



MAGELLAN
A E R O S P A C E

MAGELLAN

2021 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 2020
- » Election of Directors
- » Appointment of Auditors
- » Other Business

PHILLIP C. UNDERWOOD
PRESIDENT AND CHIEF EXECUTIVE OFFICER

HIGHLIGHTS FOR 2020

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

Our response to COVID-19

- » Prioritized the health and safety of our employees
- » Support our employees and communities
- » Mitigated costs, restructured and adapted our operations
- » Maintained liquidity and strengthened our balance sheet

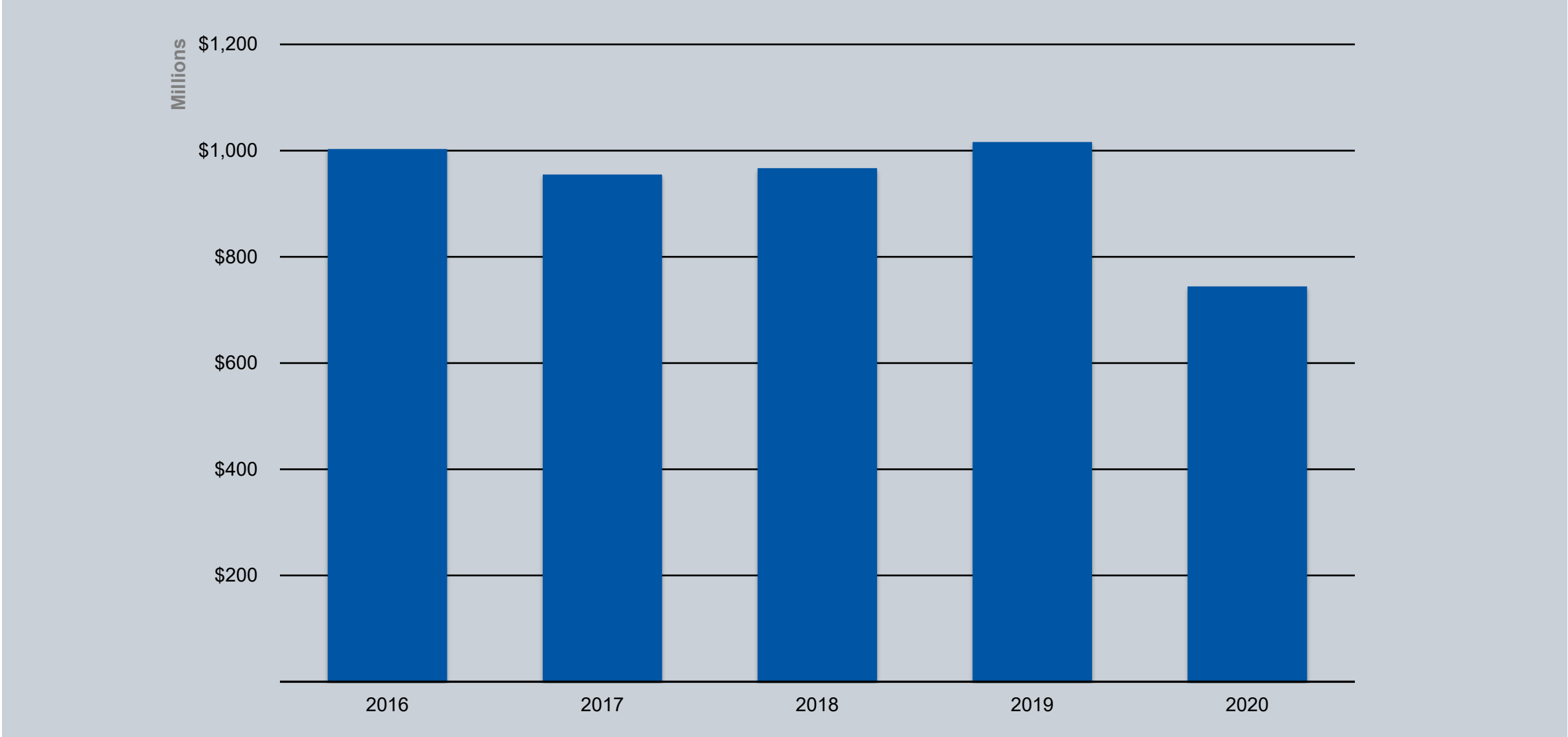
The Magellan business
model remains strong

