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NEWS RELEASE

MAGELLAN AEROSPACE CORPORATION ANNOUNCES FINANCIAL RESULTS

Toronto, Ontario – November 13, 2025 – Magellan Aerospace Corporation (“Magellan” or the “Corporation”) released its financial results for the third quarter of 2025. All amounts are expressed in Canadian dollars unless otherwise indicated. The results are summarized as follows:

	Three month period ended September 30			Nine month period ended September 30		
Expressed in thousands of Canadian dollars, except per share amounts	2025	2024	Change	2025	2024	Change
Revenues	255,666	223,513	14.4%	766,357	701,664	9.2%
Gross Profit	32,620	25,037	30.3%	99,634	75,463	32.0%
Net Income	12,669	5,845	116.7%	28,861	19,602	47.2%
Net Income per Share	0.22	0.10	120.0%	0.51	0.34	50.0%
EBITDA	29,754	21,531	38.2%	78,171	65,145	20.0%
EBITDA per Share	0.52	0.38	36.8%	1.37	1.14	20.2%

This news release contains certain forward-looking statements that reflect the current views and/or expectations of the Corporation with respect to its performance, business and future events. Such statements are subject to a number of risks, uncertainties and assumptions, which may cause actual results to be materially different from those expressed or implied. The Corporation assumes no future obligation to update these forward-looking statements except as required by law.

This news release presents certain non-IFRS financial measures to assist readers in understanding the Corporation's performance. Non-IFRS financial measures are measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with Generally Accepted Accounting Principles (“GAAP”). Throughout this news release, reference is made to EBITDA (defined as net income before interest, income taxes, depreciation and amortization) which the Corporation considers to be an indicative measure of operating performance and a metric to evaluate profitability. EBITDA is not a generally accepted earnings measure and should not be considered as an alternative to net income (loss) or cash flow as determined in accordance with IFRS. As there is no standardized method of calculating this measure, the Corporation's EBITDA may not be directly comparable with similarly titled measures used by other companies.

1. Overview

A summary of Magellan's business and significant updates

Magellan is a diversified supplier of components to the aerospace industry. Through its wholly owned subsidiaries, controlled entity and joint venture, Magellan designs, engineers and manufactures aeroengine and aerostructure components for aerospace markets, including advanced products for defence and space markets, and complementary specialty products. The Corporation also supports the aftermarket through supply of spare parts as well as performing repair and overhaul services.

Magellan operates substantially all of its activities in one reportable segment, Aerospace, which is viewed as one segment by the chief operating decision-makers for the purpose of resource allocations, assessing performance and strategic planning. The Aerospace segment includes the design, development, manufacture, repair and overhaul, and sale of systems and components for defence and civil aviation.

In the first nine months of 2025, 63.8% of revenues were derived from commercial markets while 36.2% of revenues related to defence markets.

For additional information, please refer to the "Management's Discussion and Analysis" section of the Corporation's 2024 Annual Report available on www.sedarplus.ca.

2. Results of Operations

A discussion of Magellan's operating results for the third quarter ended September 30, 2025

The Corporation reported revenue in the third quarter of 2025 of \$255.7 million, a \$32.2 million increase from third quarter of 2024 revenue of \$223.5 million. Gross profit and net income for the third quarter of 2025 were \$32.6 million and \$12.7 million, respectively, in comparison to gross profit of \$25.0 million and net income of \$5.8 million for the third quarter of 2024.

Consolidated Revenue

Expressed in thousands of dollars	Three month period ended September 30			Nine month period ended September 30		
	2025	2024	Change	2025	2024	Change
Canada	95,691	83,299	14.9%	302,463	263,451	14.8%
United States	73,265	63,402	15.6%	220,050	202,442	8.7%
Europe	86,710	76,812	12.9%	243,844	235,771	3.4%
Total revenues	255,666	223,513	14.4%	766,357	701,664	9.2%

Revenue in Canada increased 14.9% in the third quarter of 2025 compared to the corresponding period in 2024, primarily due to higher wide body aircraft part revenues and higher maintenance, repair and overhaul ("MRO") revenues.

Revenue in the United States increased by 15.6% in the third quarter of 2025 compared to the third quarter of 2024, largely due to higher casting product revenues, increased aircraft engine shaft revenues and favourable foreign exchange impacts due to the strengthening of the United States dollar relative to the Canadian dollar. On a currency neutral basis, revenues in the United States increased 14.4% in the third quarter of 2025 over the same period in 2024.

