



MAGELLAN
A E R O S P A C E

MAGELLAN

2022 AGM

FORWARD-LOOKING STATEMENTS



Certain information and statements contained in this presentation contain forward-looking information or statements (“forward-looking statements”) within the meaning of applicable securities laws. All forward looking statements such as efficiencies, rationalizations and investments forward-herein that are not clearly historical in nature constitute forward-looking statements, and the words “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “propose”, “predict”, “potential”, “continue”, or the negative of these terms or other comparable terminology are generally intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The projections, estimates and beliefs contained in such forward-looking statements are based on management’s assumptions relating to the production performance of Magellan’s assets and competition throughout the aerospace industry and continuation of the current regulatory and tax regimes in the jurisdictions in which the Corporation operates, and necessarily involve known and unknown risks and uncertainties which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements.

Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted. In particular, the Corporation has not adjusted or revised any forward-looking statements in this report to account for the potential disruption to its business from the novel coronavirus outbreak, the impact from which is not immediately known or quantifiable. These risks, uncertainties, material assumptions and other factors that could affect actual results are discussed in our Annual Information Form and other documents available under the Corporation’s profile at www.sedar.com.

Past performance of the Corporation referred to in this presentation is shown for illustrative purposes only, does not guarantee future results of the Corporation and is not meant to forecast, imply or guarantee the future performance of the Corporation, which will vary.

Throughout this discussion, reference is made to EBITDA (defined as net income before interest, income taxes, depreciation and amortization) and Adjusted EBITDA (earnings before interest expense, income taxes, depreciation and amortization, goodwill impairment and restructuring), which the Corporation considers to be an indicative measure of operating performance and a metric to evaluate profitability. EBITDA and Adjusted EBITDA are not generally accepted earnings measures and should not be considered as alternatives to net income (loss) or cash flows as determined in accordance with IFRS. As there is no standardized method of calculating this measure, the Corporation’s EBITDA and Adjusted EBITDA may not be directly comparable with similarly titled measures used by other companies.

Readers are cautioned that the foregoing list of factors affecting forward-looking statements is not exhaustive. Furthermore, the forward-looking information and statements are made as of the date of this presentation, and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

N. MURRAY EDWARDS
CHAIRMAN OF THE BOARD OF DIRECTORS

BUSINESS MEETING AGENDA

- » Welcome and Remarks
- » Receipt of Financial Statements for 2021
- » Election of Directors
- » Appointment of Auditors
- » Other Business

PHILLIP C. UNDERWOOD
PRESIDENT AND CHIEF EXECUTIVE OFFICER



HIGHLIGHTS FOR 2021

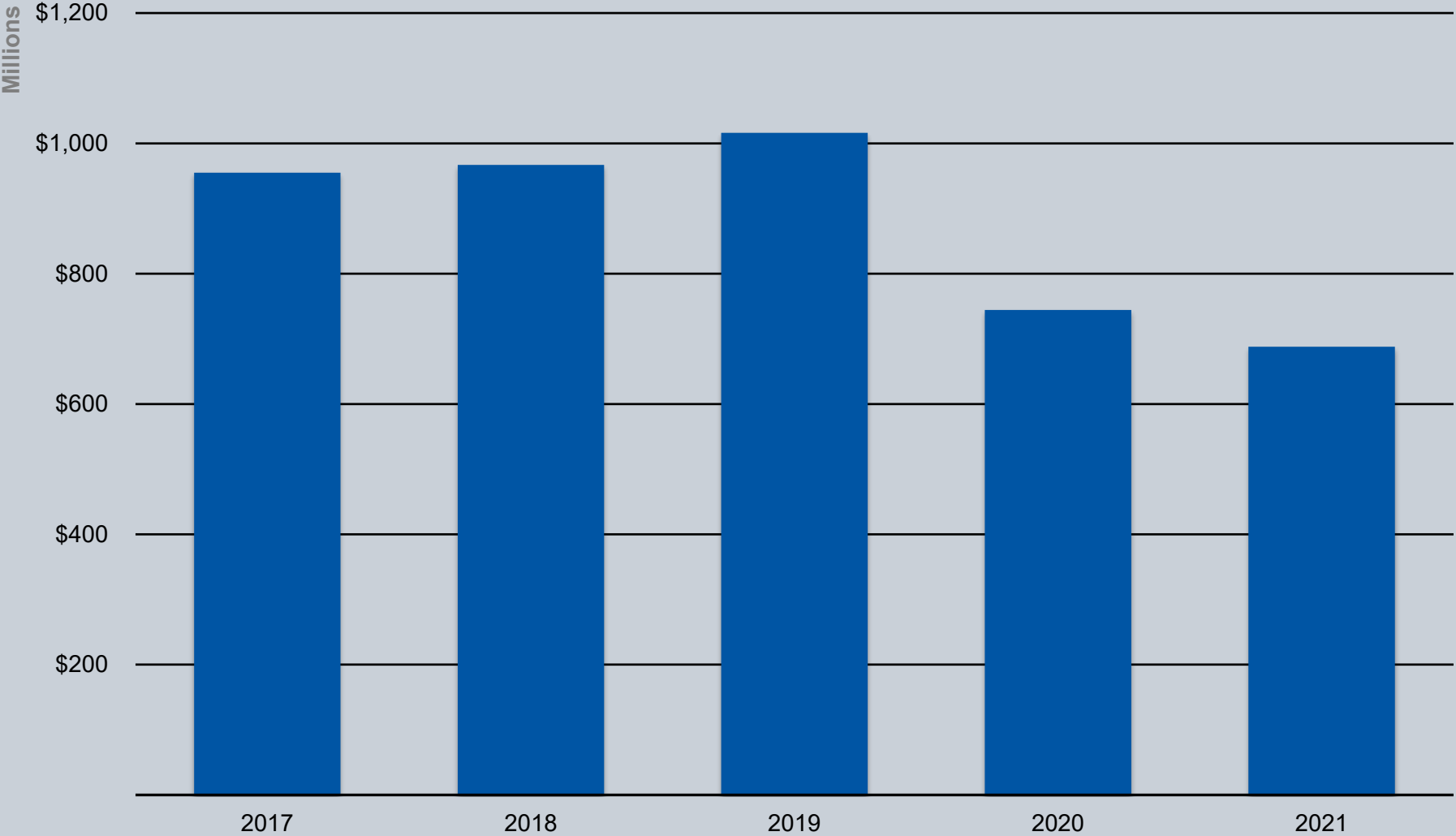
- » Financial Summary
- » Business Highlights
- » Strategic Summary

FINANCIAL SUMMARY

- » Revenue
- » Gross Profit
- » EBITDA
- » Debt and Interest Expense
- » Capital Expenditure
- » Shareholder Return