FINANCIAL SUMMARY

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

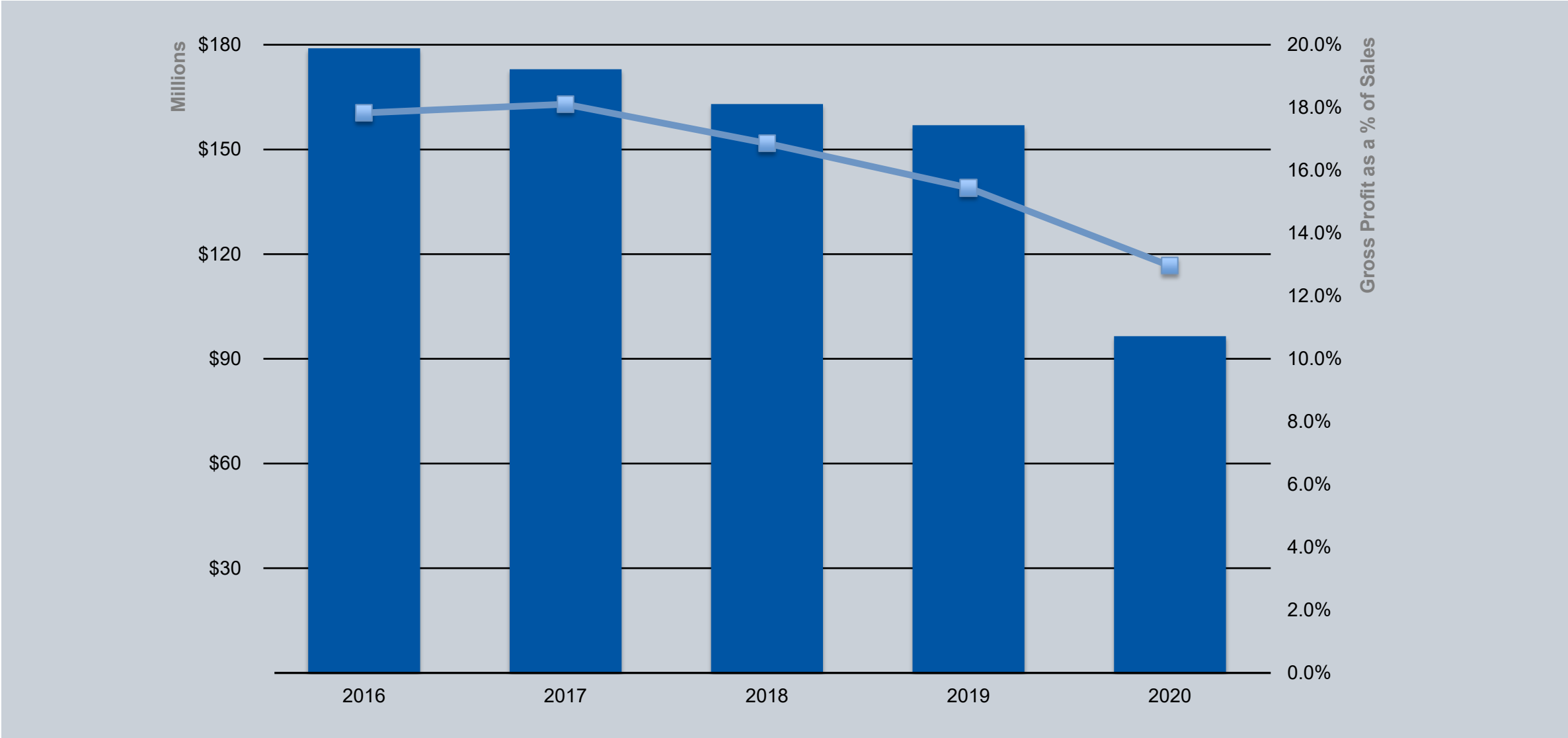
FINANCIAL SUMMARY

REVENUE



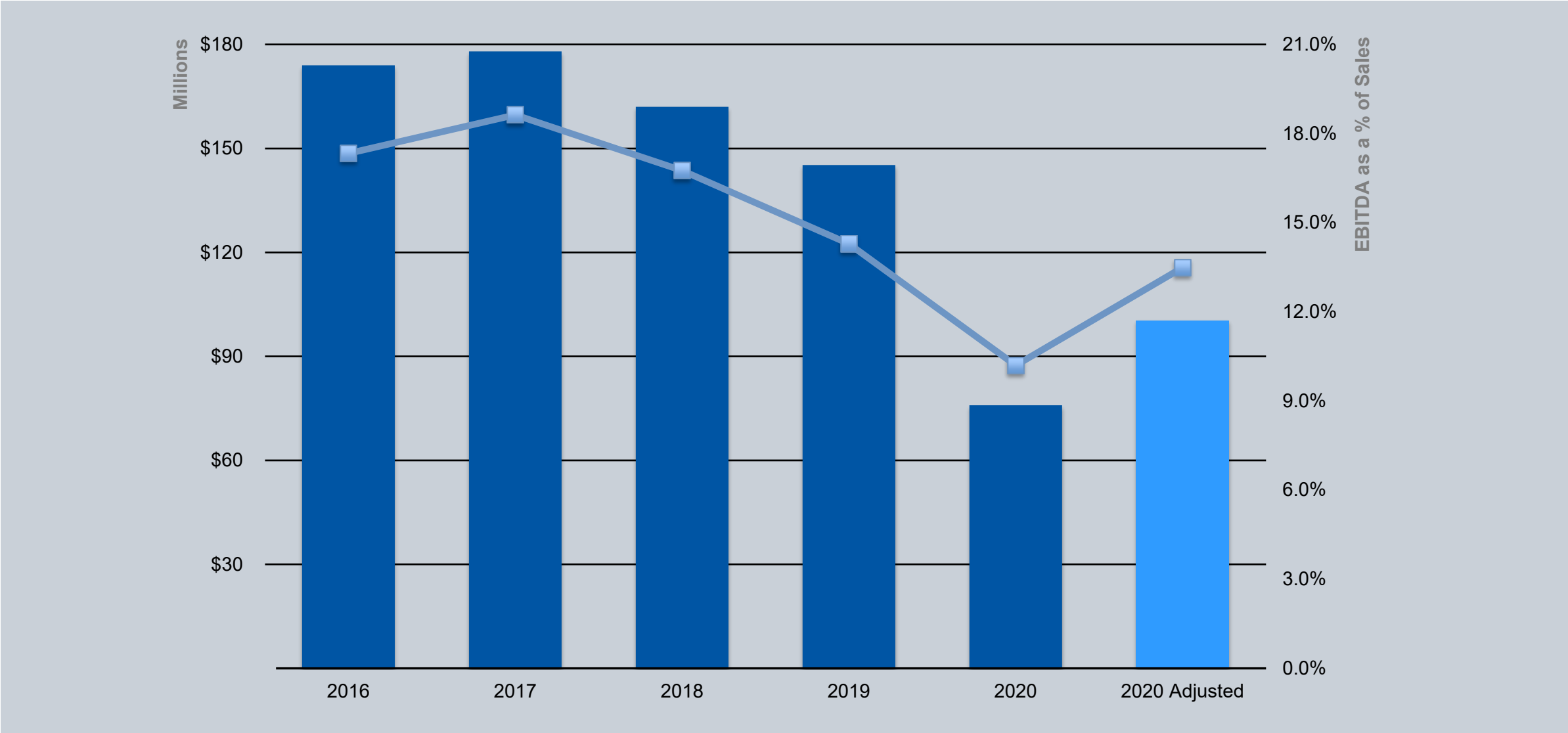
FINANCIAL SUMMARY

GROSS PROFIT



FINANCIAL SUMMARY

EBITDA