European revenue in the third quarter of 2025 increased 12.9% compared to the corresponding period in 2024 primarily driven by higher wide body aircraft part revenues, higher MRO revenues and net favourable transactional and translational foreign exchange impacts. On a currency neutral basis, European revenues in the third quarter of 2025 increased by 8.9% when compared to the same period in 2024.

Gross Profit

Expressed in thousands of dollars	Three month period ended September 30			Nine month period ended September 30		
	2025	2024	Change	2025	2024	Change
Gross profit	32,620	25,037	30.3%	99,634	75,463	32.0%
Percentage of revenues	12.8%	11.2%		13.0%	10.8%	

Gross profit of \$32.6 million for the third quarter of 2025 was \$7.6 million higher than the \$25.0 million gross profit for the third quarter of 2024, and gross profit as a percentage of revenues of 12.8% for the third quarter of 2025 increased from 11.2% recorded in the same period in 2024. The gross profit in the current quarter increased from the same quarter in the prior year

as a result of volume increases and contract rehabilitations on certain programs in addition to favourable product mix, offset in part by price increases on purchased materials and supplies.

Administrative and General Expenses

	Three month period ended September 30			Nine month period ended September 30		
Expressed in thousands of dollars	2025	2024	Change	2025	2024	Change
Administrative and general expenses	16,391	13,626	20.3%	49,363	42,757	15.5%
Percentage of revenues	6.4%	6.1%		6.4%	6.1%	

Administrative and general expenses as a percentage of revenues was 6.4% for the third quarter of 2025, higher than the same period of 2024 percentage of revenues of 6.1%. Administrative and general expenses increased \$2.8 million or 20.3% to \$16.4 million in the third quarter of 2025 compared to \$13.6 million in the third quarter of 2024 driven by higher salary and benefit costs and higher information technology spending.

Other

	Three month period ended September 30		Nine month period ended September 30	
Expressed in thousands of dollars	2025	2024	2025	2024
Foreign exchange (gain) loss	(1,459)	1,068	7,820	171
Loss on disposal of property, plant and equipment	—	141	2	228
Other	7	—	7	619
Total Other	(1,452)	1,209	7,829	1,018

Total Other for the third quarter of 2025 included a \$1.5 million foreign exchange gain compared to a \$1.1 million foreign exchange loss in the third quarter of the prior year. The movements in balances denominated in foreign currencies and the fluctuations of the foreign exchange rates impact the net foreign exchange gain or loss recorded in a quarter.

Interest Expense

	Three month period ended September 30		Nine month period ended September 30	
Expressed in thousands of dollars	2025	2024	2025	2024
Interest (earned) paid on cash, bank indebtedness and long-term debt	(372)	228	(719)	1,389
Accretion charge on long-term debt and borrowings	197	216	582	587
Accretion charge for lease liabilities	422	431	1,318	1,129
Discount on sale of accounts receivable	42	75	162	215
Total interest expense	289	950	1,343	3,320

Total interest expense of \$0.3 million in the third quarter of 2025 decreased by \$0.7 million compared to the third quarter of 2024, mainly due to lower interest (earned) paid on cash, bank indebtedness and long-term debt as a result of higher interest earned on cash due to higher cash balances in the current quarter as compared to the prior year.

Provision for Income Taxes

	Three month period ended September 30		Nine month period ended September 30	
Expressed in thousands of dollars	2025	2024	2025	2024
Current income tax expense	4,337	5,082	15,158	11,592
Deferred income tax recovery	386	(1,675)	(2,920)	(2,826)
Income tax expense	4,723	3,407	12,238	8,766
Effective tax rate	27.2%	36.8%	29.8%	30.9%

Income tax expense for the three months ended September 30, 2025 was \$4.7 million, representing an effective income tax rate of 27.2% compared to 36.8% for the same period of 2024. The change in the effective tax rate and current and deferred income tax expense year over year was primarily due to the change in mix of income and losses across the different jurisdictions in which the Corporation operates and the reversal of temporary differences.

