7
Non-Current		
Security deposits	\$ 5.4	\$ 5.0
Long-term incentive plan	1.1	0.9
Government assistance (note 6,10)	107.5	44.6
Canada lease rent payable (note 12)	11.5	12.8
Lease inducement liability	1.2	1.4
Capital lease (note 11)	4.9	6.2
Other long-term liabilities	\$ 131.6	\$ 70.9

9 AIRPORT IMPROVEMENT FEES

Revenue from the Airport Improvement Fees (“AIF”) is collected from passengers by air carriers pursuant to an Agreement (“AIF Agreement”) between various airports in Canada and participating air carriers serving these airports. In 2025, a new 10-Year agreement was entered into with a commencement date of March 1, 2025. Pursuant to the AIF agreement, AIF is collected by the signatory air carriers from passengers on behalf of the Authority and remitted to the Authority net of a service fee of 4% (2024 – 4%). AIF revenue net of the service fee is used to fund the costs of new airport infrastructure and costs of major improvements to existing facilities at YYC Calgary International Airport, as well as related financing costs. The AIF in 2025 was \$35.00 (2024 – \$35.00) for each originating passenger departing from YYC Calgary International Airport.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

10 GOVERNMENT ASSISTANCE

As at December 31, 2025, the Authority has recognized funding received through various government agencies. These grants help the Authority advance key capital projects, and the funds may be used for eligible capital expenditures, including any interest earned. During the year, additions mainly consisted of a \$21.3 million provincial grant for broader infrastructure investments which will accelerate the development of YYC AeroNex, \$14.0 million received under the federal ACIP program, and the \$31.0 million difference between the Series G-1 bond proceeds and its fair value, which was recognized as Government Assistance.

As at December 31	2025	2024
Opening balance	\$ 45.1	\$ 12.3
Additions	66.9	33.0
Amortization	(1.4)	(0.2)
Balance, end of year	\$ 110.6	\$ 45.1
Less: Current portion	3.1	0.5
Long-term government assistance, end of year ^(a)	\$ 107.5	\$ 44.6

(a) Included under the line item "Other liabilities" on Balance Sheet

11 CAPITAL LEASES

The Authority's right of use assets mainly relates to the leases of machinery and equipment.

As at December 31	2025	2024
Cost		
Opening balance	\$ 10.2	\$ 10.2
Additions	—	—
Balance, end of year	\$ 10.2	\$ 10.2
Accumulated amortization		
Opening balance	\$ 3.1	\$ 1.8
Amortization	1.3	1.3
Balance, end of year	4.4	3.1
Net book value, end of year ^(a)	\$ 5.8	\$ 7.1

(a) Included under the line item "Capital Assets" on Balance Sheet

As at December 31	2025	2024
Weighted average remaining lease term (years)	4.01	4.87
Weighted average discount rate (%) ^(a)	4.00	4.61

(a) Some leases have fixed interest rates while others have variable rates

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The Authority has recognized lease liabilities in relation to the lease of equipment. The reconciliation of movement in lease liabilities is as follows:

As at December 31	2025	2024
Opening balance	\$ 7.4	\$ 8.6
Interest expense	0.4	0.4
Lease payments	(1.6)	(1.6)
Balance, end of year	\$ 6.2	\$ 7.4
Less: Current portion ^(a)	1.3	1.2
Long-term capital leases, end of year ^(b)	\$ 4.9	\$ 6.2

(a) Included under the line item "Current portion of other long-term liabilities" on the Balance Sheet

(b) Included under the line item "Other long-term liabilities" on the Balance Sheet

As of December 31, 2025, the maturity analysis of the undiscounted contractual balances of the lease liabilities during the next five years and thereafter is as follows:

As at		
2026	\$	1.6
2027	\$	1.5
2028	\$	2.2
2029	\$	1.0
2030	\$	0.7
Total lease payments	\$	7.0
Less: imputed interest	\$	0.8
Total	\$	6.2

12 CANADA LEASE

The Authority incurs an annual lease rental liability based on a sliding scale percentage, to a maximum of 12%, of gross revenue to Transport Canada pursuant to the Canada Lease. The monthly installments on the Canada Lease are estimated based on the previous year's calculation. The effective annualized rate for 2025 was 10.47% (2024 - 10.39%).