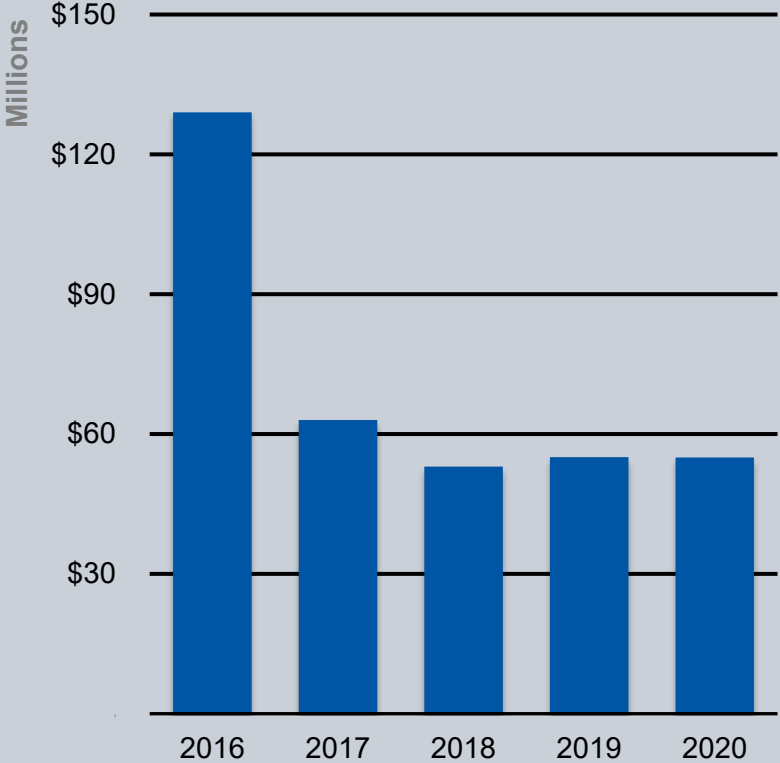


FINANCIAL SUMMARY

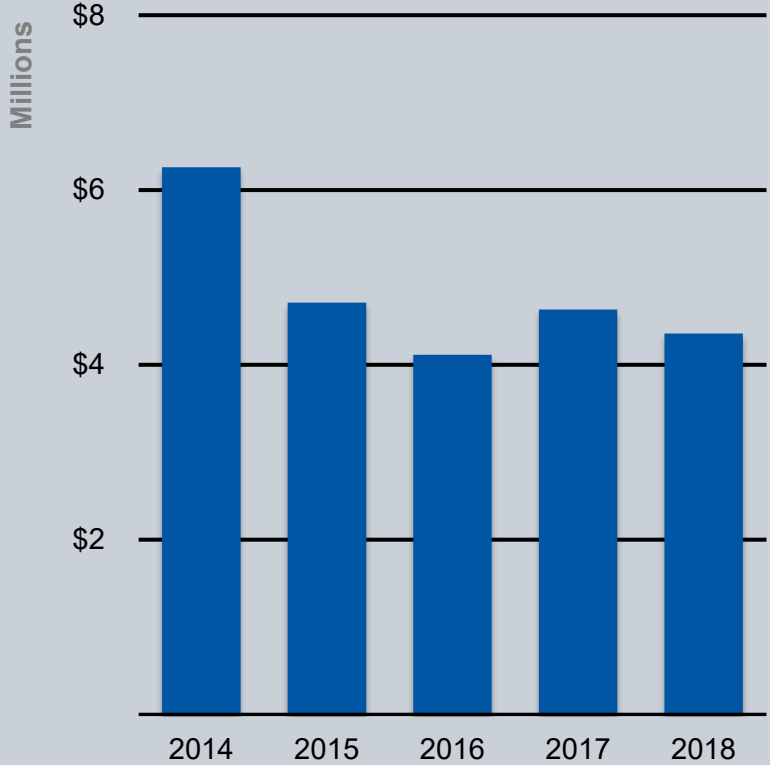
DEBT AND INTEREST EXPENSE



Debt

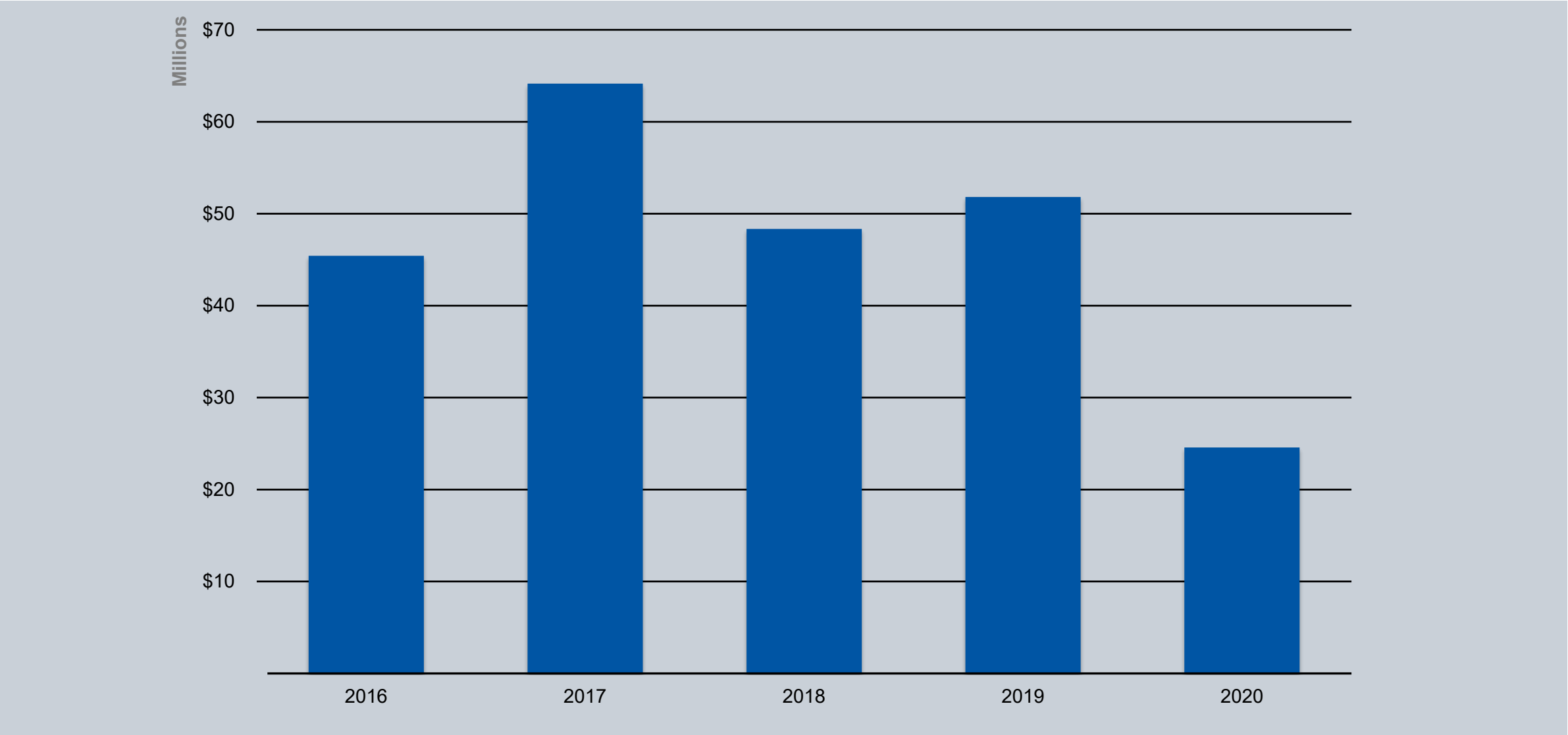


Interest Expense



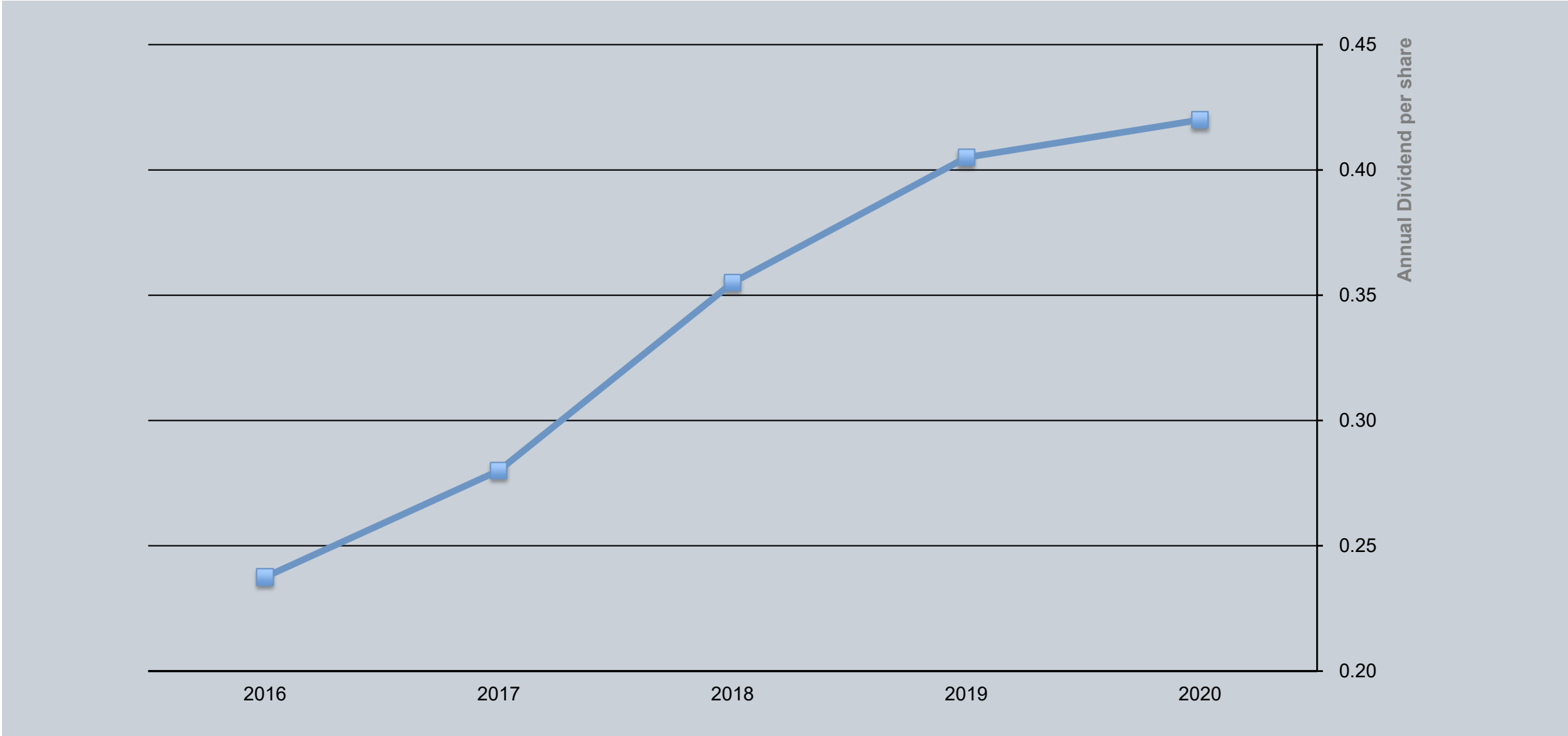