3. Selected Quarterly Financial Information

A summary view of Magellan's quarterly financial performance

	2025				2024			
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
Expressed in millions of dollars, except per share amounts								
Revenues	255.7	249.8	260.9	240.7	223.5	242.9	235.2	223.5
Income before taxes	17.4	8.7	15.0	19.4	9.3	9.9	9.2	4.4
Net income (loss)	12.7	5.4	10.8	15.9	5.8	7.5	6.3	(0.3)
Net income (loss) per share								
Basic and diluted	0.22	0.09	0.19	0.28	0.10	0.13	0.11	(0.00)
EBITDA ¹	29.8	21.1	27.3	31.6	21.5	21.9	21.7	15.9

¹ EBITDA is not an IFRS financial measure. Please see Section 4 the "Reconciliation of Net Income to EBITDA" section for more information.

Revenues and net income in the quarter were impacted by the movements of the Canadian dollar relative to the United States dollar and British pound, when the Corporation translates its foreign operations to Canadian dollars. Further, the movements in the United States dollar relative to the British pound impact the Corporation's United States dollar exposures in its European operations. During the periods reported, the average quarterly exchange rate of the United States dollar relative to the Canadian dollar fluctuated between a high of 1.4350 in the first quarter of 2025 and a low of 1.3488 in the first quarter of 2024. The average quarterly exchange rate of the British pound relative to the Canadian dollar reached a high of 1.8573 in the third quarter of 2025 and hit a low of 1.6912 in the fourth quarter of 2023. The average quarterly exchange rate of the British pound relative to the United States dollar reached a high of 1.3483 in the third quarter of 2025 and hit a low of 1.2419 in the fourth quarter of 2023.

Revenue for the third quarter of 2025 of \$255.7 million was higher than that in the third quarter of 2024. The average quarterly exchange rate of the United States dollar relative to the Canadian dollar in the third quarter of 2025 was 1.3775 versus 1.3637 in the same period of 2024. The average quarterly exchange rate of the British pound relative to the Canadian dollar moved from 1.7741 in the third quarter of 2024 to 1.8573 during the current quarter. The average quarterly exchange rate of the British pound relative to the United States dollar increased from 1.3011 in the third quarter of 2024 to 1.3483 in the current quarter. Had the foreign exchange rates remained at levels experienced in the third quarter of 2024, reported revenues in the third quarter of 2025 would have been lower by \$1.8 million.

The Corporation's results in fiscal 2023 were negatively impacted by the continued effects of the COVID-19 pandemic via reduced volumes, supply chain disruptions and the effect of inflation on materials, supplies, utilities and labour. These impacts, which continued into 2024 have stabilized and are having a less disruptive impact. Since the end of 2023, the Company has seen a general, but uneven, growth trend in quarterly revenues and net income.

4. Reconciliation of Net Income to EBITDA

A description and reconciliation of certain non-IFRS measures used by management

In addition to the primary measures of earnings and earnings per share (basic and diluted) in accordance with IFRS, the Corporation includes EBITDA (net income before interest, income taxes and depreciation and amortization) in this MD&A. The Corporation has provided this measure because it believes this information is used by certain investors to assess financial performance and that EBITDA is a useful supplemental measure as it provides an indication of the results generated by the Corporation's principal business activities prior to consideration of how these activities are financed and how the results are taxed in the various jurisdictions. Each component of this measure is calculated in accordance with IFRS, but EBITDA is not a recognized measure under IFRS, and the Corporation's method of calculation may not be comparable with that of other companies. Accordingly, EBITDA should not be used as an alternative to net income as determined in accordance with IFRS or as an alternative to cash provided by or used in operations.

	Three month period ended September 30		Nine month period ended September 30	
	2025	2024	2025	2024
Expressed in thousands of dollars				
Income before interest and income taxes	17,681	10,202	42,442	31,688
Add back:				
Depreciation and amortization	12,073	11,329	35,729	33,457
EBITDA	29,754	21,531	78,171	65,145

EBITDA in the third quarter of 2025 increased \$8.3 million to \$29.8 million in comparison to \$21.5 million in the same quarter of 2024 mainly as a result of gross margin improvements and foreign exchange gains offset in part by higher administrative and general expenses.

