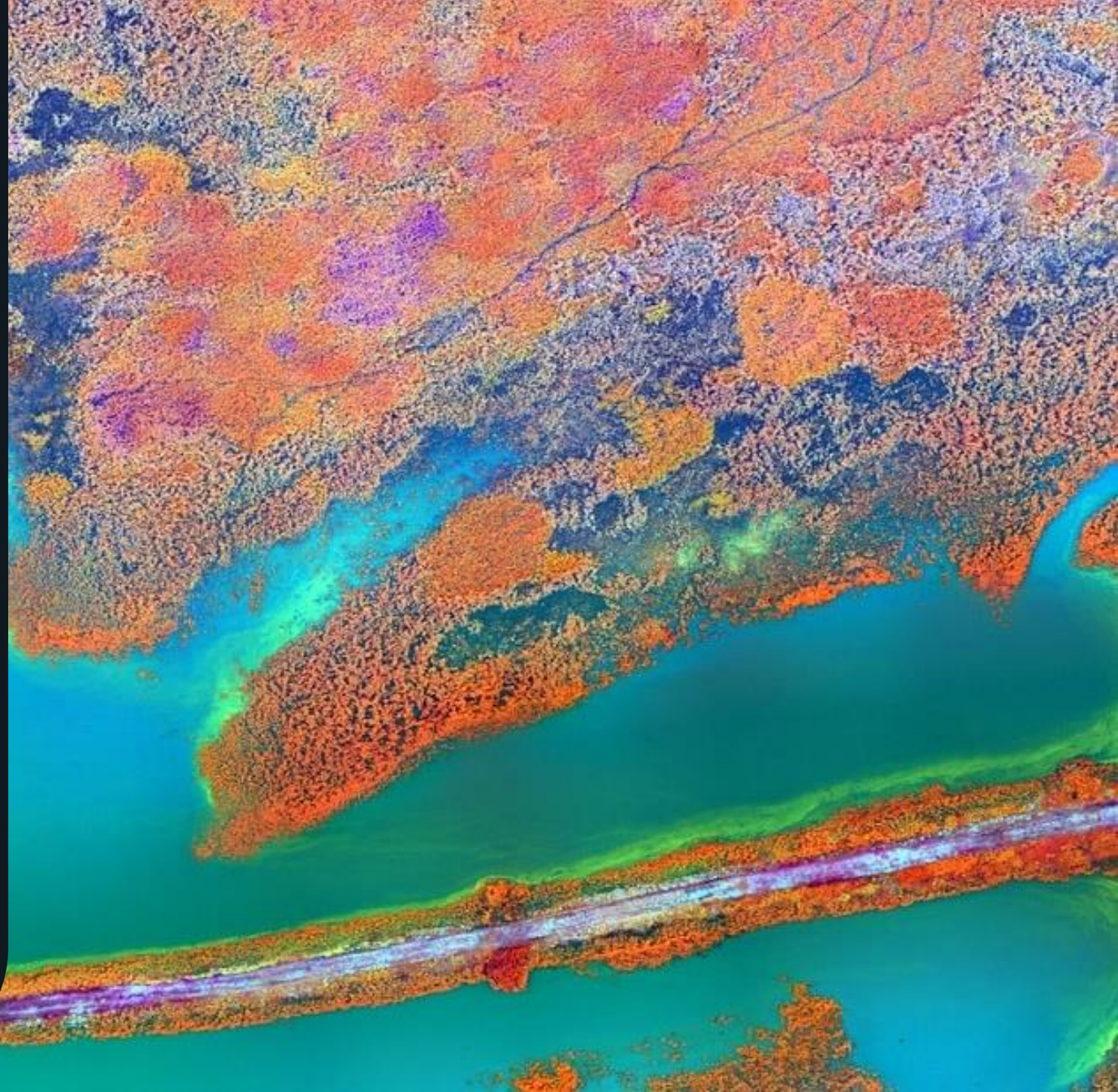




First Quarter 2024 Earnings Presentation

May 9, 2024





Forward-Looking Statements and Non-IFRS Financial Measures

Forward-Looking Statements

This presentation contains “forward-looking information” within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, information with respect to MDA Ltd.’s (“MDA” or the “Company”) objectives and strategies to achieve these objectives, as well as information with respect to the Company’s beliefs, plans, expectations, anticipations, estimates, intentions and views of future events. The Company has based the forward-looking information on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. Statements containing forward-looking information are based on certain assumptions and analyses made by the Company in light of management’s experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties. These assumptions include our ability to maintain and expand the scope of our business; our ability to execute on our growth strategies; assumptions relating to government support and funding levels for space programs and missions; continued and accelerated growth in the global space economy; the impact of competition; our ability to retain key personnel; our ability to obtain and maintain existing financing on acceptable terms; changes and trends in our industry or the global economy; currency exchange and interest rates; and changes in laws, rules, regulations. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect and there can be no assurance that actual results will be consistent with the forward-looking information. Given these risks, uncertainties and assumptions, readers should not place undue reliance on the forward-looking information. Whether actual results, performance or achievements will conform to the Company’s expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those described in the Company’s latest Annual Information Form (AIF) and listed under the heading “Risk Factors”, which factors should not be considered exhaustive. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking information prove incorrect, actual results might vary materially from those anticipated in the forward-looking information. Although the Company bases the forward-looking information on assumptions that it believes are reasonable when made, the Company cautions investors that statements containing forward-looking information are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking information contained in this presentation. Given these risks and uncertainties, investors are cautioned not to place undue reliance on the forward-looking information. Any forward-looking information that is made in this presentation speaks only as of the date of such statement, and the Company undertakes no obligation to update any forward-looking information or to publicly announce the results of any revisions to any of those statements to reflect future events or developments, except as required by applicable securities laws.

Non-IFRS Financial Measures

This presentation refers to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. We use non-IFRS measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted EPS, Order Bookings, Net Debt and Free Cash Flow to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors, and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Additional details for these non-IFRS measures, including a reconciliation of such measures to the most directly comparable IFRS measures, can be found in our most recently issued MD&A which is posted on www.mda.space and available on SEDAR+.

Why Invest In MDA?



Pure-play Exposure to the Growing Space Market

Global space economy projected to reach US\$1.5 trillion by 2040 ⁽¹⁾ up from ~US\$509 billion in 2023 ⁽²⁾

Established Industry Leader with a Proven Track Record and Strong Competitive Position

More than 50 years of innovation in space

Strong customer relationships with government agencies and commercial companies

Cutting-edge technologies and solutions including robotics, satellite systems and earth observation offerings

Rich portfolio of patents and industry know-how

Long-tenured and experienced technical team

Attractive Fundamentals for Long-term Value Creation

Growing backlog, strong profitability and healthy balance sheet



(1) U.S. Chamber of Commerce; (2) Novaspace (formerly Euroconsult)