FINANCIAL SUMMARY

CAPITAL EXPENDITURE



FINANCIAL SUMMARY

SHAREHOLDER RETURN



BUSINESS OVERVIEW

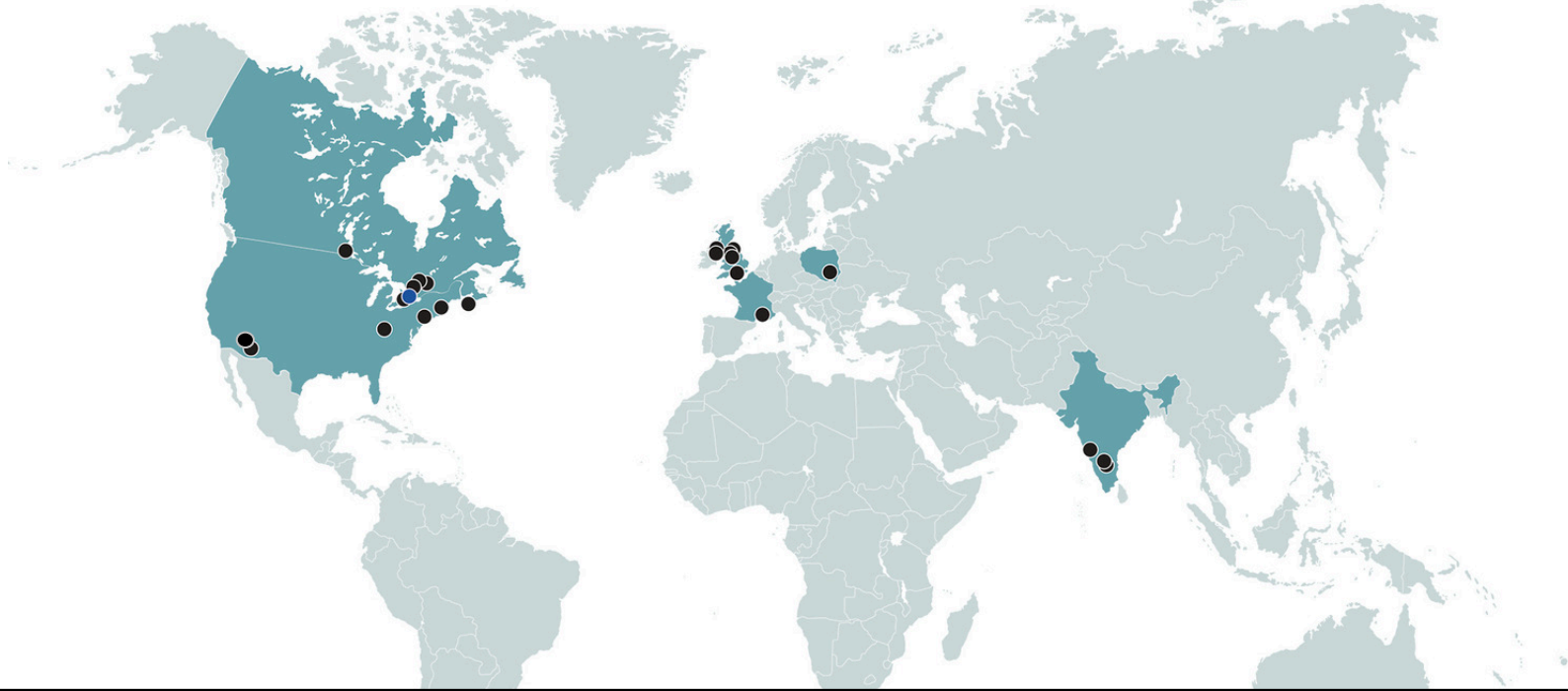
- » Global Presence
- » Industry Update
- » Key Contract Announcements
- » 2020 Revenues by Customer and Segment