5. Liquidity and Capital Resources

A discussion of Magellan's cash flow, liquidity, credit facilities and other disclosures

The Corporation's liquidity needs can be met through a variety of sources including cash on hand, cash provided by operations, short-term borrowings from its credit facility and accounts receivable securitization program, and long-term debt and equity capacity. Principal uses of cash are for operational requirements, capital expenditures, common share repurchases and dividend payments. Based on current funds available and expected cash flow from operating activities, management believes that the Corporation has sufficient funds available to meet its liquidity requirements at any point in time. However, if cash from operating activities is lower than expected or capital projects exceed current estimates, or if the Corporation incurs major unanticipated expenses, it may be required to seek additional capital in the form of debt or equity or a combination of both.

Cash Flow from Operations

	Three month period ended September 30		Nine month period ended September 30	
Expressed in thousands of dollars	2025	2024	2025	2024
(Increase) decrease in accounts receivable	(12,043)	14,125	(36,889)	(4,713)
(Increase) decrease in contract assets	(8,531)	2,343	19,491	(6,605)
Decrease (increase) in inventories	2,775	(2,279)	(1,650)	(14,507)
Increase in prepaid expenses and other	(8,930)	(1,255)	(9,616)	(1,828)
Increase (decrease) in accounts payable, accrued liabilities and provisions	8,505	(11,760)	17,002	(9,420)
(Decrease) increase in contract liabilities	(2,678)	670	(256)	37,101
Changes in non-cash working capital balances	(20,902)	1,844	(11,918)	28
Cash provided by operating activities	4,841	18,649	52,111	53,014

For the three months ended September 30, 2025, the Corporation provided \$4.8 million of cash from operating activities, compared to \$18.6 million provided in the third quarter of 2024. Changes in non-cash working capital items used cash of \$20.9 million, \$22.7 million more when compared to \$1.8 million cash provided in the prior year. The quarter over quarter working capital changes were largely attributable to increases in accounts receivables from timing of customer payments, increases in contract assets and increases in prepaid expenses and other from timing of various deposit payments offset in part by increases in accounts payable, accrued liabilities and provisions primarily driven by timing of supplier payments.

Investing Activities

	Three month period ended September 30		Nine month period ended September 30	
Expressed in thousands of dollars	2025	2024	2025	2024
Purchase of property, plant and equipment	(10,177)	(7,258)	(29,422)	(22,358)
Proceeds from disposal of property, plant and equipment	—	2	—	65
(Increase) decrease in intangible and other assets	(926)	51	(3,181)	(538)
Cash used in investing activities	(11,103)	(7,205)	(32,603)	(22,831)

Investing activities used \$11.1 million of cash for the third quarter of 2025 compared to \$7.2 million cash used in the same quarter of the prior year, an increase of \$3.9 million. The increase in cash usage was primarily due to higher investment in property, plant and equipment and higher spending on intangible and other assets.

In July 2025, the Corporation entered into an agreement with the Manitoba government for a grant of \$8,000 supporting various investment projects for its operating facilities in Winnipeg, Manitoba, Canada. The government grant is repayable if certain covenants are not met. In the third quarter of 2025, the full amount was received and was recorded as a reduction to property, plant and equipment purchases.

Financing Activities

	Three month period ended September 30		Nine month period ended September 30	
Expressed in thousands of dollars	2025	2024	2025	2024
Increase (decrease) in bank indebtedness	1,868	(9,491)	10,677	1,690
Decrease in long-term debt	—	(163)	—	(883)
Lease liability payments	(1,621)	(1,716)	(4,911)	(4,393)
Decrease in borrowings subject to specific conditions, net	—	—	(1,391)	(19)
Increase (decrease) in long-term liabilities and provisions	102	(199)	(62)	20
Common share repurchases	(920)	(5)	(924)	(689)
Common share dividends	(2,855)	(1,428)	(7,140)	(4,286)
Cash used in financing activities	(3,426)	(13,002)	(3,751)	(8,560)

Financing activities used \$3.4 million of cash for the third quarter of 2025 compared to \$13.0 million of cash used in the same quarter of the prior year. The decrease in cash usage was primarily driven by increases in cash provided from bank indebtedness offset in part by increases in common share repurchases and common share dividends.