Key Messages

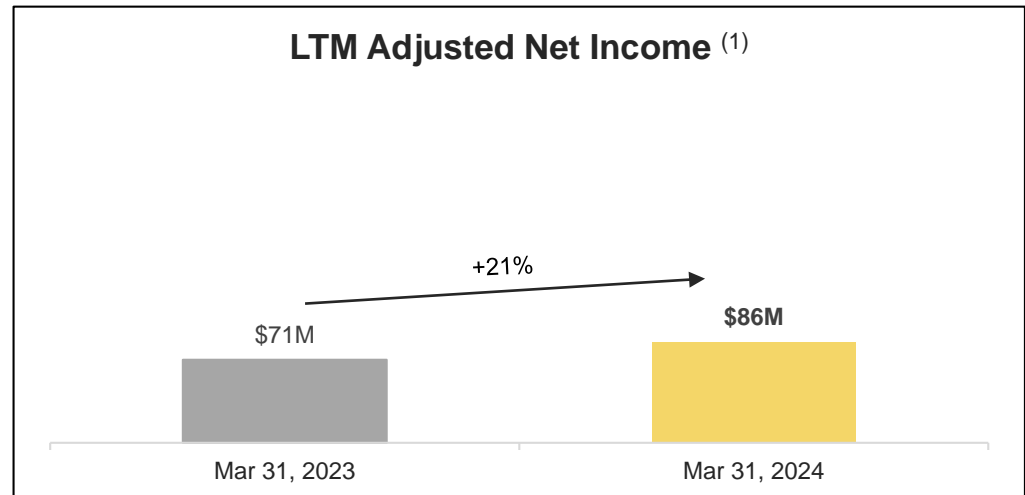
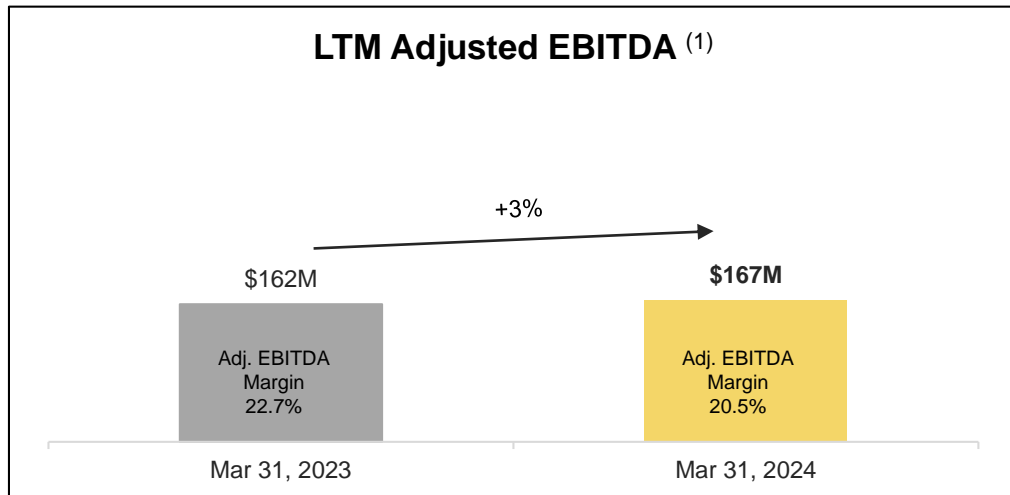
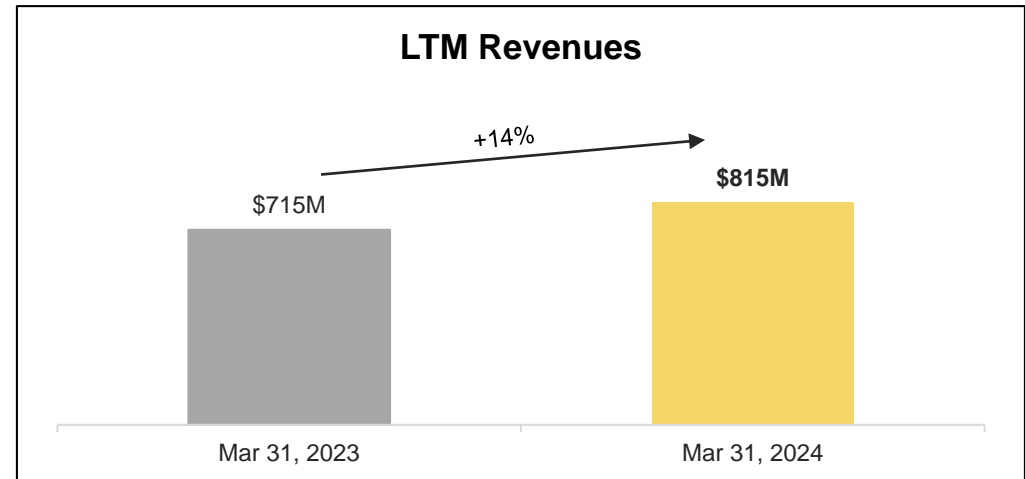
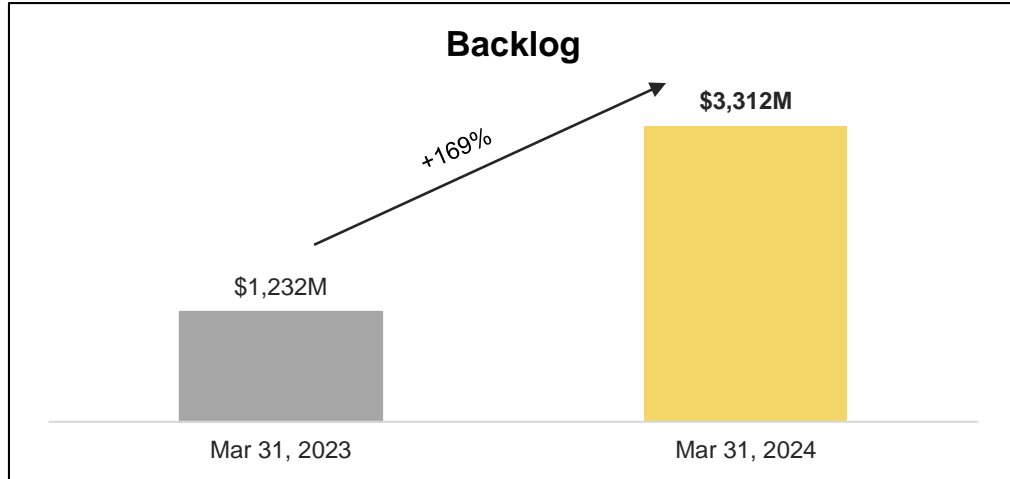
FIRST QUARTER 2024