BUSINESS OVERVIEW

GLOBAL PRESENCE



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

Number of Operating
Divisions:
19

Magellan
Employees:
3,400

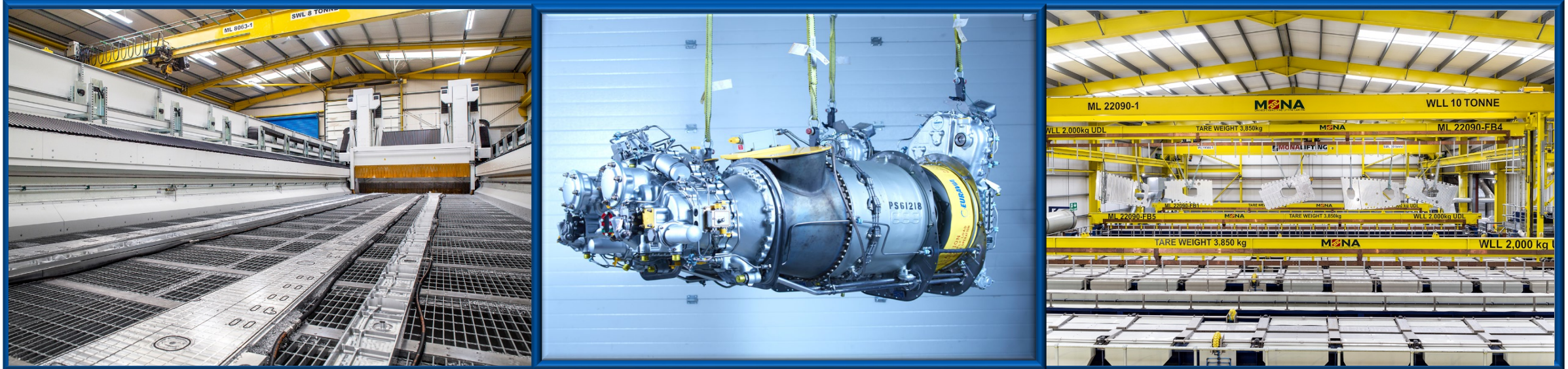
2020

Industry Update



INDUSTRY UPDATE

MARKET OVERVIEW - COMMERCIAL



Global daily flights dropped below 20% of 2019 levels in Q2-2020 due to COVID-19.

Airline losses worldwide totaled US \$118 billion in 2020 (IATA).

Aircraft and engine build rates in 2020 were down by an average of 35%.

Global flights returned to 63.5% vs 2019 in Q1-2021.

Magellan taking conservative approach to OEM's expressing optimism for a possible V-shaped market recovery.

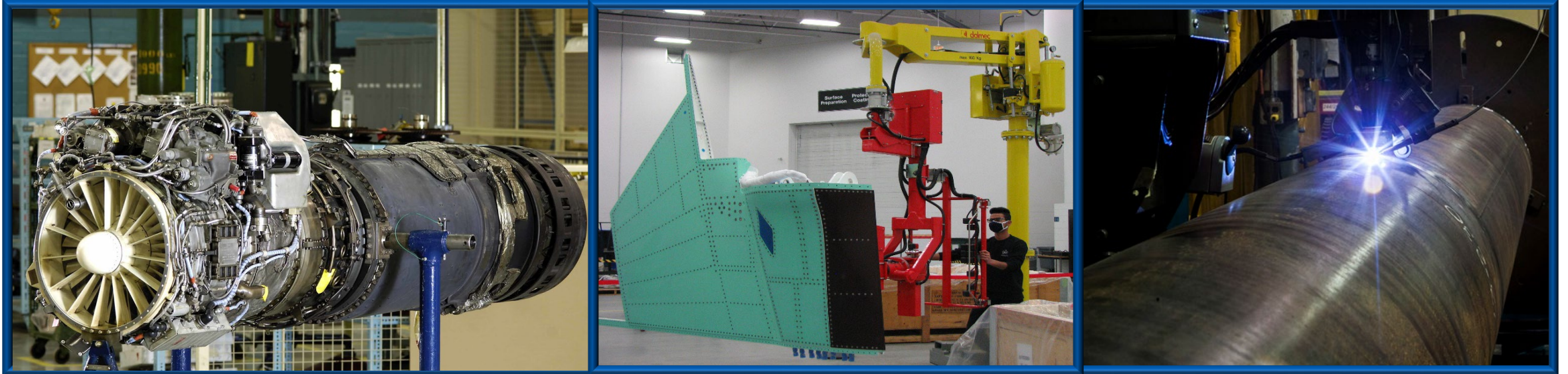
Widebody market remains weak.

U.S. and Asia-Pacific flights returned to 80% vs 2019.

Single-aisle production rates increasing.

INDUSTRY UPDATE

MARKET OVERVIEW - DEFENCE



Despite the contraction in the world economy during 2020 due to COVID-19, the defence market continues to grow.

Global defense spending is expected to rise by 2.7 percent in 2021 and by an average of 2.4% annually through 2025.

Experts expect slower growth in 2022 and 2023 as countries cope with the after-effects of the pandemic.

Lockheed Martin delivered 120 of its F-35 Lightning II aircraft in 2020 and targets delivery of at least 140 aircraft in 2021.