Under an amendment of the Canada Lease for the annual lease rental liability for 2021, the Authority deferred payment of \$18.8 million and began monthly payments on January 1, 2024, to be repaid over 10 years. There is no interest incurred on the outstanding balance. As at December 31, 2025 the outstanding balance is \$15.0 million (2024 - \$16.9 million). The fair value of the deferred payment liability is \$13.4 million (2024 - \$14.7 million).

For the annual lease rental liability for the year ended December 31, 2025, the Authority recognized an expense of \$56.0 million (2024 - \$53.0 million). The Authority is required to make monthly payments throughout the year and any remaining liability is to be paid by the end of February of the next year pursuant to the Canada Lease. The remaining liability relating to the current year expense of \$3.0 million (2024 - \$2.4 million), is to be paid in the first quarter of 2026 and is recognized on the Balance Sheet as Accounts payable and accrued liabilities.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

13 EMPLOYEE FUTURE BENEFITS

The Authority sponsors a registered pension plan for substantially all employees that has both defined contribution (“DC Plan”) and defined benefit (“DB Plan”) components. The Authority also has non-registered pension arrangements (“MG Plan”) for certain employees.

DC Plan

The majority of employees participate in the DC Plan. As of August 1, 2013, new union employees, and as of January 1, 2010, new non-union employees of the Authority, automatically participate in the DC Plan. In addition, some members participating in the DB Plan also participate in the DC Plan. For executives, contributions that are in excess of the maximum limits under the Income Tax Act accrue notionally and are paid from the Authority’s general revenues when the executive terminates employment. The pension cost recorded for the DC Plan was \$2.4 million for the year ended December 31, 2025 (2024 - \$2.1 million).

DB Plan

The DB Plan provides benefits for union employees hired before August 1, 2013 and non-union employees hired before January 1, 2010. Pensions are based on a calculation using the employees’ length of service and earnings near retirement and is indexed annually to 100% of the Canadian Consumer Price Index.

MG Plan

The Authority has non-registered pension arrangements that provide benefits to certain active and former employees pursuant to the Letter of Undertaking signed June 26, 1992, which guaranteed that benefits earned after July 1, 1992 will not be less than the pension and indexing provisions under the Public Service Superannuation Act and the Supplementary Retirement Benefits Act (the Minimum Guarantee) in respect of eligible individuals at that date. The MG Plan also provides benefits to certain former executives who participated in the DB Plan and whose benefits were limited to maximums permitted under the Income Tax Act. MG Plan benefits are paid from the Authority’s general revenues as payments come due. For former executives, security for the MG Plan is provided through a letter of credit within a retirement compensation arrangement trust account.

Actuarial Valuation

The Authority measures its defined benefit obligations using a funding valuation for the DB Plan and an accounting valuation for the MG Plan. The Authority’s most recent actuarial valuations of the plans were completed as of January 1, 2025 and the next scheduled actuarial valuations will be performed as of January 1, 2026. The costs of the DB Plan and MG Plan are actuarially determined using the projected benefit method based on management’s estimate of the future rate of return on the fair value of pension plan assets, salary escalations, mortality rates, inflation and other factors affecting the payment of future benefits.

Governance

The benefit payments for the DB Plan and DC Plan are made from trustee-administered funds. The Board of Directors of the Authority are responsible for the governance of the plans and policy decisions related to liability management, funding and investment, including selection of investment managers and investment options for the plans. The objective of the Authority’s investment policy for the DB Plan is to maximize long-term total return while protecting the capital value of the funds invested from major market fluctuations through diversification and selection of investments.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The following table provides information concerning the components of the pension cost for the DB and the MG Plans:

Year ended December 31	2025	2024
Current service cost	\$ 0.4	\$ 0.5
Post-employment pension benefits remeasurement (loss/gain)		
Finance loss	—	0.1
Remeasurement cost		
Difference between actual and expected return on assets	3.1	(1.0)
Actuarial (gain) loss	(0.7)	8.1
Defined benefit cost	2.8	7.7
Notional account benefit cost	0.3	0.1
Employer defined benefit contributions	1.4	1.5
Total net benefit cost	\$ 4.5	\$ 9.3