- **Record backlog** of \$3.3B at quarter end, up 169% YoY
- **Healthy top line growth** with revenues of \$209.1M, up 3.6% YoY driven by execution on our backlog
- **Solid profitability** with adjusted EBITDA⁽¹⁾ of \$42.0M, and adjusted EBITDA margin⁽¹⁾ of 20.1% in line with management's expectations
- **Operating cash flow** of \$24.7M compared to \$45.8M in Q1 2023 reflecting higher working capital requirements
- **Flexible balance sheet** with Net Debt to LTM adjusted EBITDA ratio of 2.6x at quarter end
- **Reaffirmed 2024 full-year financial outlook**
 - ❑ Revenues expected to be \$950-\$1,050M, up approximately 25% YoY at the mid-point of guidance
 - ❑ Adjusted EBITDA⁽¹⁾ expected to be \$190-\$210M with adjusted EBITDA margin expected to be 19%-20%
 - ❑ Capital expenditures⁽²⁾ expected to be \$210-\$230M, comprising primarily growth capex to support strategic initiatives

(1) Non-IFRS measure; (2) Capital expenditures include PPE and Intangible assets



Key Performance Indicators



(1) Non-IFRS measure



First Quarter 2024 Results

<i>(\$M, except per share figures)</i>	Q1 2024	Q1 2023	YoY Change (\$)	YoY Change (%)
Revenues	\$209.1	\$201.9	\$7.2	4%
Gross Profit	57.9	67.2	-9.3	-14%
<i>Gross margin</i>	27.7%	33.3%		
Adjusted EBITDA ⁽¹⁾	42.0	48.9	-6.9	-14%
<i>Adjusted EBITDA margin</i>	20.1%	24.2%		
Adjusted Net Income ⁽¹⁾	18.1	26.5	(8.4)	-32%
Adjusted Diluted Earnings per share ⁽¹⁾	0.15	0.22	(0.07)	-32%