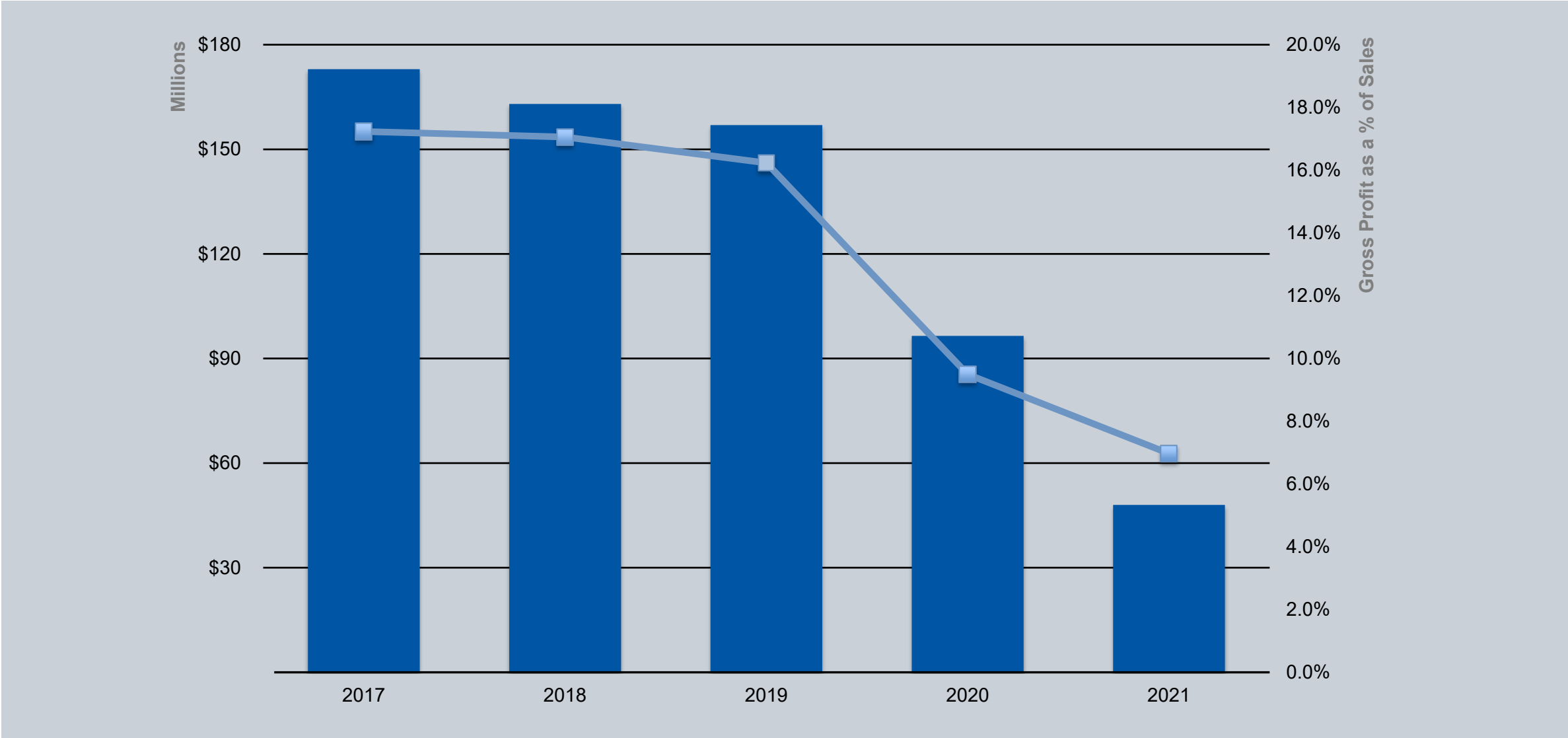
FINANCIAL SUMMARY

REVENUE



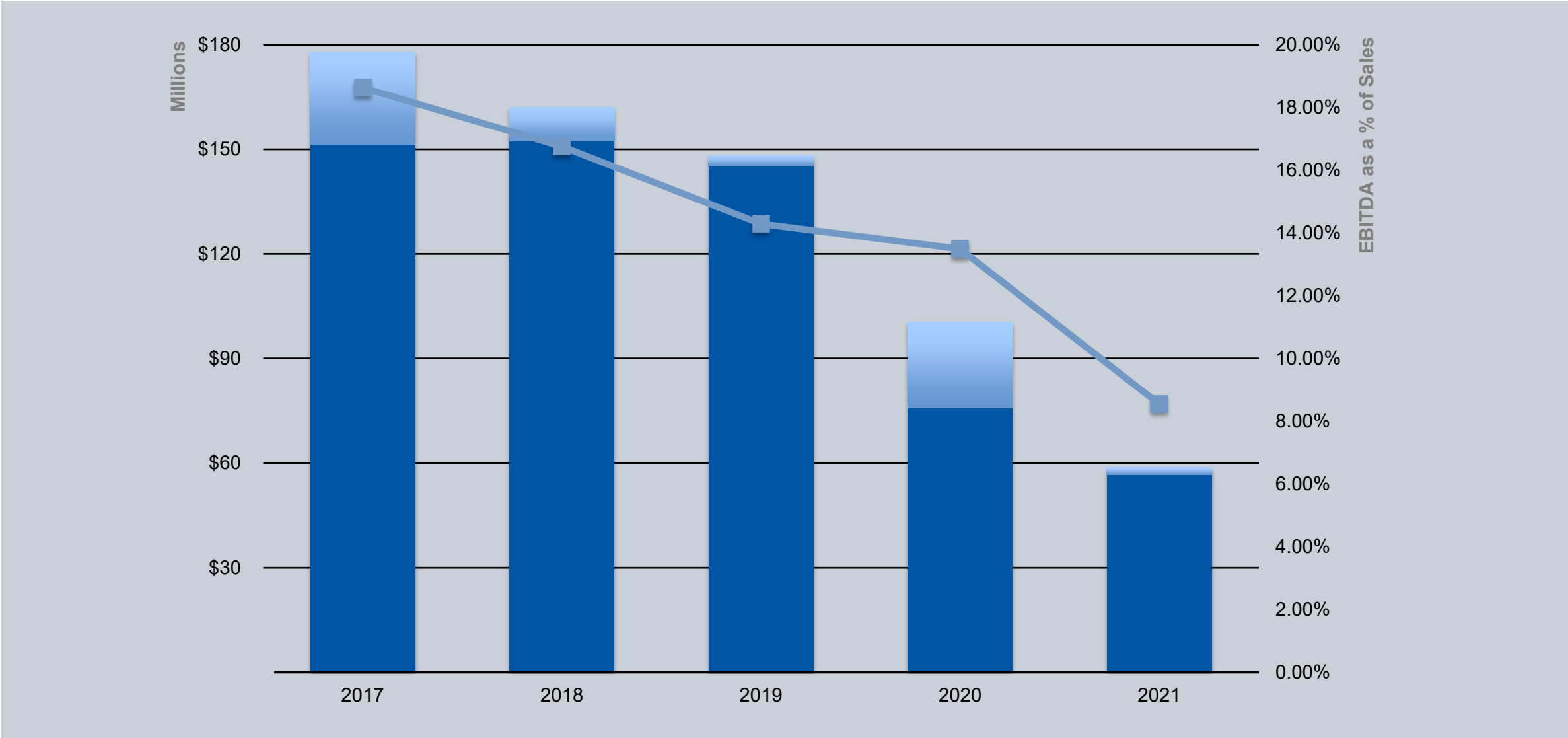
FINANCIAL SUMMARY

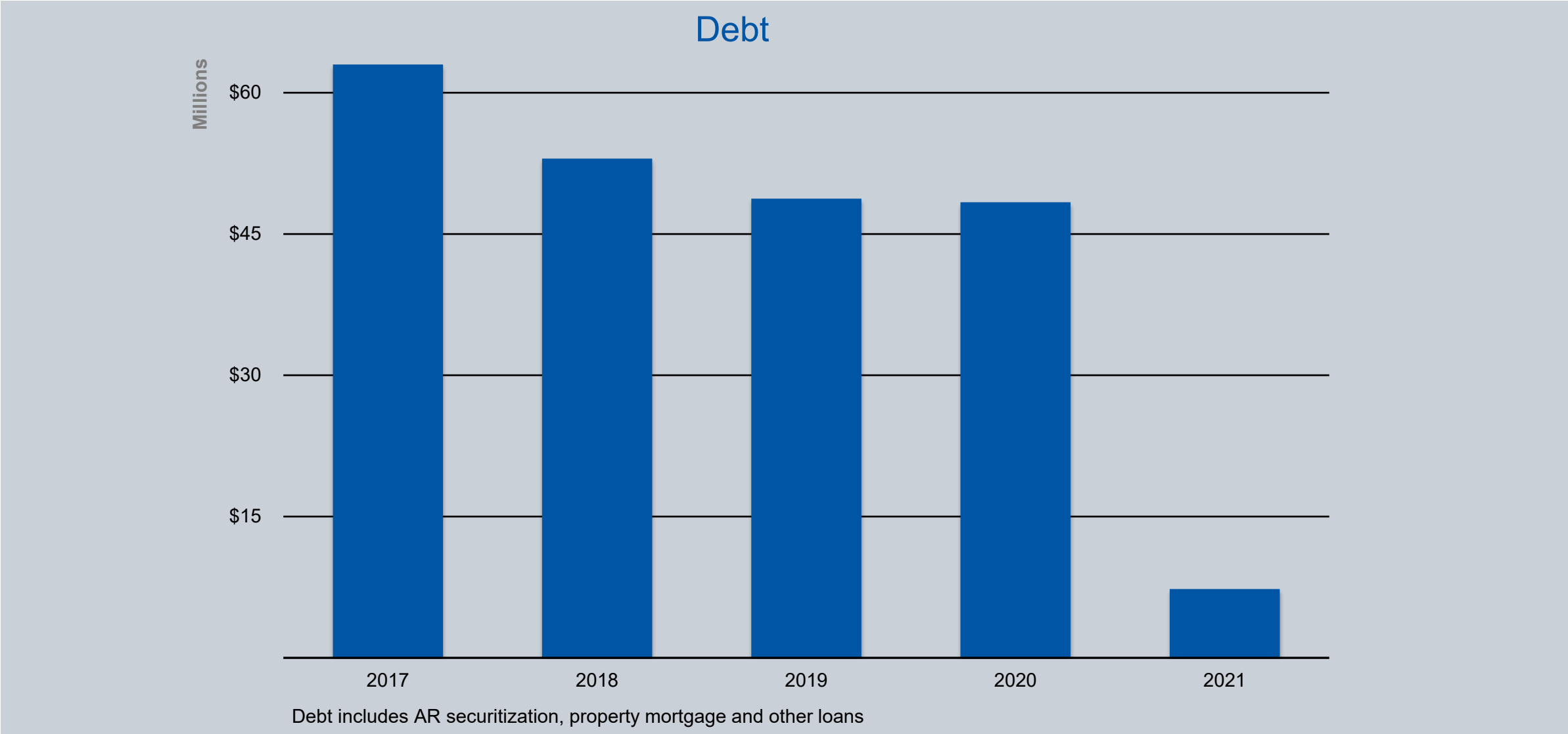
GROSS PROFIT



FINANCIAL SUMMARY

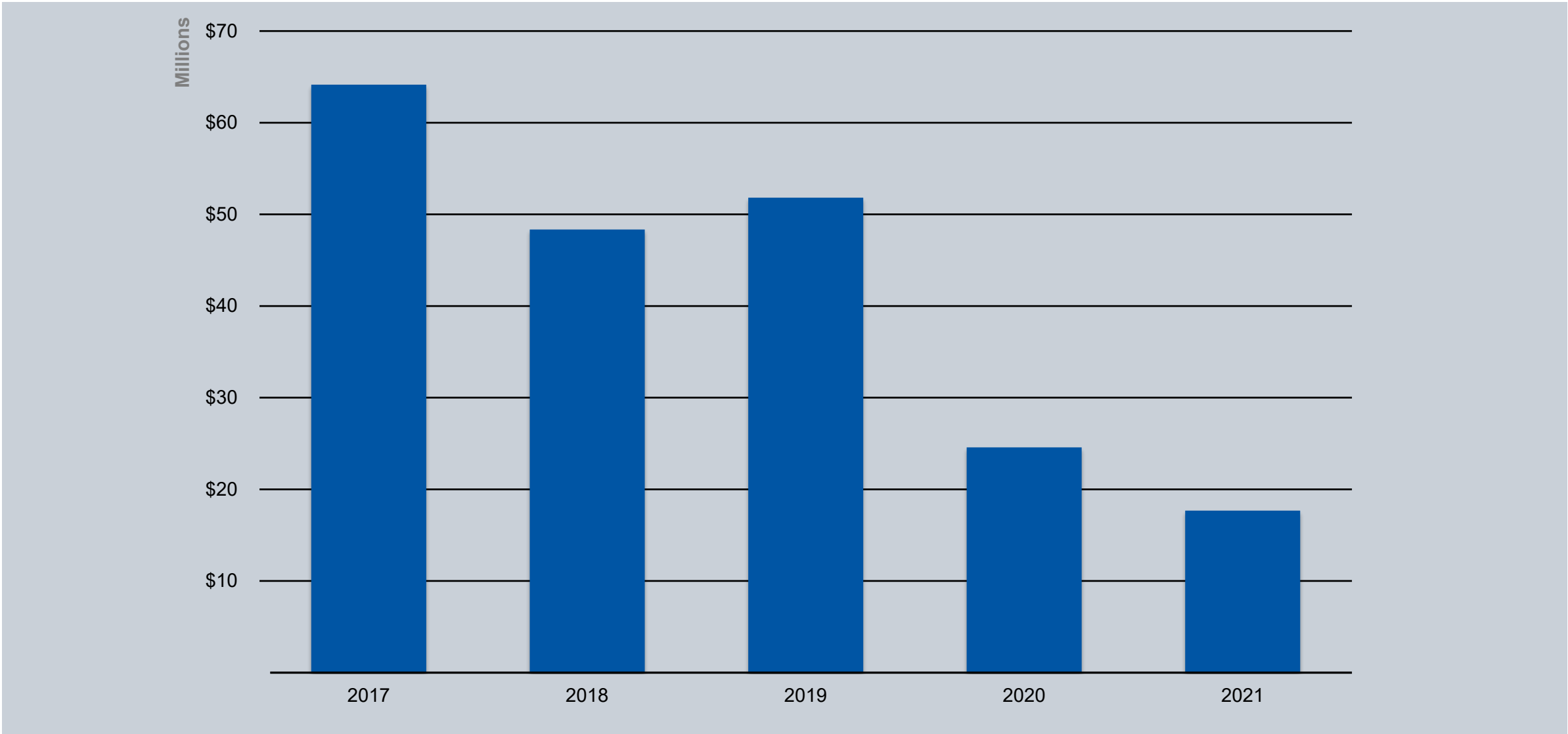
EBITDA





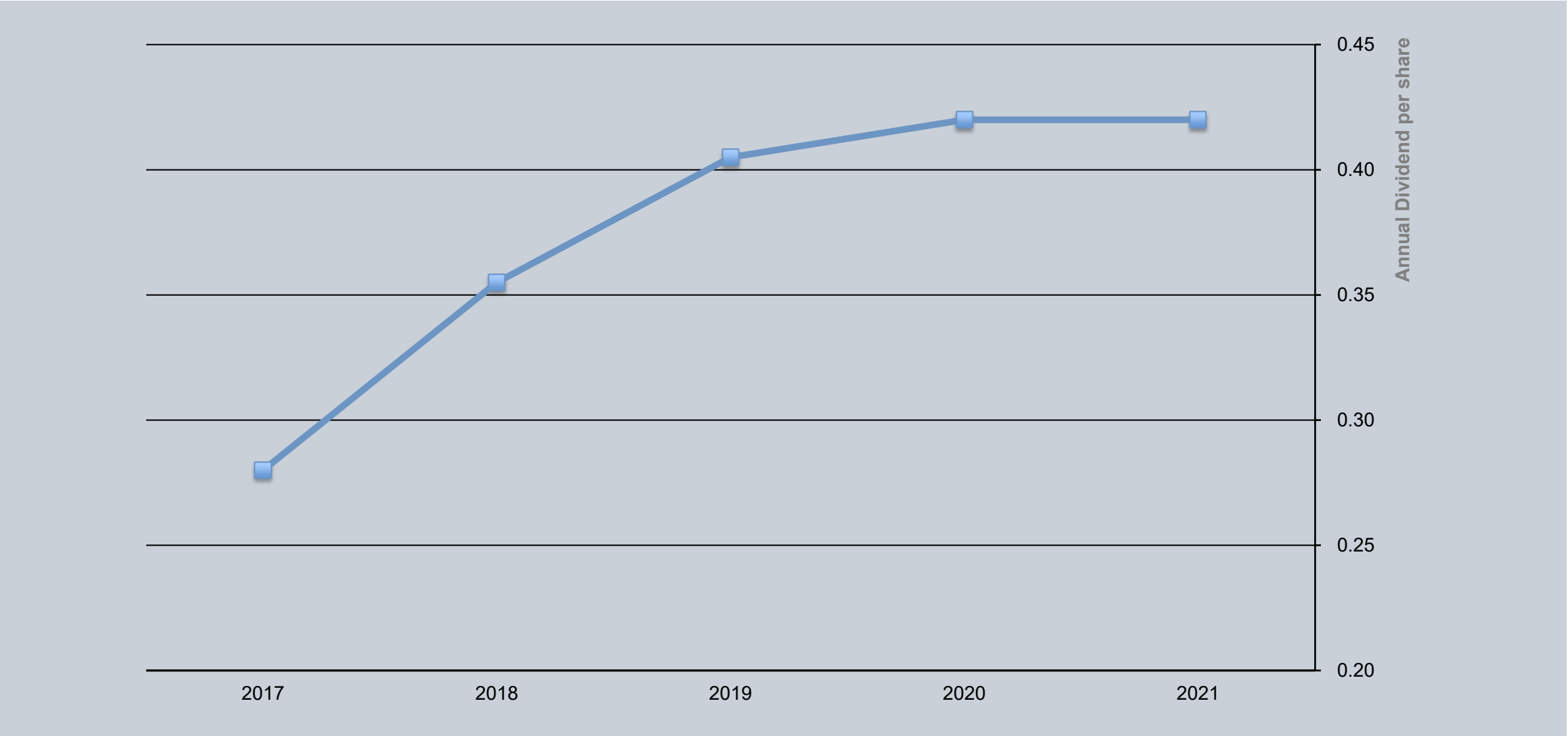
FINANCIAL SUMMARY

CAPITAL EXPENDITURES



FINANCIAL SUMMARY

SHAREHOLDER RETURNS - DIVIDENDS



BUSINESS OVERVIEW

- » Global Presence
- » Industry Update