On June 24, 2025, the Corporation extended its Bank Credit Facility Agreement (“Facility Agreement”) with a syndicate of lenders for an additional two-year period expiring on June 30, 2027. The Facility Agreement provides for a multi-currency global operating credit facility to be available to Magellan in a maximum aggregate amount of \$75 million. Interest applicable to the facility is at adjusted term Canadian Overnight Repo Rate Average (“CORRA”) rates or adjusted term Secured Overnight Financing (“SOFR”) rates plus a spread of 1.00%. The Facility Agreement also includes a \$75 million uncommitted accordion provision, which provides Magellan with the option to increase the size of the operating credit facility to \$150 million. Extensions of the Facility Agreement are subject to mutual consent of the syndicate of lenders and the Corporation. A fixed and floating charge on accounts receivable, inventories and property, plant and equipment is pledged as collateral for the operating credit facility.

As at September 30, 2025, the Corporation had contractual commitments to purchase \$21.4 million of capital assets.

Dividends

During the first, second and third quarters of 2025, the Corporation declared quarterly cash dividends of \$0.025, \$0.05 and \$0.05 per common share, respectively, and paid aggregate dividends of \$7.1 million.

Subsequent to September 30, 2025, the Corporation declared dividends to holders of common shares in the amount of \$0.05 per common share payable on December 31, 2025, to shareholders of record at the close of business on December 17, 2025. The Board of Directors of the Corporation continues to review its dividends on a quarterly basis to ensure that the dividend declared balances the return of capital to shareholders while maintaining adequate financial flexibility for investment and growth initiatives.

Normal Course Issuer Bid

On June 11, 2025, the Corporation’s application to extend its normal course issuer bid (“June 2025 NCIB”) was approved. The June 2025 NCIB allows the Corporation to purchase up to 2,856,929 common shares, over a 12-month period, commencing June 13, 2025, and ending June 12, 2026.

During the nine month period ended September 30, 2025, the Corporation purchased a total of 59,126 common shares for cancellation at a cost of \$0.9 million. During the same period in the prior year, the Corporation purchased 87,942 common shares for cancellation at a cost of \$0.7 million.

Outstanding Share Information

The authorized capital of the Corporation consists of an unlimited number of preference shares, issuable in series, and an unlimited number of common shares. As at November 7, 2025, 57,079,054 common shares were outstanding and no preference shares were outstanding.

6. Financial Instruments

A summary of Magellan’s financial instruments

Derivative Contracts

The Corporation operates internationally, which gives rise to a risk that its income, cash flows and shareholders’ equity may be adversely impacted by fluctuations in foreign exchange rates. Currency risk arises because the amount of the local currency

receivable or payable for transactions denominated in foreign currencies may vary due to changes in exchange rates and because the non-Canadian dollar denominated financial statements of the Corporation's subsidiaries may vary on consolidation into the reporting currency of Canadian dollars. The Corporation from time to time may use derivative financial instruments to help manage foreign exchange risk with the objective of reducing transaction exposures and the resulting volatility of the Corporation's earnings. The Corporation does not trade in derivatives for speculative purposes. Under these foreign exchange contracts (forwards and / or collars), the Corporation is obligated to purchase specified amounts of currency – generally either the United States dollar ("USD") or British Pound ("GBP") - at predetermined dates and exchange rates if certain conditions are met. The counterparties to the foreign currency contracts are all major financial institutions with high credit ratings. A number of these contracts are designated as cash flow hedges.

As at September 30, 2025, the Corporation no longer has any foreign exchange collar or USD foreign exchange forward contracts remaining and it holds foreign exchange forward contracts of GBP 23.5 million with a derivative asset carrying value of less than \$0.1 million included in Prepaid expenses and other on the interim condensed consolidated statement of financial position.

For the nine months ended September 30, 2025, a gain of \$1.6 million net of taxes of \$0.6 million, was recorded in other comprehensive income as mark-to-market adjustments for the foreign exchange collar and forward contracts discussed above.

Off-Balance Sheet Arrangements

The Corporation does not have any off-balance sheet arrangements that have or reasonably are likely to have a material effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources. As a result, the Corporation is not exposed materially to any financing, liquidity, market or credit risk that could arise if it had engaged in these arrangements.

7. Related Party Transactions

A summary of Magellan's transactions with related parties

For the three month period ended September 30, 2025, the Corporation had no material transactions with related parties as defined in IAS 24, *Related Party Disclosures*.