Based on the actuarial valuation dated January 1, 2025 and key assumptions updated to December 31, 2025, the changes in the Authority's pension assets and obligations are as follows:

As at	December 31, 2025			December 31, 2024		
	DB Plan	MG Plan	Total	DB Plan	MG Plan	Total
Market value of plan assets						
Opening balance	\$ 109.6	\$ —	\$ 109.6	\$ 108.0	\$ —	\$ 108.0
Interest income	4.1	—	4.1	3.9	—	3.9
Employer contributions	0.5	0.9	1.4	0.5	1.0	1.5
Employee contributions	0.5	—	0.5	1.0	—	1.0
Benefit payments	(5.1)	(0.9)	(6.0)	(4.8)	(1.0)	(5.8)
Actual return on plan assets	(3.1)	—	(3.1)	1.0	—	1.0
Balance, end of year	\$ 106.5	\$ —	\$ 106.5	\$ 109.6	\$ —	\$ 109.6
Accrued pension benefit obligation						
Opening balance	\$ 97.0	\$ 14.2	\$ 111.2	\$ 89.0	\$ 14.3	\$ 103.3
Current service cost	0.4	0.3	0.7	0.5	0.1	0.6
Interest cost	3.5	0.6	4.1	3.4	0.6	4.0
Employee contributions	0.5	—	0.5	1.0	—	1.0
Benefits payments	(5.1)	(0.9)	(6.0)	(4.8)	(1.0)	(5.8)
Actuarial (gain) loss	(0.4)	(0.3)	(0.7)	7.9	0.2	8.1
Balance, end of year	\$ 95.9	\$ 13.9	\$ 109.8	\$ 97.0	\$ 14.2	\$ 111.2
Funded status	\$ 10.6	\$ (13.9)	\$ (3.3)	\$ 12.6	\$ (14.2)	\$ (1.6)

Remeasurement costs for 2025 amounted to an expense of \$2.4 million (2024 – \$7.1 million). In 2025, \$0.7 million of the total net benefit cost (2024 – \$0.6 million) has been recognized on the Statement of Operations and Net Deficit under “Salaries and benefits” expense.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The asset allocation of the DB Plan assets as at December 31 was:

	2025	2024
Fixed income securities	68 %	64 %
Canadian equities	4 %	6 %
Foreign equities	18 %	21 %
Real estate assets	10 %	9 %

The significant actuarial assumptions adopted in measuring the Authority's pension benefit obligations are:

	December 31, 2025		December 31, 2024	
	Registered Plan	Non-Registered Plan	Registered Plan	Non-Registered Plan
Discount rate				
a) Year-end pension benefit obligation	4.38 %	4.80 %	4.25 %	4.60 %
b) Net benefit cost	4.40 %	4.60 %	4.22 %	4.60 %
Rate of salary increases	2.75 %	2.75 %	2.75 %	2.75 %
Pre/post retirement indexing	2.00 %	2.00 %	2.00 %	2.00 %

The estimated annual payment in 2025 to fund the solvency deficiency as determined by the January 1, 2025 actuarial valuations was \$nil (2024 - \$nil).

14 FINANCIAL INSTRUMENTS

The Authority's financial instruments consist of Cash and cash equivalents, Restricted cash, Accounts receivable, Accounts payable and accrued liabilities, Interest payable on long-term debt, Long-term debt, and Canada lease rent payable within Other Long-term Liabilities.

The fair value of the Authority's financial instruments, other than its long-term debt and long-term payables, approximates their carrying value due to their short-term nature. The fair value of long-term debt and long-term payables is estimated using the discounted cash flow analysis based on the Authority's current borrowing rate for similar borrowing arrangements. As at December 31, 2025, the fair value of the Authority's long-term debt and Canada Lease rent payable is \$2,992.9 million (2024 - \$2,980.4 million).

Risk Management

The Authority's Board of Directors ("the Board") is responsible for the oversight of the principal risks of the business in which the Authority is engaged, achieving a proper balance between risks incurred and the legislated purpose of the Authority and confirming that there are systems in place that effectively monitor and manage those risks with a view to the long term viability of the Authority. The Board has established the Audit and Finance Committee, which reviews significant financial risks associated with future performance, and growth identified by Management that could materially affect the Authority's ability to achieve its strategic and operational targets. The Board is also responsible for ensuring that Management has effective policies and procedures to identify, assess manage and mitigate such risks.