- » Key Contract Announcements
- » 2021 Revenues by Customer and Segment

Canada	U.S.	Europe	India
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Headquarters:
Mississauga, Canada
TSX: MAL

Number of Operating
Divisions:
19

Magellan
Employees:
3,400

2022

Industry Update





The global air travel industry has experienced unprecedented volatility over the last two years due to the COVID-19 pandemic.

Commercial air travel volumes improved in 2021 over 2020.

Global domestic travel is predicted to return to 2019 levels in 2023.

Single-aisle aircraft production rates are increasing.

A320 build rate to reach or surpass pre-pandemic levels in 2023.

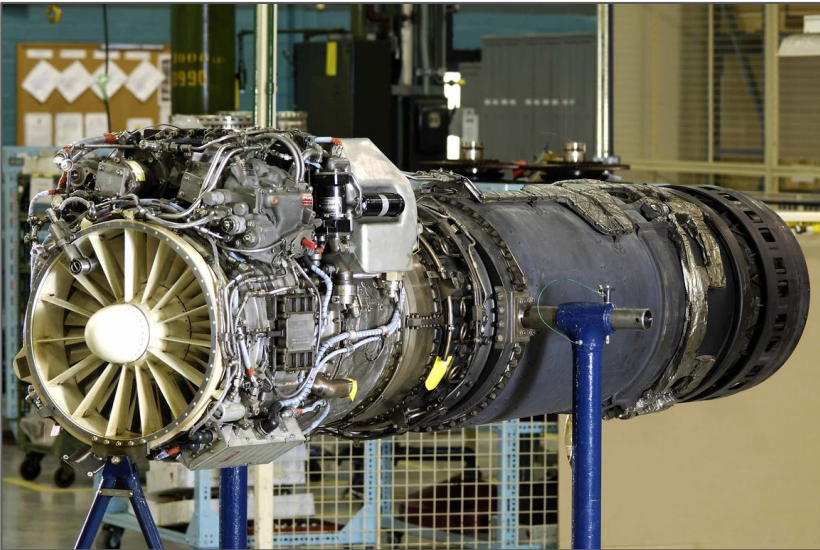


International travel recovery to lag domestic travel by 12 - 15 months.

Only marginal recovery of wide body market expected through 2030.

Boeing has not provided an update on when it expects to resume deliveries of its 787 aircraft.