2020

Key Contracts Announcements

Magellan announced strategic contracts/MOUs in key sectors including:

COLLINS AEROSPACE

GE AVIATION CANADA

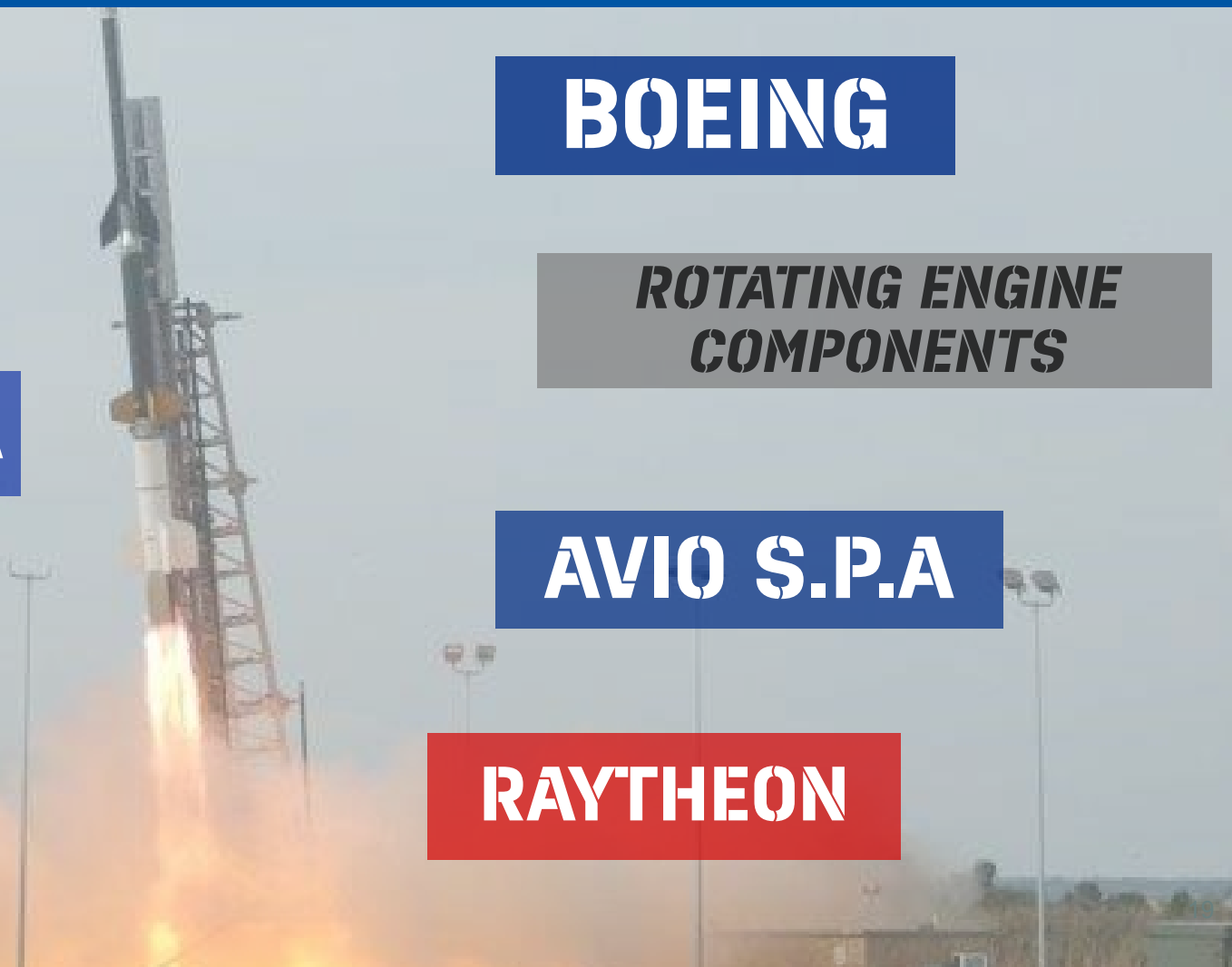