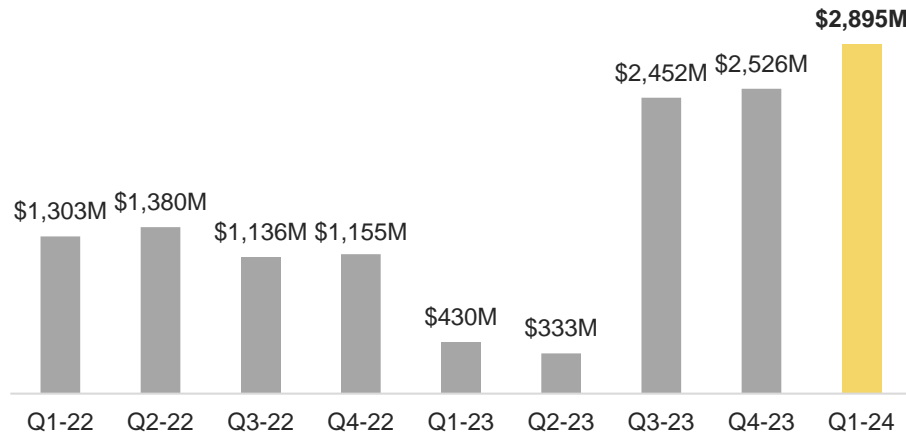
- Revenues of \$209.1M up 3.6% YoY driven by continued execution on our backlog and strong contributions from the Robotics & Space Operations business
- Adjusted EBITDA⁽¹⁾ of \$42.0M compared to \$48.9M in Q1 2023 and adjusted EBITDA margin⁽¹⁾ of 20.1% in Q1 2024 compared to 24.2% in Q1 2023; YoY change in both metrics largely in line with variance in gross profit / margin over the same period driven by evolving program mix
- Adjusted net income⁽¹⁾ of \$18.1M compared to \$26.5M in Q1 2023 driven by the aforementioned variance in gross profit over the same period

(1) Non-IFRS measure; refer to Appendix for reconciliation of non-IFRS to IFRS measures

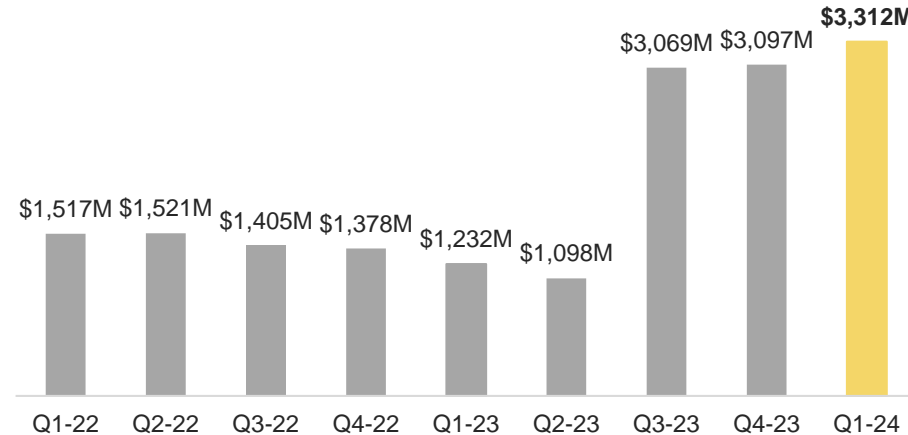


Order Bookings & Backlog

LTM Order Bookings ⁽¹⁾



Backlog



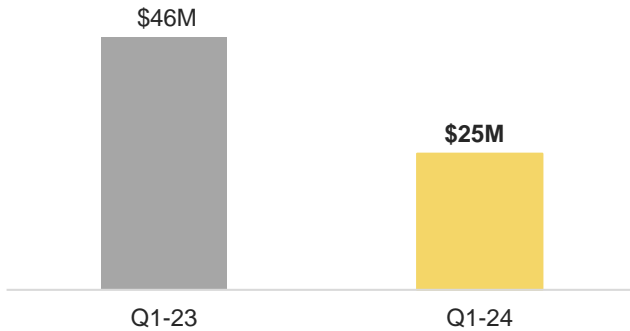
- LTM order bookings of \$2.9B driven by awards in Satellite Systems business including Telesat Lightspeed constellation award (~\$2.1B) in 2023
- Backlog of \$3.3B at quarter-end at a record level for the Company and up 169% YoY
- LTM Book-to-Bill ratio of 3.6x