8. Risk Factors

A summary of risks and uncertainties facing Magellan

The Corporation manages a number of risks in each of its businesses in order to achieve an acceptable level of risk without hindering the ability to maximize returns. Management has procedures to help identify and manage significant operational and financial risks.

For more information in relation to the risks inherent in Magellan's business, reference is made to the information under "Risk Factors" in the Corporation's Management's Discussion and Analysis for the year ended December 31, 2024 and to the information under "Risks Inherent in Magellan's Business" in the Corporation's Annual Information Form for the year ended December 31, 2024, both of which have been filed with SEDAR at www.sedarplus.ca. Those risk factors remain substantially unchanged, except as follows:

- **Unpredictable Trade and Tariff Environment:** Measures implemented by the current US Administration have created an unpredictable trade environment by imposing or expanding tariffs, and in some cases, modifying or suspending some of the tariffs recently imposed. Such tariffs, together with retaliatory measures, risk increasing our input costs, the prices paid by our customers for Magellan's products and could have a potential long-term impact on travel/aircraft demand. Significant or sustained tariff costs which are not recovered from Magellan's customers could have a material adverse effect on the Corporation's profitability. The actual impact of the aforementioned tariffs is subject to a number of factors and uncertainties including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any countermeasures that the Canadian government may take, and any mitigating actions that may become available. Although most of Magellan's products in Canada comply with Canada-United States-Mexico Agreement ("CUSMA") standards, allowing them to avoid tariffs that competitors from outside North America may face, there continues to be much uncertainty over the future direction of the US Administration's decisions with respect to tariffs.
- The aerospace industry is subject to certain environmental legislation and regulations that continue to evolve. Current and future laws, regulations and permits may impose stricter or, alternatively, less strict standards, requirements and enforcement. Recent changes in governmental and societal factors have led to a roll back in certain clean energy initiatives,

which may result in an increase in the stigmatization of the Corporation's industry and/or operations. This may result in reduced interest or investment participation by capital market participants in the Corporation, thereby making it more difficult for the Corporation to raise funding on terms that are acceptable to the Corporation. In addition, increased concerns about climate change and any negative sentiments about the Corporation's industry and sector may adversely affect the timing or ability to receive any required environmental permits that may be required in the future. See Section 9 below.

9. Outlook

The outlook for Magellan's business in 2025

Commercial and Defence Markets

Supply chain recovery in the commercial aircraft manufacturing market appears to be evident based on deliveries achieved by both Airbus and Boeing in the third quarter. The industry outlook continues to be cautiously optimistic based on aircraft delivery projections from Airbus and Boeing leading into year end, and into 2026. Global supply chain vulnerabilities tied to raw materials and skilled labor shortages remain a concern. The impact of unpredictable U.S. tariff policies further threatens supply chain stabilization through increased materials and production costs, and logistics delays.

The following commercial aircraft orders, backlog, future production estimates and delivery data is extracted from Forecast International's Flight Plan (October 20, 2025 publication) and verified with Airbus and Boeing official Q3 delivery announcements.

Boeing booked 96 new orders in September 2025, its best monthly total of the year. Year-to-date, Boeing has received a total of 821 gross orders through to September 30, 2025 compared to 610 gross orders for Airbus over the same period. The total backlog for Airbus at September 30, 2025 is 8,653 aircraft (excluding the A320ceo and A330-200 aircraft). The majority of the Airbus backlog (87.7% or 7,589 aircraft) is made up of A220 and A320neo narrowbody aircraft. Boeing's total backlog (before ASC 606 adjustments) at September 30, 2025 is 6,576 aircraft with 737MAX orders accounting for 73.2% (4,814 aircraft) of the total backlog. Based on Forecast International's 2025 production estimates, Airbus' backlog represents 10.6 years of production, while Boeing's backlog would be approximately 11.1 years of production.

While Airbus continues to push toward its ambitious annual delivery target, Boeing remains focused on stabilizing production and maintaining quality across its commercial programs. As at September 30, 2025 Airbus has delivered 507 aircraft toward its 2025 delivery target of 820 aircraft. To meet its 2025 delivery target, Airbus requires an average of 104 deliveries per month over the remaining three months. Deliveries in September 2025 totaled 73 aircraft, of which 59 aircraft were from the 320neo family. AeroTime reported that industry analysts predict further production growth in the final quarter of 2025 for Airbus, with monthly deliveries expected to stay above 70 aircraft.