**GERMAN AEROSPACE CENTRE
(DLR)**

BOEING

*ROTATING ENGINE
COMPONENTS*

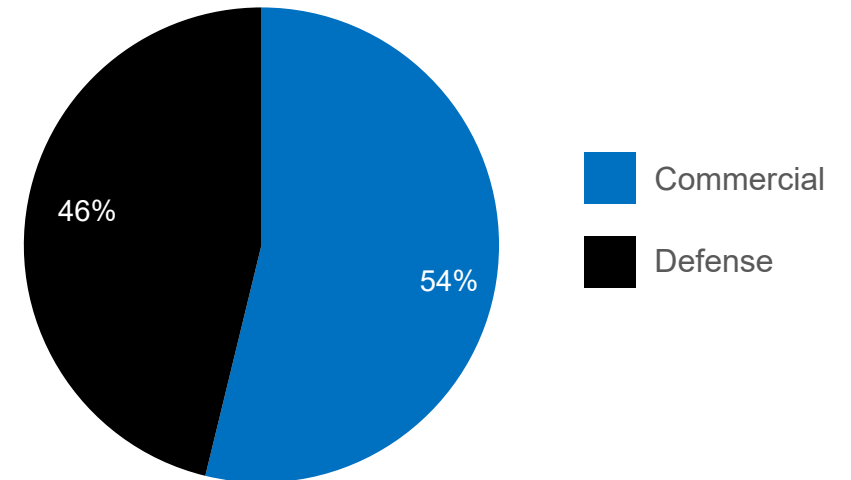
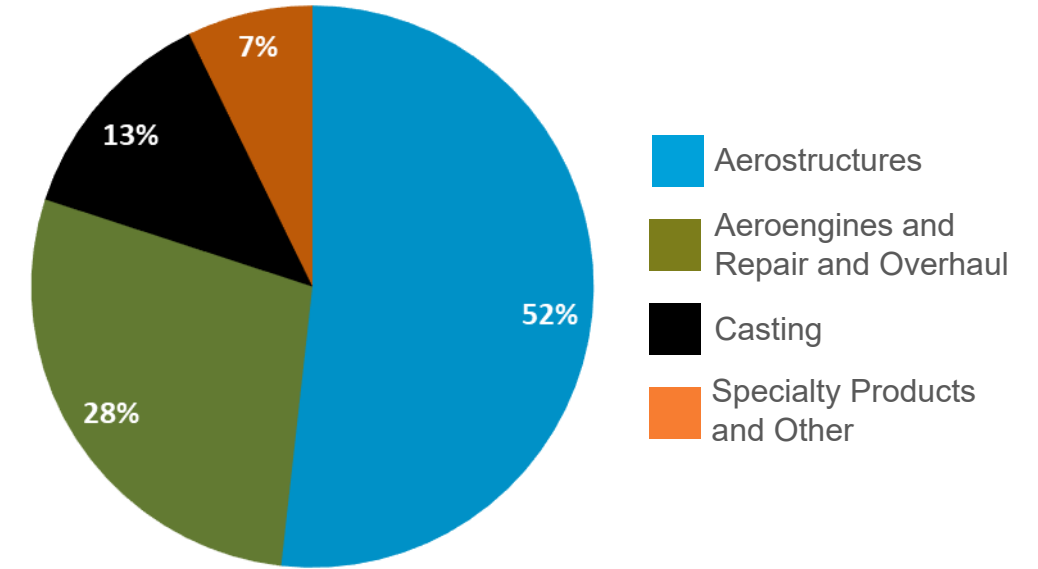
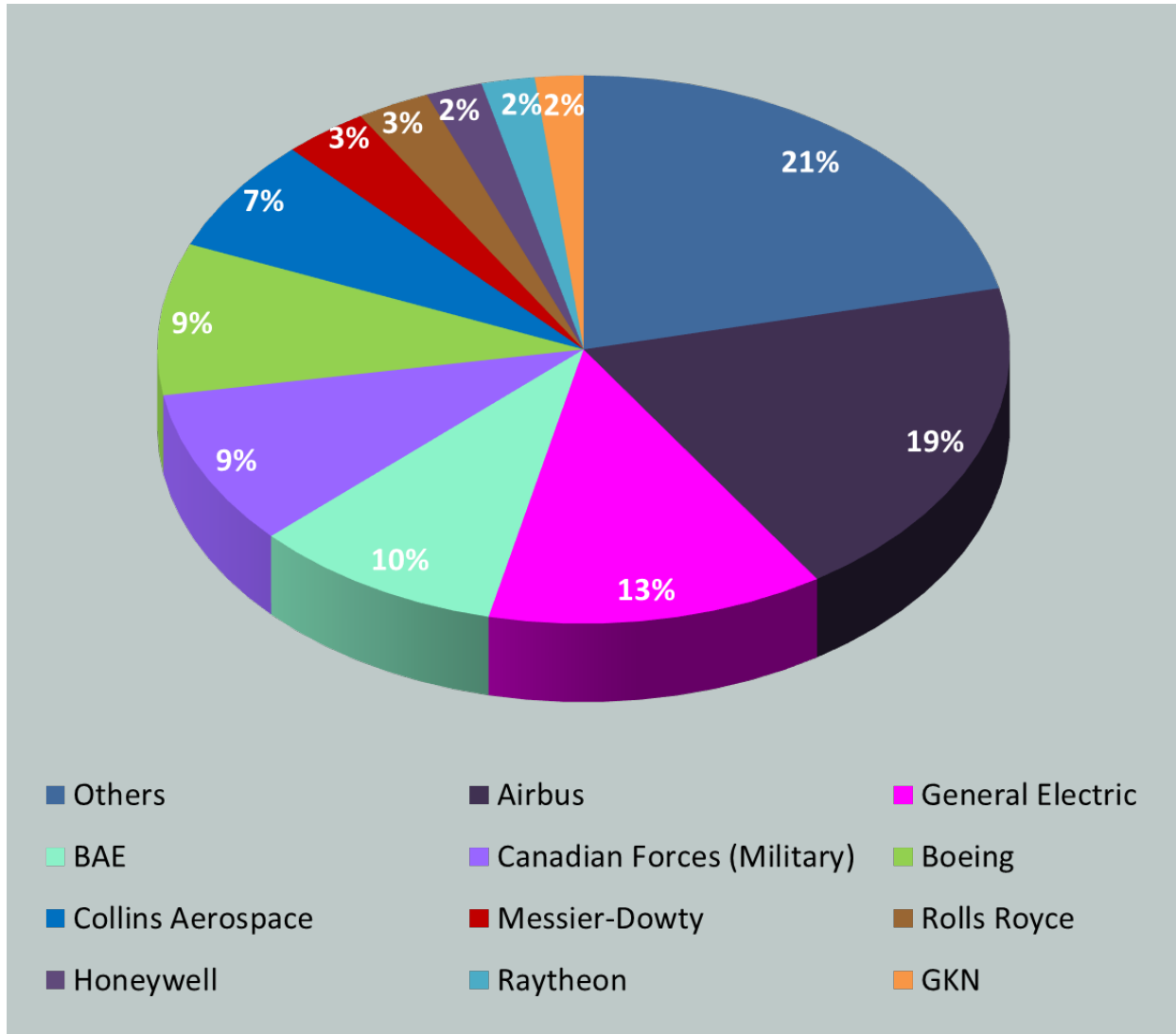
AVIO S.P.A