(1) Non-IFRS measure

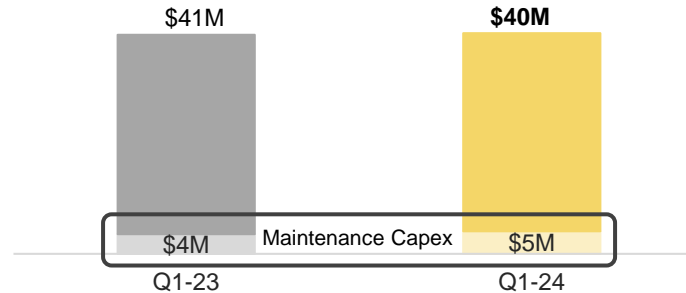


Cash Generation & Financial Position

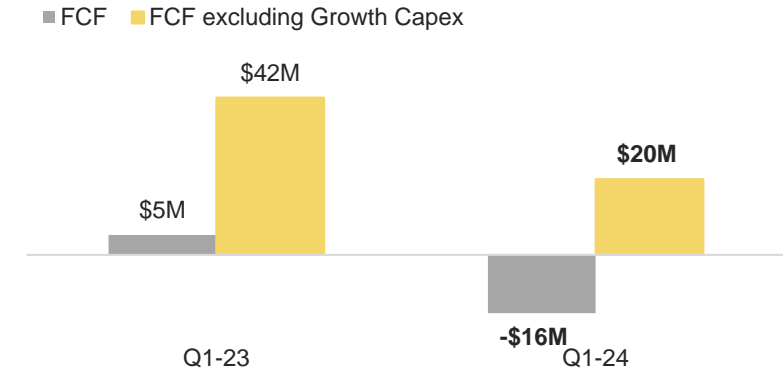
Operating Cash Flow



Capital Expenditures

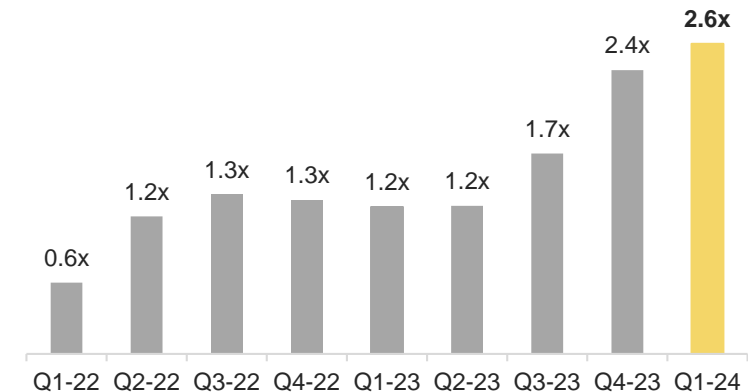


Free Cash Flow



- Operating cash flows of \$25M in Q1 2024 impacted by higher working capital requirements versus Q1 2023
- Q1 2024 capex of \$40M primarily to support growth initiatives
- Net debt to LTM adjusted EBITDA ratio of 2.6x as of March 31, 2024 driven by investment in our growth initiatives