Risks associated with Financial Instruments

The Authority is exposed to various financial risks in the normal course of operations such as market risks resulting from credit risk and liquidity risk and fluctuations in currency exchange rates and interest rates.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

Credit risk

Credit risk is the risk that a counterparty to a financial instrument fails to fulfill its obligation in accordance with the terms of the contract. The Authority is subject to credit risk through its accounts receivable and long-term receivables, which consist primarily of aeronautical fees and AIF owing from air carriers, concession fees owing from concession operators and rental revenue from tenants. The majority of concession fees owing are settled on a monthly basis, 15 - 30 days after the end of each month. The majority of aeronautical fees owing are billed weekly and settled 15 - 30 days thereafter. The majority of AIF owing is settled on a monthly basis on the first day of each subsequent month. The Authority's requirement for credit background reviews, letters of credit, and security deposits for potential credit losses helps to reduce credit risk relating to accounts receivable. The Authority's right under the Airport Transfer (Miscellaneous Matters) Act to seize and detain aircraft until outstanding aeronautical fees are paid could assist in mitigating the risk of credit losses.

Accounts receivable past due or impaired

The Authority had the following past due or impaired accounts receivable:

As at December 31, 2025	Total	AR accruals	>30 days	31 to 60 days	61 to 90 days	Over 90 days
Trade receivable	\$ 23.3	\$ 11.9	\$ 8.7	\$ 0.8	\$ 0.2	\$ 1.7
Allowance for credit losses	(1.4)	—	—	—	—	—
	\$ 21.9	\$ 11.9	\$ 8.7	\$ 0.8	\$ 0.2	\$ 1.7

As at December 31, 2024	Total	AR accruals	>30 days	31 to 60 days	61 to 90 days	Over 90 days
Trade receivable	\$ 50.4	\$ 35.3	\$ 9.4	\$ 1.5	\$ 1.2	\$ 3.0
Allowance for credit losses	(1.4)	—	—	—	—	—
	\$ 49.0	\$ 35.3	\$ 9.4	\$ 1.5	\$ 1.2	\$ 3.0

	December 31, 2025	December 31, 2024
Allowance for doubtful accounts		
Balance, beginning of year	\$ 1.4	\$ 1.2
New allowance	0.3	0.2
Allowance applied to uncollectible customer accounts	(0.3)	—
Balance, end of year	\$ 1.4	\$ 1.4

Liquidity Risk

Liquidity risk is the risk that the Authority will encounter difficulties in meeting the obligations associated with its financial liabilities. The Authority's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Authority's reputation.

The Authority manages its liquidity risk by maintaining adequate cash and credit facilities, by updating and reviewing multi-year cash flow projections on a regular and as-needed basis and by matching its long-term financing arrangements with its cash flow needs. The Authority achieves mitigation of liquidity risk through funds generated by operations and ready access to sufficient long-term funds as well as committed lines of credit through a credit facility.

For the year ended December 31, 2025, the Authority recognized net income of \$62.5 million (2024 - net loss of \$30.5 million). The Authority's working capital as of December 31, 2025 is \$223.5 million (2024 - \$160.9 million) and it has \$377.5 million (2024 - \$349.5 million) of cash and cash equivalents and available credit facilities.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

The Authority had the following contractual maturities with respect to financial liabilities based on the contractual undiscounted cash flows which includes principal and interest cash flows:

As at December 31, 2025	Carrying Value	Total	2026	2027	2028	2029	2030	2031 & thereafter
Accounts payable and accrued liabilities	\$ 67.9	\$ 67.9	\$ 67.9	\$ —	\$ —	\$ —	\$ —	\$ —
Current portion of long-term debt	8.3	8.3	8.3	—	—	—	—	—
Long-term debt	3,288.2	5,010.1	111.7	120.7	121.4	321.4	239.8	4,095.1
Interest payable on long-term debt	26.3	26.3	26.3	—	—	—	—	—
Canada Lease rent payable ^(a)	13.4	15.0	1.9	1.9	1.9	1.9	1.9	5.5
	\$ 3,404.1	\$ 5,127.6	\$ 216.1	\$ 122.6	\$ 123.3	\$ 323.3	\$ 241.7	\$ 4,100.6