Boeing has delivered 440 aircraft for the September 2025 year-to-date period and, based on Forecast International's projection of 590 total aircraft deliveries in 2025, Boeing will need to average 50 aircraft deliveries per month over the final three months in the year. Boeing announced that it delivered 55 commercial aircraft in September 2025, its strongest September delivery total since 2018, as the US manufacturer continues to restore production levels after years of supply-chain disruptions, safety crises, and regulatory scrutiny. An average of 49 aircraft were delivered per month in 2025. September 2025 deliveries included Boeing's 2,000th 737 MAX delivery.

The defence market is positioned for sustained growth in 2025 and beyond. Fiscal 2024 global defence spending hit an all-time high exceeding USD \$2.4 trillion according to the International Institute for Strategic Studies (February 2025 Military Balance Blog). In response to rising threat perceptions and geopolitical tensions, global defence spending is expected to continue to grow in 2025 with recent defence budget increases across NATO member nations.

The anticipated increased demand in the defence sector will heighten competition and further expose the weaknesses of struggling globally interconnected supply chains. Numerous industry studies highlight the importance of supply chain resilience and agility to a healthy global aerospace market. A KPMG International white paper on 2025 Emerging Aerospace Trends (published in June 2025), cites the significance of supply chain risk in this growing market. This risk is further compounded by growing geopolitical security and tariff policy concerns.

The overall positive outlook for the commercial and defence aerospace markets is tempered by common challenges. Issues with raw materials and skilled labor shortages apply equally to both the commercial and defence sectors.

Environmental

The Corporation previously disclosed that it committed to reducing CO2 emissions by 55% by 2030 against a 2008 baseline, which was achieved as at December 31, 2023, and a longer term goal of net zero by 2050. However, recent changes in governmental and societal factors have led to a roll back in certain clean energy initiatives. For example, the United States withdrew from the Paris Agreement in 2025 and the U.S. Environmental Protection Agency ("EPA") recently revoked key emission regulations in the power and transportation sectors. As a result, although the Corporation remains strongly committed to reducing CO2 emissions and being good environmental stewards, the Corporation, at present, no longer has a timetable or definitive objective for a net-zero target. See the related risk factor in Section 8 above.

Additional Information

Additional information relating to Magellan Aerospace Corporation, including the Corporation's annual information form, can be found on the SEDAR web site at www.sedarplus.ca.

Forward Looking Statements

This news release contains certain forward-looking statements that reflect the current views and/or expectations of the Corporation with respect to its performance, business and future events. Such statements are subject to a number of uncertainties and assumptions, which may cause actual results to be materially different from those expressed or implied. These forward looking statements can be identified by the words such as "anticipate", "continue", "estimate", "forecast", "expect", "may", "project", "could", "plan", "intend", "should", "believe" and similar words suggesting future events or future performance. In particular there are forward looking statements contained under the heading "Overview" which outlines certain expectations for future operations. These statements assume the continuation of the current regulatory and legal environment; the continuation of trends for passenger airliner and defence production and are subject to the risks contained herein and outlined in our annual information form. The Corporation assumes no future obligation to update these forward-looking statements except as required by law.

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MAGELLAN AEROSPACE CORPORATION
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(unaudited) (expressed in thousands of Canadian dollars, except per share amounts)	Three month period ended September 30		Nine month period ended September 30	
	2025	2024	2025	2024
Revenues	255,666	223,513	766,357	701,664
Cost of revenues	223,046	198,476	666,723	626,201
Gross profit	32,620	25,037	99,634	75,463
Administrative and general expenses	16,391	13,626	49,363	42,757
Other (income) expense	(1,452)	1,209	7,829	1,018
Income before interest and income taxes	17,681	10,202	42,442	31,688
Interest expense	289	950	1,343	3,320
Income before income taxes	17,392	9,252	41,099	28,368
Income tax expense (recovery):				
Current	4,337	5,082	15,158	11,592
Deferred	386	(1,675)	(2,920)	(2,826)
	4,723	3,407	12,238	8,766
Net income	12,669	5,845	28,861	19,602
Other comprehensive income (loss):				
Items that may be reclassified to profit and loss				
in subsequent periods:				
Foreign currency translation	7,354	2,581	(232)	15,122
Unrealized (loss) gain on foreign currency contract hedges	(18)	594	1,581	273
Items not to be reclassified to profit and loss				
in subsequent periods:				
Actuarial income on defined benefit pension plans, net of tax	235	693	746	972
Comprehensive income	20,240	9,713	30,956	35,969
Net income per share				
Basic and diluted	0.22	0.10	0.51	0.34