Net Debt to LTM Adj. EBITDA ⁽¹⁾



(1) Non-IFRS measure



2024 Financial Outlook

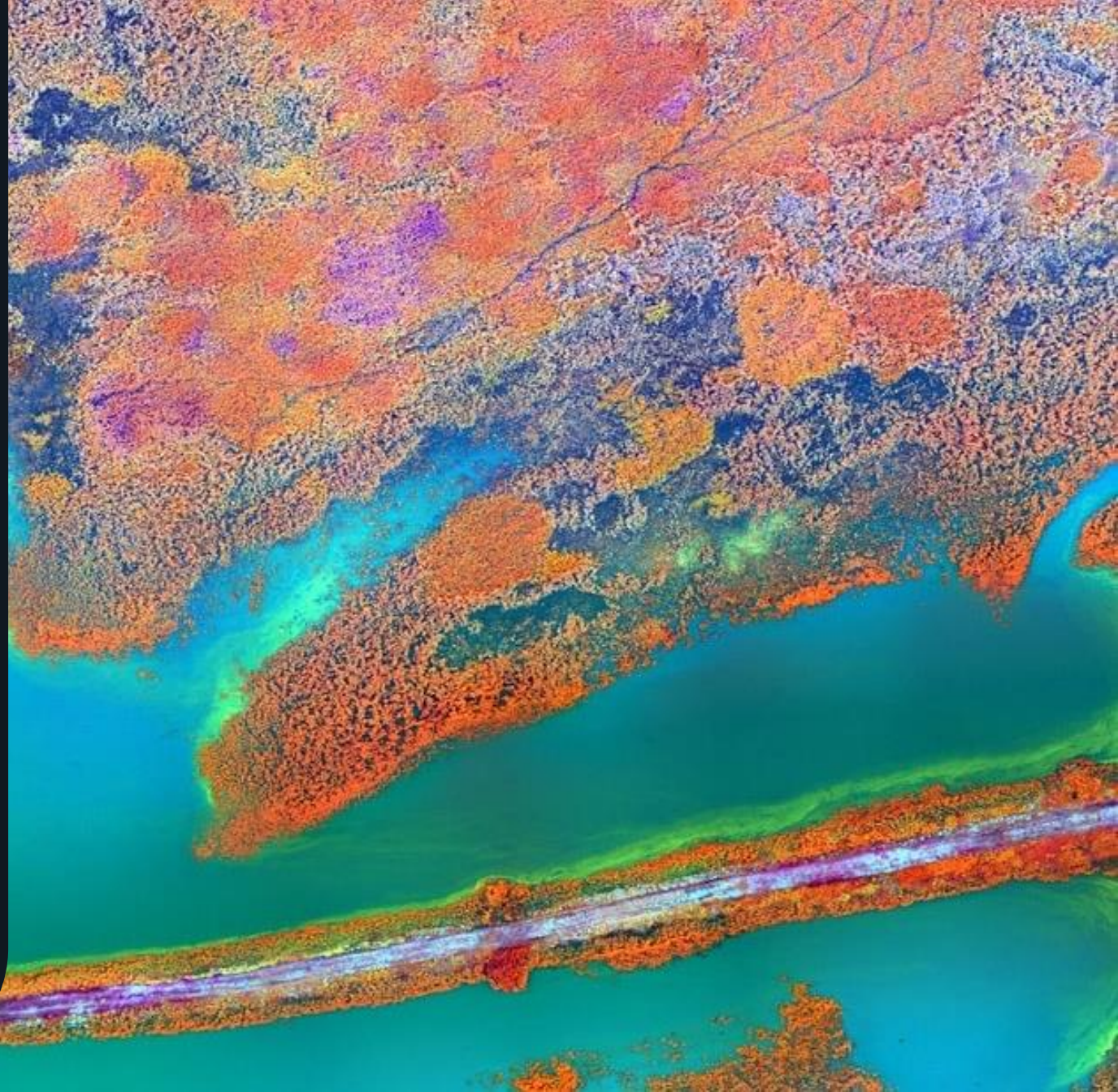
	2024 Financial Outlook (May 9, 2024)	2024 Financial Outlook (February 28, 2024)
Revenue <i>YoY Growth at mid-point</i>	\$950 - \$1,050M ~25%	\$950 - \$1,050M ~25%
Adjusted EBITDA <i>Adjusted EBITDA Margin</i>	\$190 - \$210M ~19% - 20%	\$190 - \$210M ~19% - 20%
Capital Expenditures ⁽¹⁾	\$210 - \$230M	\$210 - \$230M