RAYTHEON



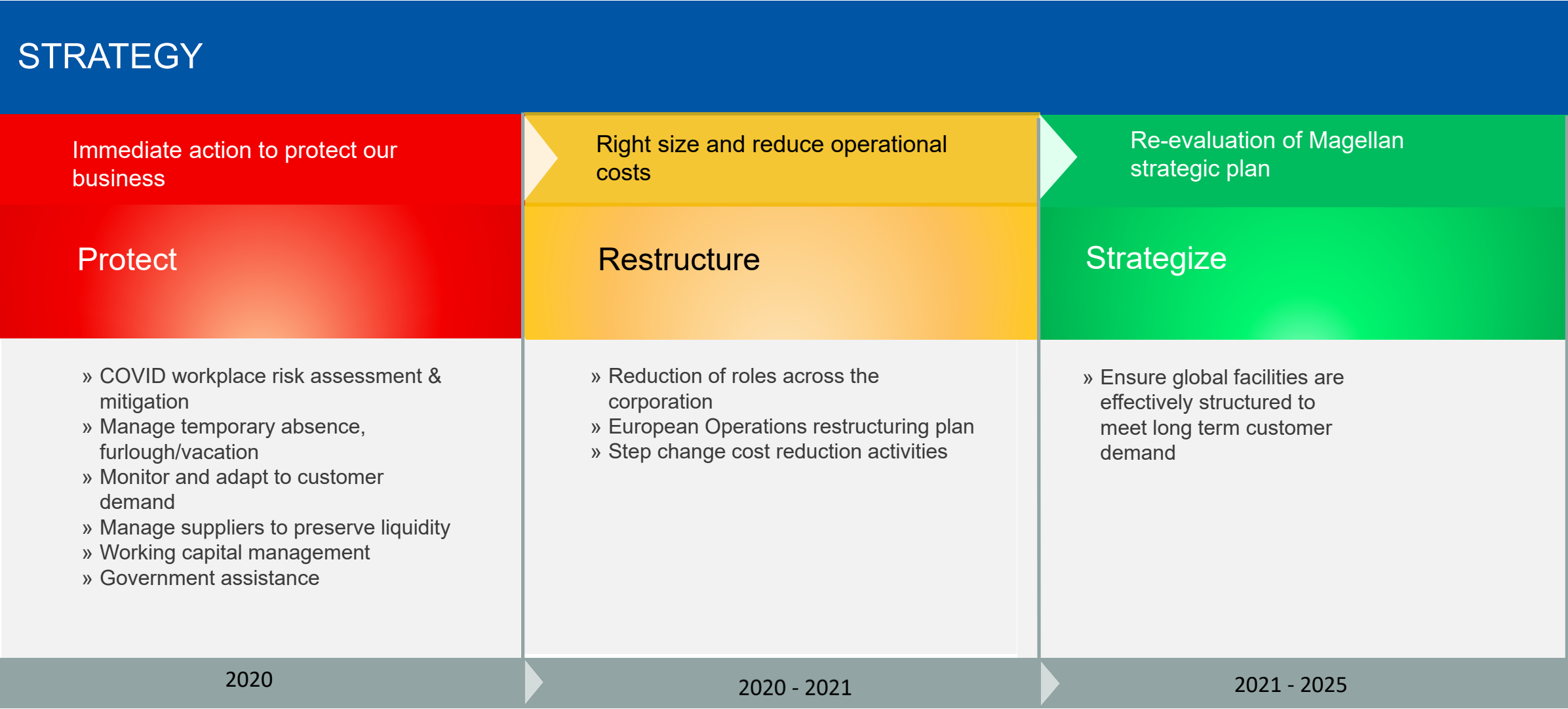
BUSINESS OVERVIEW

2020 REVENUES BY CUSTOMER AND SEGMENT

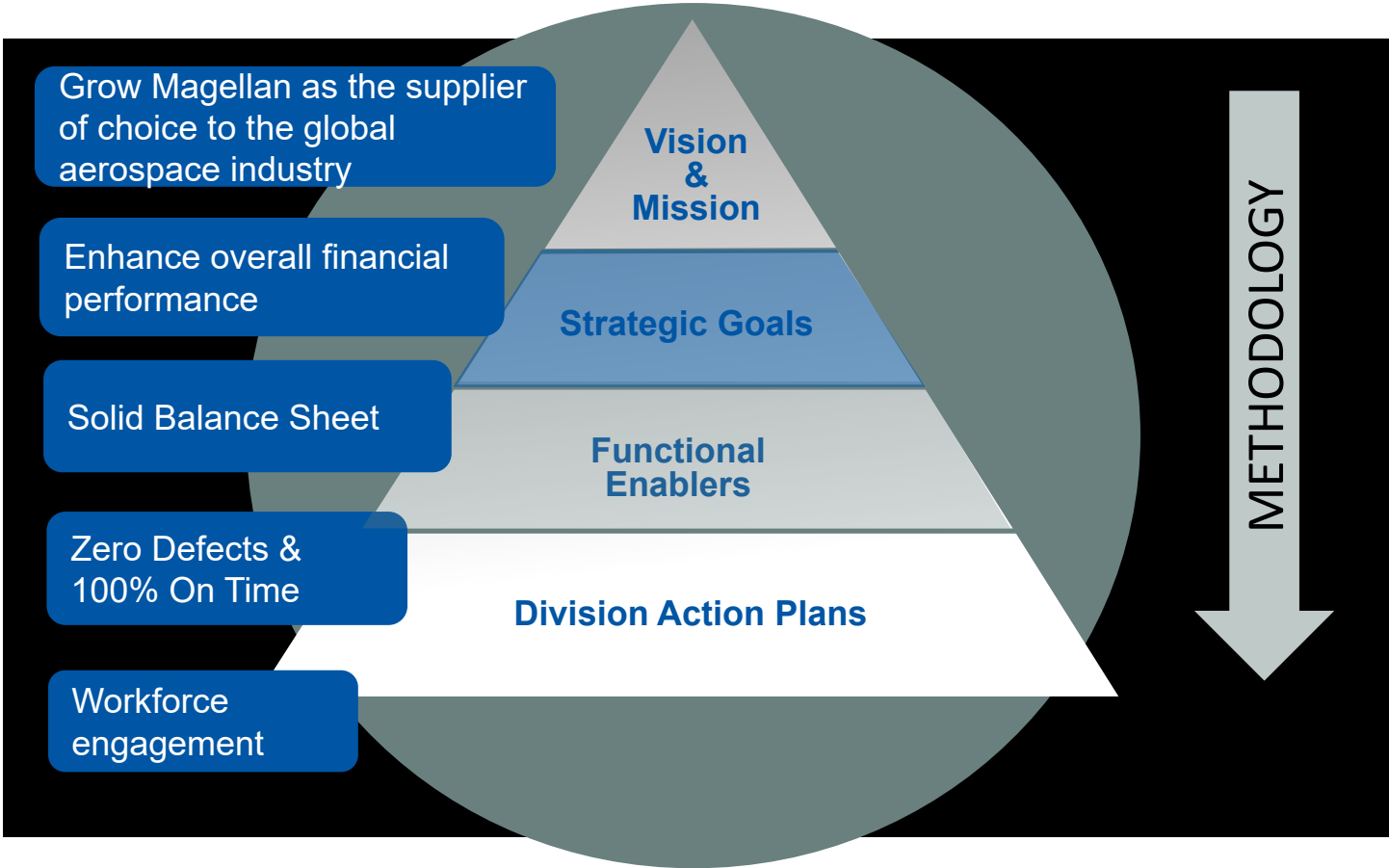


STRATEGIC SUMMARY

- » Strategic Objectives
- » Strategic Goals



STRATEGY



2020 ACHIEVEMENTS and KEY PRIORITIES

- Established health and safety protocols for keeping our employees safe
- Balance Sheet remains strong, allowing us to weather the COVID-19 crisis
- Progressed our zero defects and 100% on-time delivery programs.
- Secured significant contract renewals.
- Finalize and implement the restructuring plan
- Focus on earnings and cash growth beyond 2021

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THANK-YOU