(a) Included under the line item "Other long-term liabilities" on the Balance Sheet

As at December 31, 2024	Carrying Value	Total	2025	2026	2027	2028	2029	2030 & thereafter
Accounts payable and accrued liabilities	\$ 56.5	\$ 56.5	\$ 56.5	\$ —	\$ —	\$ —	\$ —	\$ —
Current portion of long-term debt	8.0	8.0	8.0	—	—	—	—	—
Long-term debt	3,259.3	5,093.4	112.1	120.1	120.1	120.1	320.0	4,301.0
Interest payable on long-term debt	26.4	26.4	26.4	—	—	—	—	—
City of Calgary payable ^(a)	5.4	5.5	5.5	—	—	—	—	—
Canada Lease rent payable ^(a)	14.7	16.9	1.9	1.9	1.9	1.9	1.9	7.4
	\$ 3,370.3	\$ 5,206.7	\$ 210.4	\$ 122.0	\$ 122.0	\$ 122.0	\$ 321.9	\$ 4,308.4

(a) Included under the line item "Other long-term liabilities" on the Balance Sheet

Interest Rate Risk

Interest rate risk arises due to fluctuations in interest rates. The Authority is exposed to interest rate risk on its cash held in interest-bearing accounts. The cash in these accounts is considered highly liquid. The Authority manages interest rate risk by holding fixed interest rate debt with various maturities. The Authority proactively monitors and manages its debt maturity profiles and debt covenants and maintains financial flexibility through access to potential different types of credit products under the MTI Agreement. The Authority has exposure to interest rate risk related to its operating line of credit which is maintained to provide liquidity.

Industry Risk

Industry risk is related to any events that could occur within or to the air transportation industry that could negatively affect passenger demand at YYC Calgary International Airport and therefore the Authority's revenues and expenses. These risks, among others, include: population decline; unemployment rates; economic conditions, including tariffs; regulatory actions and legislative changes; air carrier instability; the ability and willingness of airlines to provide air service at YYC Calgary International Airport; passenger volumes; the increase in the cost of air fares; labour disputes; the availability and cost of aviation fuel; insurance costs; environmental regulation; carbon emission costs and restrictions; environmental factors and climate change; changing attitudes towards air travel; legal proceedings and litigation; the operation of the air traffic control system; the use of telecommunications and alternate ground transportation options; health epidemics and related travel advisories, outbreaks of war, riots, civil unrest or political action, including the war in Eastern Europe and the conflict in the Middle East, the perceived threat of terrorist attacks and additional security measures put in place to guard against such attacks.

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

15 RELATED PARTY TRANSACTIONS

As a corporation without share capital, the Authority has Members rather than shareholders. The Members of the Authority are its Board of Directors. The Authority is governed by its Board of Directors with a maximum of 17 members. Directors are appointed by four organizations – the Long Range Planning Committee of the Calgary Chamber of Commerce (eleven members), the City of Calgary (three members), Rocky View County (one member), and the Government of Canada represented by the Minister of Transport (two members).

The Authority's related parties also include Key Management personnel. Key Management includes the Executives of the Authority who have the authority and responsibility for planning, directing, and controlling the activities of the Authority. The Board of Directors are, only for the purposes hereof, also considered Key Management.

The Government of Canada and its respective government related entities are considered related parties for accounting purposes only due to their ability to nominate Members and due to the material nature of the Canada Lease (see Note 12). In accordance with ASPE, this meets the definition of significant influence, but not control.

Some members of the Board of Directors hold positions in other companies where they can exercise either control or significant influence on those companies that conduct business with the Authority. The nature of the transactions are mainly leasing of land or buildings owned by the Authority and corporate consulting services provided to the Authority.