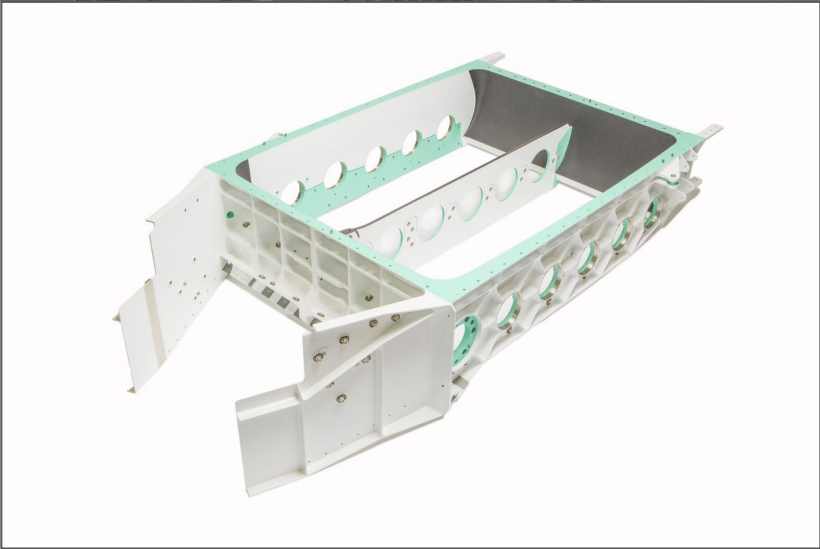
Supply chain disruptions, material shortages and the competition for human resources threaten to pace short term growth.



The Russian invasion of Ukraine is prompting countries to increase defence spending despite pandemic related deficits.

The U.S. defence budget request for FY2023 is US \$31Bn (3.9%) higher than FY2022.

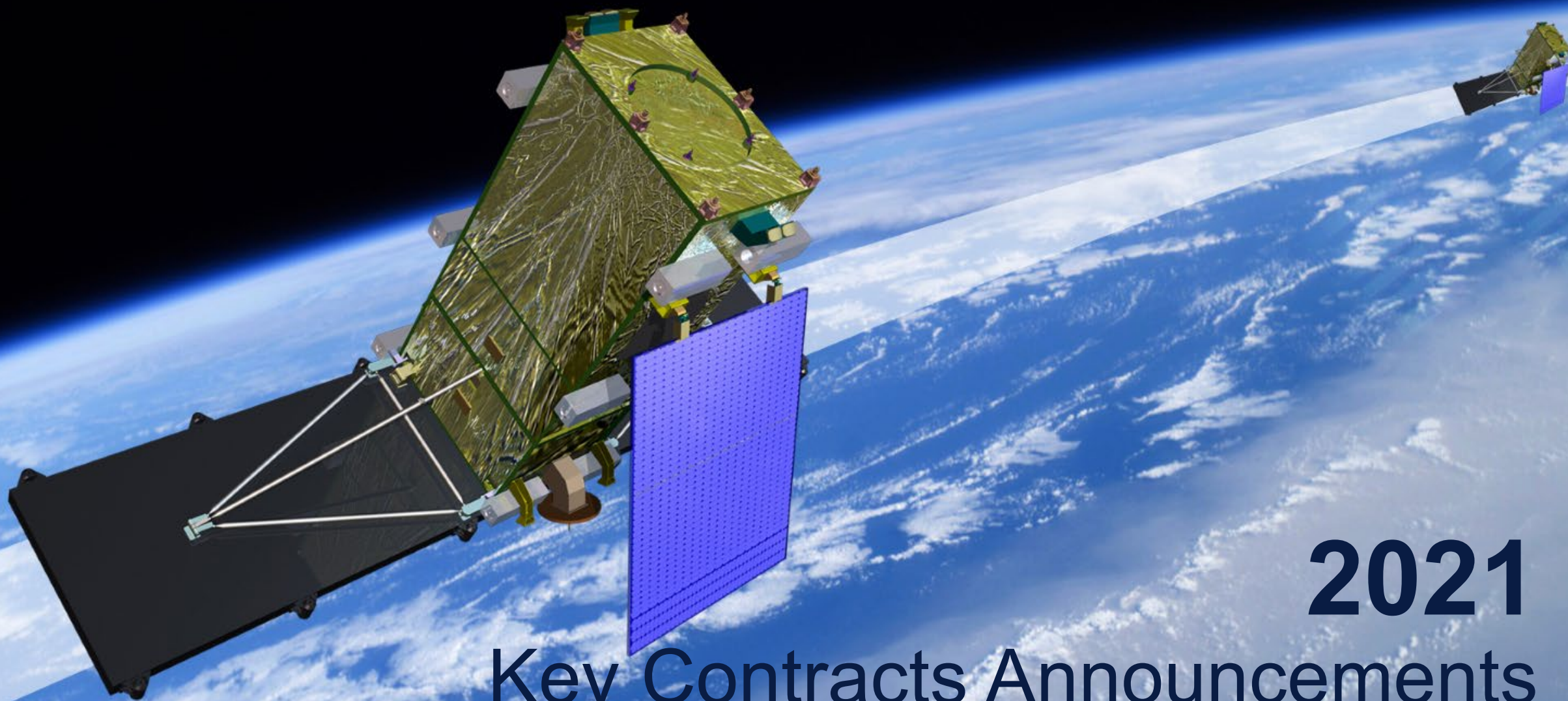
The U.S. is maintaining its strategy to modernize the air force and army, which includes next generation aircraft and engine technologies.



Next generation U.S. aircraft programs include F-35 fighters, UAV's, CH53K helicopters, and replacements for H-60 Blackhawk and AH64 Apache helicopters.

Magellan is actively pursuing a number of related opportunities.

Canada's decision to down-select Lockheed Martin's F-35 as a preferred option for its fighter replacement program is positive news for Magellan.



2021

Key Contracts Announcements

KEY CONTRACTS ANNOUNCEMENTS 2021



Magellan announced strategic contracts/MOUs in key sectors including:

RAYTHEON

BOEING

AIRBUS

GE

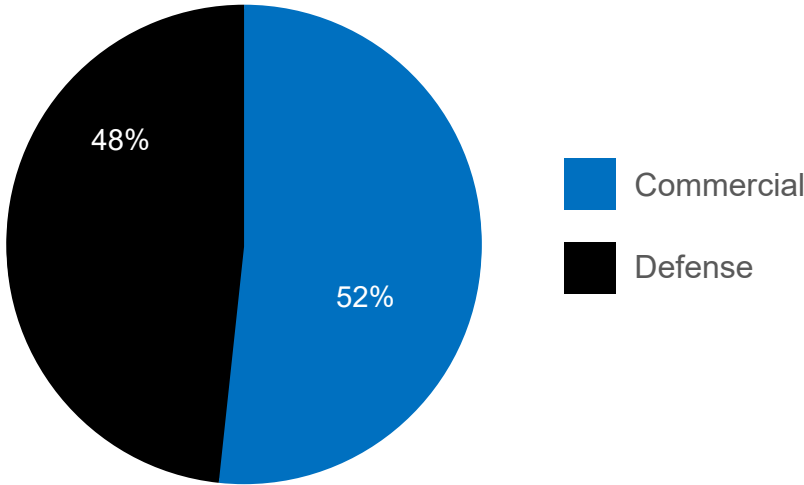
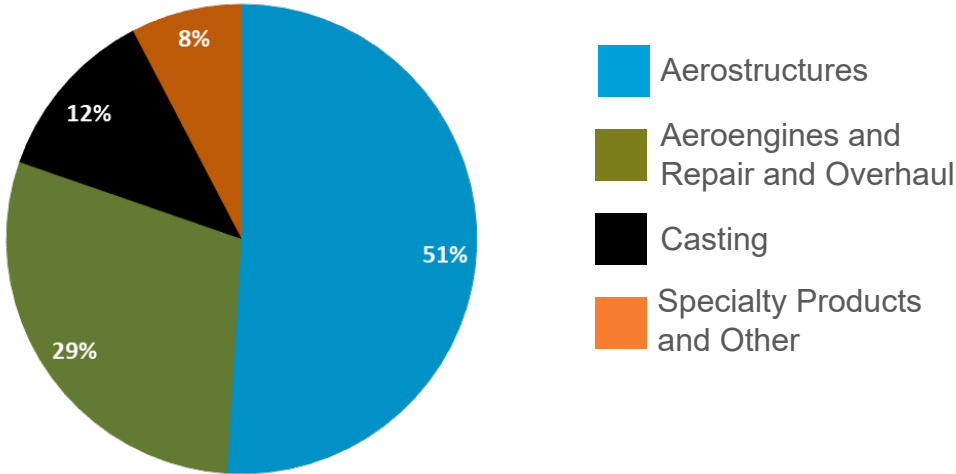
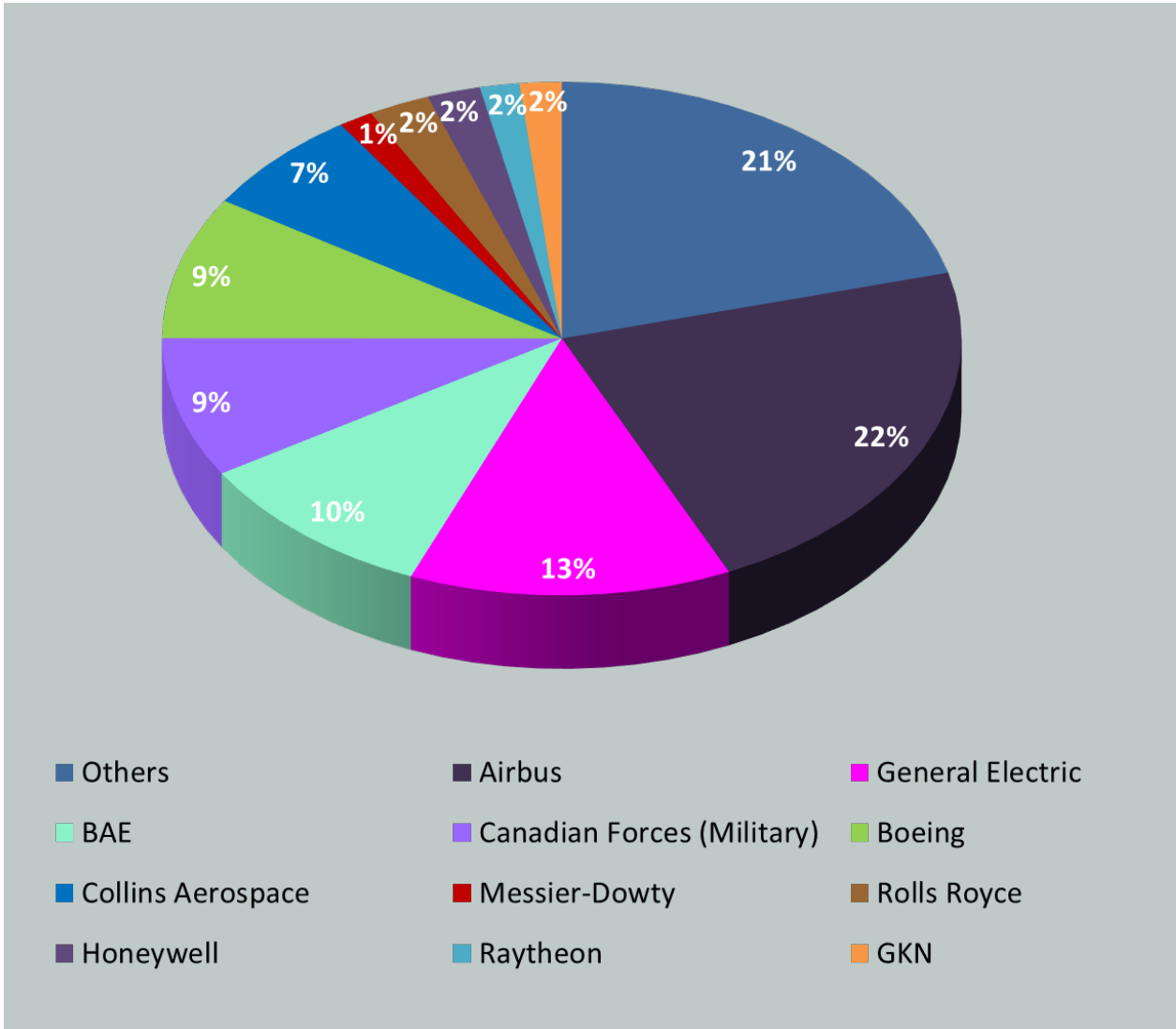
SAFRAN

MDA LTD.

