ALGOMA CENTRAL CORPORATION REPORTS FINANCIAL RESULTS FOR THE 2025 FIRST QUARTER

Amid global economic and trade uncertainties, Algoma stays the course with a focus on reliable service, fleet improvements, and a growing vessel portfolio

St. Catharines, Ontario May 2, 2025 - Algoma Central Corporation (TSX: ALC) ("Algoma", the "Company") today reported its results for the three months ended March 31, 2025. Algoma reported revenues of $107,201, compared to revenues of $109,214 in 2024. Net loss for 2025 was $23,280 compared to a net loss of $17,253 for the same period in 2024. Due to the closing of the canal system and the winter weather conditions on the Great Lakes – St. Lawrence Seaway, the majority of the Domestic Dry-Bulk fleet does not operate for most of the first quarter. All amounts reported below are in thousands of Canadian dollars, except for per share data and where the context dictates otherwise.

“Despite global economic uncertainties, Algoma remains steadfast in our commitment to delivering resilient service to our customers,” said Gregg Ruhl, President & CEO of Algoma Central Corporation. “Our ongoing investments in fleet enhancements and strategic growth reflect both our long-term vision and our confidence in the future. For the first time in Algoma’s history, we proudly took delivery of four vessels within a single quarter: the *Fure Vesborg*, *Algoma Endeavour*, *Algoma East Coast,* and *Algoma Acadian*. These ships will serve key markets across Northern Europe, the Great Lakes, and the Canadian and U.S. east coasts. With 11 vessels currently under construction, of which five are set to arrive in 2025, this milestone underscores our dedication to providing efficient, reliable, and sustainable marine transportation solutions to our valued customers,” added Mr. Ruhl.

Financial Highlights: First Quarter 2025 Compared to First Quarter 2024

- Domestic Dry-Bulk segment revenue decreased to $30,551 compared to $31,075 in 2024. Despite a significant decrease in volumes, the impact to revenue was mitigated by the higher revenue days due to the mix of trades. Operating loss increased 4% to $37,160 compared to $35,613 in 2024, driven by higher lay-up costs due to four vessels in planned dry-dock versus one in the prior year period.
- Revenue for Product Tankers decreased to $33,291 compared to $34,046 in 2024, primarily due to a reduction in revenue days resulting from an increase in dry-dockings this quarter, partially offset by the larger fleet size this year. There was an operating loss of $378 compared to operating earnings of $3,976 in 2024, reflecting higher higher layup spending and off-hire days due to the additional dry-dockings.
- Revenue in the Ocean Self-Unloaders segment decreased slightly to $42,725 compared to $43,199 in 2024. This decline was primarily due to a reduction in revenue days driven by increased off-hire time, as the result of higher dry-docking days during the quarter. Operating earnings decreased 23% to $6,445 from $8,354 in 2024, reflecting 4% decrease in operating days driven primarily by the increased off-hire days.
- Global Short Sea Shipping segment equity earnings remained flat quarter-over-quarter, with earnings of $1,831 in 2025 compared to $1,832 for the prior year period. Earnings increased in the cement fleet driven by higher revenue days due to fewer dry-dockings, improved operating performance, and two additional vessels compared to the prior year, partially offset by increased dry-docking days in the mini-bulker fleet and exposure to market conditions and weather-delays in the handy-sized fleet.

"While reported revenues declined across several segments this quarter, much of the decrease was due to an increase in planned dry-dockings. Adjusting for these factors, core performance remained strong," said Christopher Lazarz, Chief Financial Officer at Algoma Central Corporation. "Domestic Dry-Bulk experienced increased revenue days due to the mix of trades with higher agriculture volumes, but lower salt cargoes. Despite the larger fleet size, the Product Tankers segment was impacted by higher dry-docking days. Similarly, the Ocean Self-Unloader segment faced more off-hire time also due to additional dry-dockings this quarter. Global Short Sea Shipping equity earnings remained stable year-over-year and our FureBear joint venture continues to generate strong earnings with five vessels in the fleet, underscoring the strength of our diversified portfolio," concluded Mr. Lazarz.

Consolidated Statement of Earnings

For the periods ended March 31	**2025**	2024
Revenue	**$ 107,201**	$ 109,214
Operating expenses	**(113,258)**	(108,998)
Selling, general and administrative expenses	**(10,989)**	(11,641)
Depreciation and amortization	**(18,630)**	(17,128)
Operating loss	**(35,676)**	(28,553)
Interest expense	**(4,628)**	(4,659)
Interest income	**135**	908
Gain on sale of asset	**—**	364
Foreign exchange gain (loss)	**(177)**	123
	(40,346)	(31,817)
Income tax recovery	**12,377**	11,013
Net earnings from investments in joint ventures	**4,689**	3,551
Net loss	**$ (23,280)**	$ (17,253)
Basic and diluted loss per share	**$ (0.57)**	$ (0.44)

EBITDA

The Company uses EBITDA as a measure of the cash generating capacity of its businesses. The following table provides a reconciliation of net loss in accordance with GAAP to the non-GAAP EBITDA measure for the three months ended March 31, 2025 and 2024 and presented herein:

For the periods ended March 31	**2025**	2024
Net loss	**$ (23,280)**	$ (17,253)
Depreciation and amortization	**25,622**	21,940
Net interest and tax recoveries	**(4,947)**	(5,610)
Foreign exchange loss (gain)	**234**	(69)
Net loss (gain) on sale of assets	**1**	(348)
EBITDA[1]	**$ (2,370)**	$ (1,340)