The following transactions with the Authority's related parties are measured at cost and have been recorded on the Statement of Operations and Net Deficit:

Year ended December 31	2025	2024
Non-aeronautical revenues		
Rental and other	\$ 0.3	\$ 0.3
Expenses		
Goods and services	\$ 0.5	\$ 0.1

Board of Directors Remuneration

For the year ended December 31, 2025, total remuneration for the Board of \$1.0 million (2024 - \$1.0 million) was recognized on the Statement of Operations and Net Deficit under "Salaries and benefits" expense. Expenses incurred by the Directors in 2025 were recognized on the Statement of Operations and Net Deficit, under "Goods and services" expense.

Key Management Compensation

Total remuneration paid to the Executives during 2025 was \$4.5 million (2024 - \$3.9 million) which was recognized on the Statement of Operations and Net Deficit under "Salaries and benefits" expense. Expenses incurred by the Executives during 2025 totaled \$0.3 million (2024 - \$0.2 million) which was recognized on the Statement of Operations and Net Deficit under "Goods and services" expense.

16 INTEREST AND FINANCING COST

	2025	2024
Interest on long-term debt	\$ 105.9	\$ 109.3
Amortization of government assistance	(1.0)	—
Amortization of deferred financing costs	0.8	0.7
Credit facility fees	0.5	0.8
Fair value adjustment on long-term payable	0.5	1.2
Other interest expense	1.7	0.7
Interest and financing costs	\$ 108.4	\$ 112.7

Notes to Financial Statements

As at and for the years ended December 31, 2025 and 2024

(Tabular amounts and amounts in footnotes to tables are in millions of Canadian dollars, unless otherwise indicated)

17 COMMITMENTS AND CONTINGENCIES

The Authority is subject to legal proceedings and claims that arise in the ordinary course of business. While the final outcome with respect to these legal proceedings and claims cannot be predicted with certainty, Management does not expect the outcome of any proceeding to have a material adverse effect on the financial position or results of operations of the Authority.

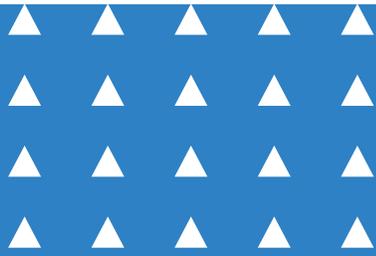
Effective January 31, 2025, the Authority entered into Development and Lease Agreements with Lufthansa Technik ("LTCA") to build an engine maintenance and test cell facility on nine acres of land at YYC Calgary International Airport, for lease to LTCA. The project, which involves an investment of approximately \$120 million in partnership with LTCA, has broken ground in 2025 and the Authority is responsible for planning, development, construction and deployment. Under the Development and Lease Agreements, the Authority is contractually obligated to complete the construction of the engine maintenance and test cell facility in 2028.

In June 2011, the Authority entered into a Tunnel Sublease and License (the "Tunnel Agreement") with the City of Calgary (the "City"). The Tunnel Agreement, which expires June 29, 2072, required the City to extend Airport Trail east, across airport lands and, among other things, to construct, operate and maintain an associated tunnel under Runway 17L-35R which was completed on October 1, 2012. The Tunnel Agreement also provides for a cost-sharing arrangement regarding future interchanges along Airport Trail at 19th Street and Barlow Trail. The first phase for interchanges, which enhanced access to and egress from airport facilities, was completed in the Fall of 2022. The second phase of the interchanges, or components thereof, will be constructed when traffic volume service levels at the first phase of interchanges reach a proscribed level and, at that time, the Authority has agreed to contribute 50% towards the acquisition cost of the necessary third-party land and the associated construction project. As the first phase of these interchanges is completed, the Authority has fulfilled its obligation as of December 31, 2025 (December 31, 2024 - \$5.4 million). The Authority continues to have a commitment to contribute towards additional land cost and the second phase construction, which have not been quantified as of December 31, 2025.

As of December 31, 2025, the Authority had approximately \$54.9 million in commitments for capital projects commenced during the year. The capital projects include various restoration projects and the rehabilitation of the West Runway.

18 INCOME TAXES

Pursuant to the *Airport Transfer (Miscellaneous Matters) Act (Canada)*, income that may reasonably be regarded as being derived from airport business is exempt from federal and provincial income taxes. All income recognized during the year ended December 31, 2025 and 2024 is considered to be derived from airport business and therefore exempt from income tax.