AVIO S.P.A

BUSINESS OVERVIEW

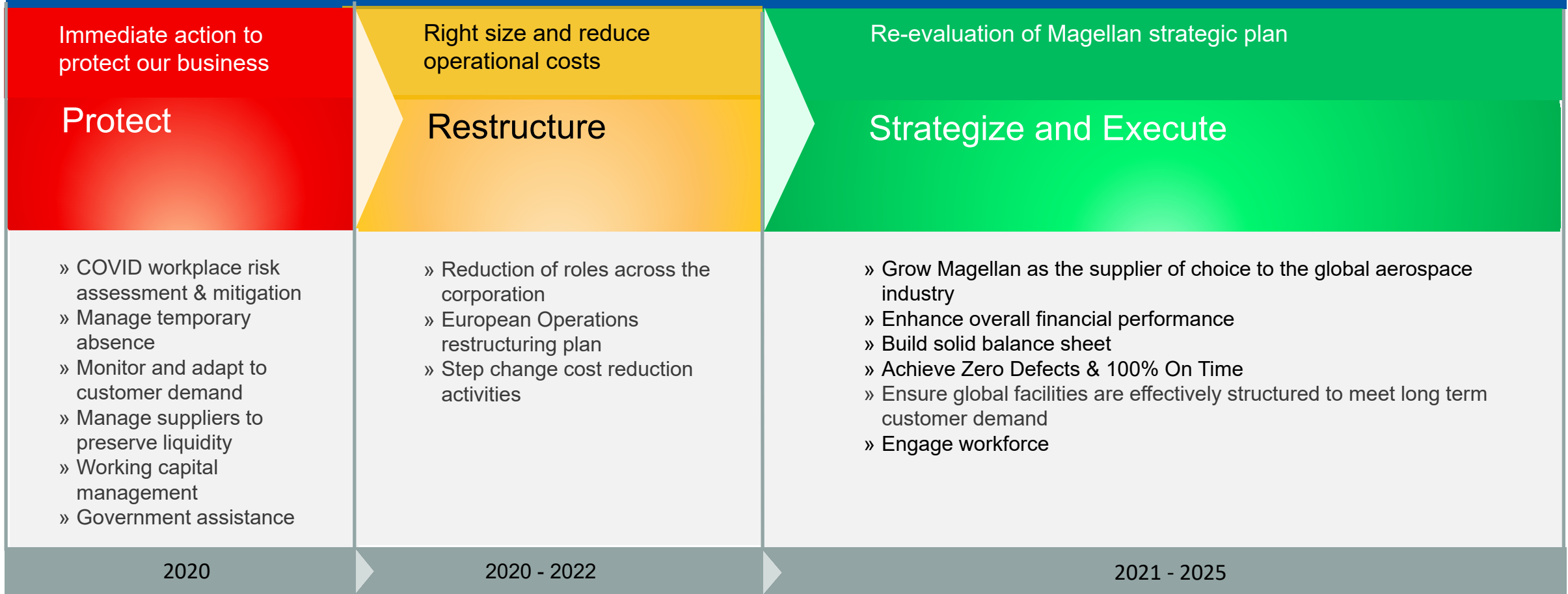
2021 REVENUES BY CUSTOMER AND SEGMENT



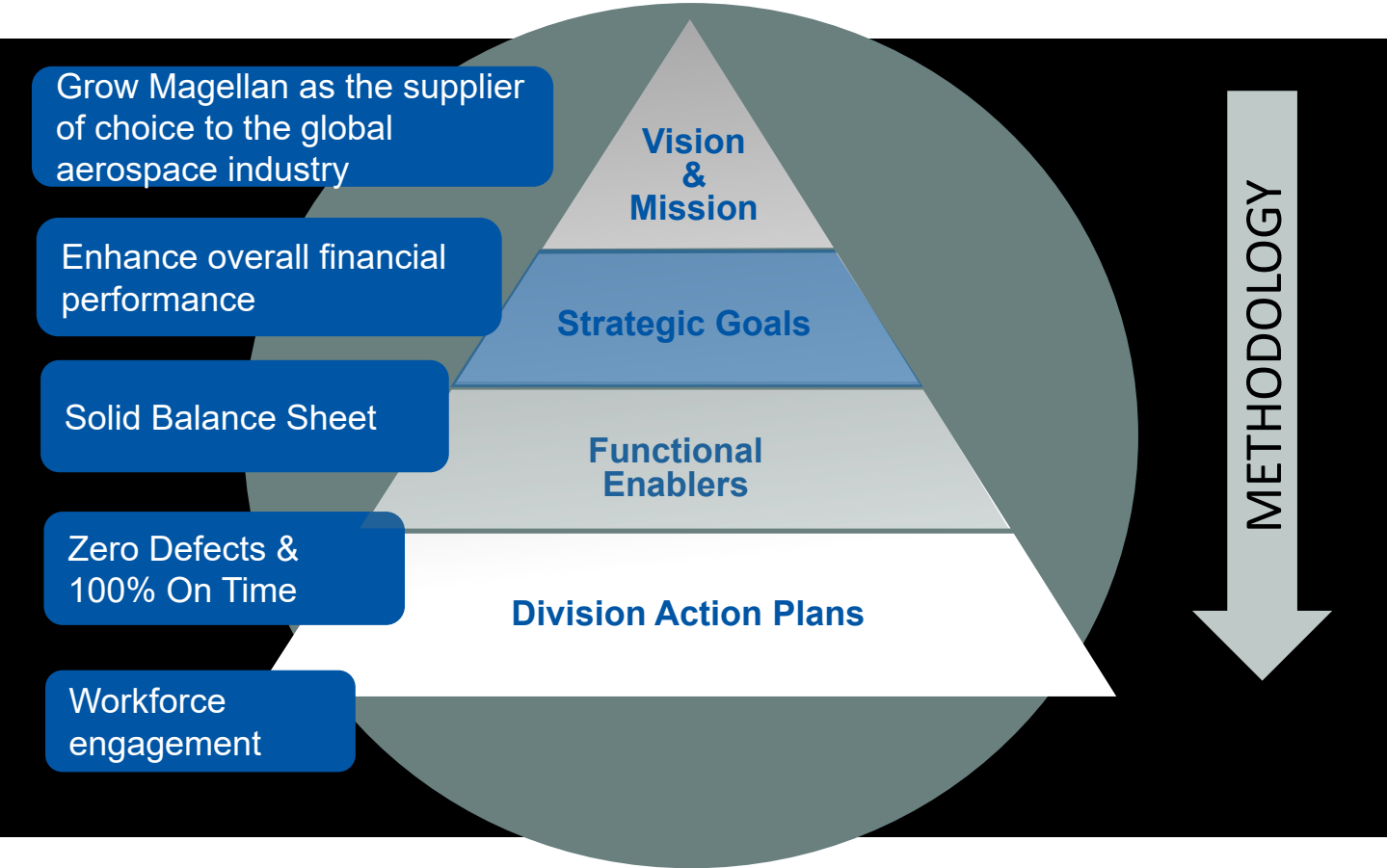
STRATEGIC SUMMARY

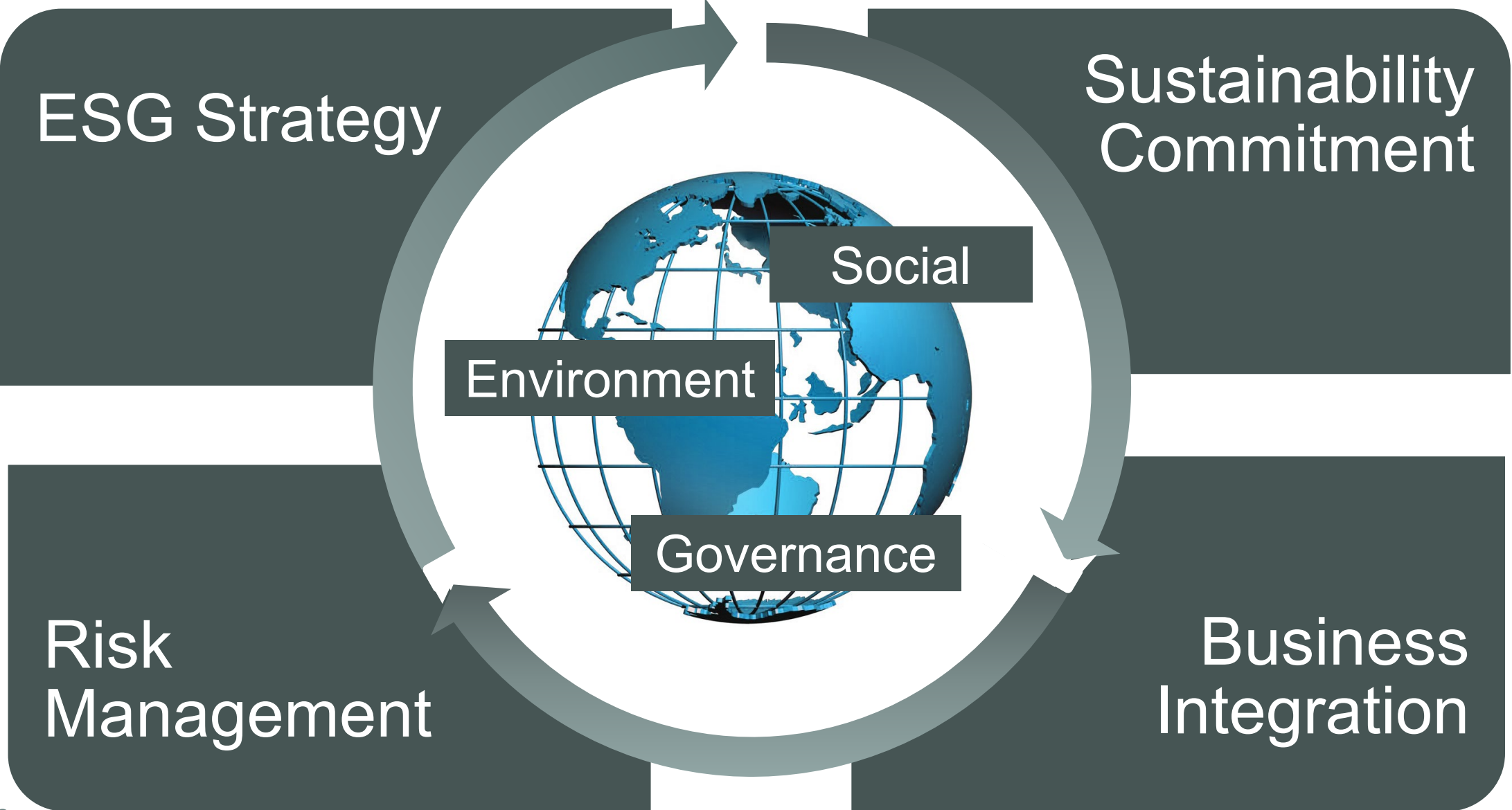
- » Strategic Objectives
- » Strategic Goals

STRATEGY



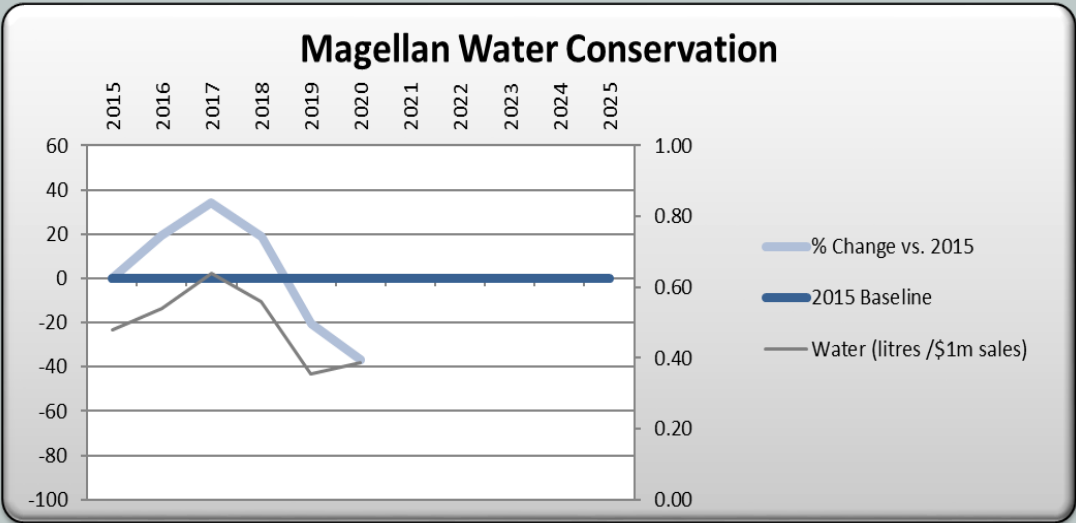
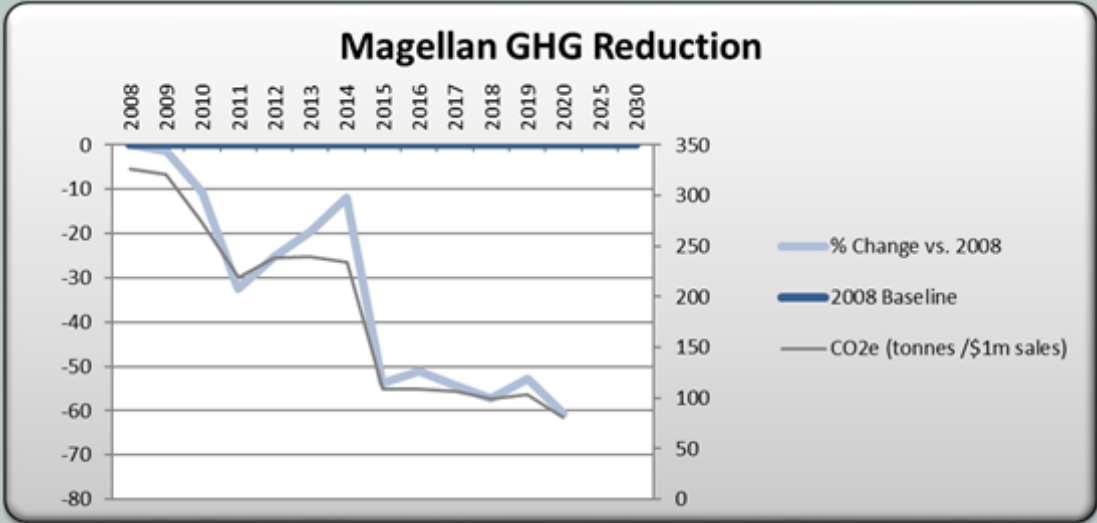
STRATEGY





ENVIRONMENT, SOCIAL, GOVERNANCE

GHG REDUCTION and WATER CONSERVATION



Magellan GHG Commitment

- » 55% GHG reduction by 2030 against a 2008 baseline
- » Scope 1 and 2 emissions
- » In line with 2015 Paris Agreement on climate change
- » Achieved 60% GHG reduction to date

Magellan Water Conservation Commitment

- » 10% consumption reduction as a % of sales by 2025 against a 2015 baseline
- » Reduced water use by over 35% and achieved more than 20% improvement in efficiency to date

2021 ACHIEVEMENTS and KEY PRIORITIES

- ☒ Continued health and safety protocols for keeping our employees safe
- ☒ Balance Sheet remains strong
- ☒ Progressed our zero defects programs.
- ☒ Secured significant contract renewals.
- ☒ Continue to restructure in line with our strategic plans
- ☒ Met targets for improved environmental performance and will foster our ESG commitment
- ☒ Focus on earnings and cash growth beyond 2021

MAGELLAN

THANK-YOU