Select Financial Performance by Business Segment

For the periods ended March 31	**2025**	2024
Domestic Dry-Bulk		
Revenue	**$ 30,551**	$ 31,075
Operating loss	**(37,160)**	(35,613)
Product Tankers		
Revenue	**33,291**	34,046
Operating earnings (loss)	**(378)**	3,976
Ocean Self-Unloaders		
Revenue	**42,725**	43,199
Operating earnings	**6,445**	8,354
Corporate		
Revenue	**634**	894
Operating loss	**(4,583)**	(5,270)

The MD&A for the three months ended March 31, 2025 and 2024 includes further details. Full results for the three months ended March 31, 2025 and 2024 can be found on the Company's website at www.algonet.com/investor-relations and on SEDAR at www.sedarplus.ca.

Business Outlook[2]

In the Domestic Dry-Bulk segment, the fleet is fully booked for the 2025 season. Demand is expected to be higher with the addition of significant new domestic steel industry business. Shipments in the agriculture sector are expected to be strong, while the construction market is likely to remain flat. The *Algoma Endeavour* is expected to begin service in early May, serving a variety of market sectors, and driving improvements in fleet efficiency and environmental sustainability.

We expect customer demand in the Product Tankers segment to remain steady in 2025 and for fuel distribution patterns within Canada to support strong vessel utilization for the vessels trading under Canadian flag. The *Algoma East Coast* and the *Algoma Acadian* are set to begin domestic operations during the second quarter with the first expected in late April followed by the second in June. The fleet is expected to be in full deployment with all ten Canadian vessels in operation. With the delivery of the first five FureBear newbuilds in 2024 and early 2025, five new tankers remain on order for the joint venture, with delivery expected between the second quarter of 2025 and early 2026. The Company is anticipating a continued steady rate environment for these tankers.

In the Ocean Self-Unloaders segment, five vessels in the Algoma fleet are scheduled for dry-docking throughout 2025, which is expected to have a significant impact on available days. Demand for aggregate, gypsum, and salt is expected to increase, while coal shipments are projected to decline slightly. Steel cutting for the hull of the second of three newbuild ocean self-unloaders took place in January, 2025. The first of three new ocean self-unloaders is expected to be delivered in the third quarter of 2025. These new ships will replace Algoma's oldest vessels in the Pool and become the model for its next generation of ocean self-unloaders.

In our Global Short Sea Shipping segment, we anticipate steady earnings from the cement fleet, with most assets committed to long-term time charter contracts. The handy-size segment, together with the mini-bulk segment are expected to perform at levels similar to 2024. Two newbuild 9.5k dwt mini-bulkers are expected to be delivered into the NASC fleet in late 2025 and early 2026. These vessels will bring the newbuilds added to the mini-bulk fleet to six since 2020.

Global tariffs could increase operating costs and reduce trade volumes, potentially leading to shifts in global supply chain routes. While Algoma is closely monitoring the situation, we do not anticipate major changes in cargo volumes at this time; however, we are expecting higher costs across our supply chains, particularly for supplies and food, and are exploring ways to mitigate any potential impact.

Normal Course Issuer Bid

Effective March 21, 2025, the Company renewed its normal course issuer bid (the "2025 NCIB") to purchase up to 2,028,391 of its common shares ("Shares"), representing approximately 5% of the 40,567,816 Shares issued and outstanding as of the close of business on March 7, 2025. Under the 2025 NCIB, or the previous year NCIB, no Shares were purchased and cancelled for the three month period ended March 31, 2025 or 2024.

Cash Dividends

The Company's Board of Directors authorized payment of a quarterly dividend to shareholders of $0.20 per common share. The dividend will be paid on June 2, 2025 to shareholders of record on May 16, 2025.

Notes

(1) Use of Non-GAAP Measures

The Company uses several financial measures to assess its performance including earnings before interest, income taxes, depreciation, and amortization (EBITDA), free cash flow, return on equity, and adjusted performance measures. Some of these measures are not calculated in accordance with Generally Accepted Accounting Principles (GAAP), which are based on International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), are not defined by GAAP, and do not have standardized meanings that would ensure consistency and comparability among companies using these measures. From Management's perspective, these non-GAAP measures are useful measures of performance as they provide readers with a better understanding of how management assesses performance. Further information on Non-GAAP measures please refer to page 2 in the Company's Management's Discussion and Analysis for the three months ended March 31, 2025 and 2024.

(2) Forward Looking Statements

Algoma Central Corporation's public communications often include written or oral forward-looking statements. Statements of this type are included in this document and may be included in other filings with Canadian securities regulators or in other communications. All such statements are made pursuant to the safe harbour provisions of any applicable Canadian securities legislation. Forward-looking statements may involve, but are not limited to, comments with respect to our objectives and priorities for 2025 and beyond, our strategies or future actions, our targets, expectations for our financial condition or share price and the results of or outlook for our operations or for the Canadian, U.S. and global economies. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

Algoma Central Corporation is a global provider of marine transportation, owning and operating dry and liquid bulk carriers that serve critical industries throughout the Great Lakes-St. Lawrence Region and internationally. Focused on delivering exceptional customer service, utilizing fuel efficient vessels, and advancing innovative technologies, Algoma drives productivity while contributing to economic growth, strengthening communities, and supporting its people. Algoma truly is *Your Marine Carrier of Choice*™. Learn more at algonet.com.

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