Ground Lease Disclosure Requirements

For the year ended December 31, 2025



DISCLOSURE REQUIREMENTS OF THE GROUND LEASE

Subsection 9.01.07, Paragraphs (a) to (g) of the Ground Lease requires The Calgary Airport Authority (“the Authority”) to issue an Annual Report and include the following information:

AUDITED FINANCIAL STATEMENTS

The auditors’ report and the annual audited financial statements and the summary of analysis (Management’s Discussion and Analysis or “MD&A”) is found within the 2025 Financial Report.

PERFORMANCE SUMMARY FOR 2025

	Forecast	Actual
<i>(in millions)</i>	2025	2025
Total Revenue	531.9	541.0
Operating Expenses	306.6	295.9
Transport Canada Rent	55.2	56.0
Capital Expenditures	264.8	233.4

The variance in Total Revenue was driven by stronger results in both AIF and Non-Aeronautical revenue, primarily due to higher passenger results than forecasted. Aeronautical revenue is aligned with forecast expectations. The increase in total revenue also contributed to the variance between forecast and actual Transport Canada Rent expense.

The variance in Operating Expenses reflects lower than forecasted salary costs incurred throughout the year, as well as favourable utility rates and consumption compared to expectations. These positive results were partially offset by higher costs in operational service contracts, driven by service enhancements and inflationary pressures.

Capital Expenditures for the period were lower than forecast, primarily due to cost savings realized on the West Runway Rehabilitation Project and the deferral of several capital projects into 2026. These savings were partially offset by higher than forecasted spending on Domestic Restoration projects following the August 5, 2024 hailstorm.

SUMMARY OF THE FIVE-YEAR BUSINESS PLAN

<i>(in millions)</i>	2026	2027	2028	2029	2030
Total Revenue	575.1	620.4	668.5	805.5	848.1
Operating Expenses	322.8	339.9	355.9	385.0	398.9
Transport Canada Rent	61.1	66.9	72.7	89.1	94.2
Capital Expenditures	398.3	437.1	269.5	225.5	143.7

The five-year Business Plan (2026 to 2030) is driven by the Authority’s mandate of connecting local and global communities while creating exceptional experiences as the airport of choice. The key components that are supporting the Authority’s strategy are:

- Delivering reliable, efficient and high-quality operations;
- Creating a world class guest experience;
- Optimizing the Authority’s assets to broaden and grow economic impact.

During the fall of 2025, the Authority announced to airline stakeholders the following changes to its Tariff effective January 1, 2026, which comprised of an increase in Aeronautical rates on a blended basis by an average of 3.50 per cent. The AIF rate increased from \$35.00 in 2025 to \$40.00 in 2026 per departing enplaned passenger in order to fund projects that maintain the Authority’s capital infrastructure, to expand capacity, and improve the passenger experience.

The Authority typically undertakes capital projects to meet one of the following objectives:

- to comply with regulatory requirements (e.g., safety, security or environmental);
- to restore or replace existing assets;
- to modify existing infrastructure to improve revenue or reduce costs;
- to add new capacity or businesses beyond the existing infrastructure.

The reader is cautioned that some assumptions used to derive forecast information may not materialize due to unanticipated events and circumstances. Therefore, the actual results achieved during the period may vary, and the variations may be material. For a more complete discussion of the risks and uncertainties and caution regarding forward-looking statements, see the MD&A, found in the 2025 Financial Report.

REMUNERATION TO THE BOARD OF DIRECTORS (“DIRECTORS”) AND SALARY OF SENIOR OFFICERS

In compliance with the Authority’s governance practices and as required by the Regional Airports Authorities Act (Alberta), the Authority outlines the Directors’ and Officers’ remuneration and expenses as follows:

(all figures in this table are expressed in whole dollars)

Board Chair	\$	155,000	per annum
Committee Chair	\$	10,000	per annum
Director (excluding Board Chair)	\$	37,500	per annum
Board and Board Committee meeting fees (in person)	\$	1,250	per meeting
Board and Board Committee meeting fees (virtual)	\$	1,000	per meeting

Total remuneration and expenses paid during the year ended December 31, 2025 for each Director:

<i>(all figures in this table are expressed in whole dollars)</i>	Compensation	Expenses	Total
Andrea Robertson (Board Chair)	155,000	3,681	158,681
Lisa Oldridge (Strategic Planning Committee Chair)	75,875		75,875
Craig Richmond (Safety & Operational Resiliency Committee)	65,500	5,155	70,655
Phillip Scheibel (Commercial & Property Committee Chair)	67,000		67,000
Jina Abells Morissette (Governance & Compensation Committee Chair)	70,875		70,875
Tracey Zehl (Audit & Finance Committee Chair)	67,500	92	67,592
Randolph M. Charron	52,750		52,750
Dino Deluca	62,750		62,750
Nancy Foster	62,750		62,750
Andrea Goertz	60,125	3,349	63,474
Rodney Gray	57,500		57,500
Catherine Luelo	57,250		57,250
Manjit Minhas	56,750		56,750
Lara Murphy	57,750		57,750
	969,375	12,277	981,652

For the year ended December 31, 2025, total remuneration received by the Board totaled \$1.0 million. Fees were paid to certain Directors for attendance at meetings of special ad-hoc committees of the Board of Directors.

KEY MANAGEMENT COMPENSATION

The base salary range for the Executives during 2025 was \$0.3 million to \$0.6 million. Total remuneration paid to the Executives during 2025 was \$4.5 million. Executives are also eligible for short-term and long-term performance incentives.

CODE OF CONDUCT

The Authority has a “Code of Business Conduct and Conflict of Interest Policy” (the “Code”), which has been approved by the Authority’s Board of Directors. The Code represents a comprehensive approach to addressing, among other matters, conflicts of interest and promoting fair, honest and ethical behaviour by all of the Authority’s Directors, Officers, employees and contractors.

The Board monitors compliance with the Code, and the Authority requires that each Director sign an annual declaration advising that the Director has read the Code and either declares in compliance or not in compliance with the Code and then state the reasons for the non-compliance. In addition, the Board has implemented a Whistleblower Policy which permits the anonymous reporting of a Director, Executive, or employee’s perceived unethical behaviour.

All Directors confirmed that they are in compliance with the Code for the year ended December 31, 2025.

SOLE SOURCE CONTRACTS ISSUED IN 2025

Per the Ground Lease, the Authority reports on contracts in excess of \$147,000 (adjusted periodically by Consumer Price Index (CPI) from an original threshold of \$75,000) that were not competitively procured. This is disclosed in the Authority’s 2025 Annual Report.

SECTION 9.01.07, PARAGRAPHS (A) TO (G) OF THE GROUND LEASE

The Tenant shall, prior to each public meeting to be held pursuant to Subsection 9.01.05, publish an annual report in respect of the Lease Year (in this Subsection 9.01.07 called “that Lease Year”) immediately preceding the Lease Year in which the public meeting is held which shall, as a minimum:

- a. include the audited annual financial statements of the Tenant for that Lease Year, the Tenant’s Auditor’s report on such Tenant’s audited annual financial statements, and a summary of the Tenant’s affairs for that Lease Year;
- b. contain a report on the Tenant’s performance relating to the Tenant’s business plan and objectives established for that Lease Year, and as applicable for the previous five Lease Years;
- c. include an explanation by the Tenant of all variances and corrective actions taken with respect to the Tenant’s performance described in Paragraph 9.01.07(b);
- d. present a summary of the Tenant’s business plan for the then current Lease Year and the Tenant’s business plan containing a forecast for the next five Lease Years, including specific objectives (measurable where feasible), for such summary and forecast and relating to the approved objectives of the Tenant;
- e. contain a report on the remuneration provided to each Board member and on the salary of each of the Senior Officers of the Tenant;
- f. contain a report on compliance or non-compliance with the Tenant’s Code of Conduct; and
- g. report on all contracts in excess of an amount obtained by multiplying seventy-five thousand (\$75,000) dollars by the CPI Adjustment Factor for that Lease Year which are entered into during that Lease Year and which contracts were not awarded on the basis of a public competitive tendering process. Such report shall identify the parties to the contract, the amount of the contract, the nature of the contract, the circumstances of the contract and the reasons for not awarding such contract on the basis of a public competitive tendering process.