MAGELLAN AEROSPACE CORPORATION
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited) (expressed in thousands of Canadian dollars)	September 30 2025	December 31 2024
Current assets		
Cash	71,996	56,437
Trade and other receivables	245,683	208,430
Contract assets	61,855	82,416
Inventories	285,765	284,082
Prepaid expenses and other	21,581	11,733
	686,880	643,098
Non-current assets		
Property, plant and equipment	378,392	377,563
Right-of-use assets	32,183	35,817
Investment properties	6,913	6,839
Intangible assets	35,025	36,248
Goodwill	23,867	23,948
Other assets	15,027	14,102
Deferred tax assets	9,439	8,639
	500,846	503,156
Total assets	1,187,726	1,146,254
Current liabilities		
Bank indebtedness	31,461	19,857
Accounts payable, accrued liabilities and provisions	153,801	139,921
Contract liabilities	62,195	67,220
Debt due within one year	10,820	10,742
	258,277	237,740
Non-current liabilities		
Lease liabilities	27,724	31,613
Borrowings subject to specific conditions	23,337	24,213
Other long-term liabilities and provisions	19,082	13,840
Deferred tax liabilities	33,597	36,031
	103,740	105,697
Equity		
Share capital	249,504	249,762
Contributed surplus	2,044	2,044
Other paid in capital	13,565	13,565
Retained earnings	502,439	480,638
Accumulated other comprehensive income	54,780	53,431
Equity attributable to equity holders of the Corporation	822,332	799,440
Non-controlling interest	3,377	3,377
Total equity	825,709	802,817
Total liabilities and equity	1,187,726	1,146,254

MAGELLAN AEROSPACE CORPORATION
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited) (expressed in thousands of Canadian dollars)	Three month period ended September 30		Nine month period ended September 30	
	2025	2024	2025	2024
Cash flow from operating activities				
Net income	12,669	5,845	28,861	19,602
Amortization/depreciation of intangible assets, right-of-use assets and property, plant and equipment	12,073	11,329	35,729	33,457
Loss on disposal of property, plant and equipment	—	141	2	228
Increase in defined benefit plans	191	786	1,111	1,435
Accretion of financial liabilities	620	645	1,900	1,713
Deferred taxes	387	(1,675)	(2,919)	(2,826)
Income on investments in joint ventures	(197)	(266)	(655)	(584)
Other	—	—	—	(39)
Changes to non-cash working capital	(20,902)	1,844	(11,918)	28
Net cash provided by operating activities	4,841	18,649	52,111	53,014
Cash flow from investing activities				
Purchase of property, plant and equipment	(10,177)	(7,258)	(29,422)	(22,358)
Proceeds from disposal of property, plant and equipment	—	2	—	65
(Increase) decrease in intangible and other assets	(926)	51	(3,181)	(538)
Net cash used in investing activities	(11,103)	(7,205)	(32,603)	(22,831)
Cash flow from financing activities				
Increase (decrease) in bank indebtedness ¹	1,868	(9,491)	10,677	1,690
Decrease in long-term debt	—	(163)	—	(883)
Lease liability payments	(1,621)	(1,716)	(4,911)	(4,393)
Decrease in borrowings subject to specific conditions, net	—	—	(1,391)	(19)
Increase (decrease) in long-term liabilities and provisions	102	(199)	(62)	20
Common share repurchases	(920)	(5)	(924)	(689)
Common share dividends	(2,855)	(1,428)	(7,140)	(4,286)
Net cash used in financing activities	(3,426)	(13,002)	(3,751)	(8,560)
(Decrease) increase in cash during the period	(9,688)	(1,558)	15,757	21,623
Cash at beginning of the period ¹	81,387	31,919	56,437	8,709
Effect of exchange rate differences ¹	297	336	(198)	365
Cash at end of the period	71,996	30,697	71,996	30,697

(1) Prior-year amounts have been reclassified to conform to the change in 2025 presentation