Outlook Assumptions

- Financial outlook reflects management’s judgment based on Company’s current backlog and information available at the time of this release
- Capital expenditures comprised primarily of growth investments; full-year maintenance capex expected to be ~\$25-\$35M

(1) Capital expenditures include PPE and Intangible assets

APPENDIX





Appendix – Reconciliation of Non-IFRS Measures

(\$M)	Q1-24	Q1-23
Net income	\$13.8	\$16.1
Depreciation and amortization of assets	10.5	6.6
Amortization of intangible assets related to business combination	12.3	12.8
Income tax expense	5.7	8.1
Finance income	(0.7)	(0.3)
Finance costs	6.1	2.5
EBITDA	47.7	45.8
Unrealized foreign exchange (gain) loss	(1.5)	1.4
Unrealized (gain) loss on derivative financial instruments	(0.9)	0.5
Gain on disposal of assets	(5.8)	-
Share based compensation	2.5	1.2
Adjusted EBITDA	42.0	48.9



Appendix – Reconciliation of Non-IFRS Measures

(\$M, except per share figures)	Q1-24	Q1-23
Net income	\$13.8	\$16.1
Amortization of intangible assets related to business combination	12.3	12.8
Gain on disposal of assets	(5.8)	-
Unrealized (gain) loss on derivative financial instruments	(0.9)	0.5
Net foreign exchange gain	(2.3)	(0.4)
Share based compensation	2.5	1.2
Income taxes related to above items ⁽¹⁾	(1.5)	(3.7)
Adjusted Net income	18.1	26.5
Weighted average number of shares outstanding – Diluted	123,263,439	119,562,008
Adjusted Earnings per share – Diluted	0.15	0.22

⁽¹⁾ Standard income tax rate of 26.5% applied



Appendix – Reconciliation of Non-IFRS Measures

(\$M)	Q1-24	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22	Q2-22	Q1-22
Opening Backlog	\$3,097.0	\$3,068.7	\$1,093.8	\$1,232.4	\$1,378.2	\$1,405.1	\$1,520.8	\$1,516.8	\$864.3
Revenue recognized	(209.1)	(205.0)	(204.7)	(196.0)	(201.9)	(186.1)	(172.0)	(154.7)	(128.4)
Order Bookings	424.3	233.3	2,175.1	61.9	56.1	159.2	56.3	158.7	780.9
Adjustments ⁽¹⁾	—	—	—	—	—	—	—	—	—
Ending Backlog	3,312.2	3,097.0	3,068.7	1,098.3	1,232.4	1,378.2	1,405.1	1,520.8	1,516.8

⁽¹⁾ Adjustments in 2021 include reassessments of the values on certain customer contracts and effects of foreign exchange

(\$M, except ratios)	Q1-24	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22	Q2-22	Q1-22
Total Debt	\$468.6	\$438.9	\$303.8	\$248.7	\$268.7	\$243.6	\$193.5	\$168.4	\$144.9
Cash	(29.3)	(22.5)	(13.4)	(39.0)	67.9)	(39.3)	1.1	(8.8)	(59.5)
Net Debt	439.3	416.4	290.4	209.7	200.8	204.3	94.6	159.6	85.4
Adjusted EBITDA (LTM)	167.3	174.2	172.0	168.0	162.3	157.9	144.8	137.8	142.2
Net Debt to Adjusted EBITDA Ratio	2.6x	2.4x	1.7x	1.2x	1.2x	1.3x	1.3x	1.2x	0.6x



We'll Take You There

