

NEWS RELEASE

MDA SPACE REPORTS FOURTH QUARTER AND FISCAL 2025 RESULTS

- *Q4 2025 Highlights*
 - o *Backlog of \$4.0 billion at quarter-end, providing revenue visibility into 2026 and beyond*
 - o *Record¹ revenues of \$499 million, up 44% YoY*
 - o *Record adjusted EBITDA² of \$96 million, up 36% YoY*
 - o *Adjusted EBITDA margin² of 19.3%*
 - o *Adjusted net income² of \$59 million, up 67% YoY*
- *Full Year 2025 Highlights*
 - o *Record revenues of \$1,633 million, up 51% YoY*
 - o *Record adjusted EBITDA of \$324 million, up 49% YoY*
 - o *Adjusted EBITDA margin of 19.8%*
 - o *Adjusted net income of \$190 million, up 71% YoY*
 - o *Operating cash flow of \$407 million; Free cash flow² of \$165 million*
 - o *Net debt² to adjusted EBITDA ratio of 0.4x at year-end*
- *Introduction of 2026 Financial Outlook*
 - o *Revenues expected to be \$1.7 - \$1.9 billion*
 - o *Adjusted EBITDA of \$320 - \$370 million*
 - o *Adjusted EBITDA margin expected at 18% - 20%*
 - o *Capital expenditures expected to be \$225 - \$275 million*
 - o *Free cash flow expected to be neutral to negative*

Brampton, Ontario (March 4, 2026) -- MDA Space Ltd. (TSX: MDA), a trusted mission partner to the rapidly expanding global space industry, today announced its financial results for the fourth quarter and year ended December 31, 2025.

"FY2025 was another banner year of profitable growth for MDA Space, that once again delivered record revenue and adjusted EBITDA. Our \$4 billion backlog to close the year provides us with revenue visibility into 2026 and beyond. In addition, our pipeline has now increased to \$40 billion. Within this pipeline, \$10 billion includes either opportunities with government customers that have down-selected MDA Space or follow-on opportunities with existing customers. Our current backlog and pipeline provides us with confidence to continue to drive revenue growth for years to come."

"Our strong financial performance enables us to continue investing in our future. Our investments in MDA AURORA™, MDA SKYMAKER™, and MDA CHORUS™ are building the next generation of space capabilities, and we are proud to have been recognized among Canada's top 100 R&D companies, a reflection of our sustained commitment to innovation. In addition, our acquisition of SatixFy Communications vertically integrated the world's leading space-grade chip technology, and we are on track to ramp up production in one of the world's largest satellite production facilities in our class to deliver the Telesat Lightspeed and Globalstar next generation LEO constellations."

"With the acceleration of defence spending a defining dynamic in 2025, market demand for MDA Space dual-use and production-ready products and services is driving new opportunities. We are benefiting from this momentum as evidenced by our strategic partnership agreement to develop and deliver military satellite communications for Canadian forces in the Arctic, and an indefinite delivery/indefinite quantity contract from the U.S. Missile Defense Agency for the SHIELD program. Subsequently, we launched 49North, a dedicated defence tech organization exclusively focused on Canada's national defence priorities outside the space domain."

"As demand for defence and space technology, services and capabilities continues to grow globally, MDA Space is well positioned to capitalize and continue delivering profitable growth through disciplined execution of our strategy."

Mike Greenley, CEO of MDA Space

¹Record is determined based on the period since MDA Space completed its initial public offering in 2021

²As defined in the "Non-IFRS Financial Measures" section

FULL YEAR 2025 HIGHLIGHTS

- Backlog of \$4.0 billion as of December 31, 2025, provides revenue visibility for 2026 and compares to \$4.4 billion as of December 31, 2024, as a result of strong execution in converting backlog into revenue.
- Record annual revenues of \$1,633.2 million were up 51.2% year-over-year, finishing at the high end of the Company's full year revenue guidance of \$1,570 - \$1,630 million. The year-over-year increase was primarily driven by our Satellite Systems business.
- Record annual adjusted EBITDA of \$323.9 million was up 49.2% year-over-year driven by higher volumes of work performed. Adjusted EBITDA margin of 19.8% in 2025 is in line with the Company's full year margin guidance of 19%-20% and compares to 20.1% in 2024.
- Annual net income of \$108.5 million was up 36.6% year-over-year due to higher operating income. Diluted earnings per share of \$0.84 in 2025 were up 33.3% compared to 2024.
- Annual adjusted net income of \$189.9 million was up 70.9% year-over-year driven by higher operating income. Adjusted diluted earnings per share of \$1.46 in 2025 were up 65.9% year-over-year.
- Operating cash flow of \$407.5 million in 2025 compared to \$812.7 million in the prior year. The year-over-year decrease in operating cash flow was primarily driven by lower working capital contributions.
- Free cash flow of \$165.3 million in 2025 compared to \$614.8 million in 2024. The year-over-year decrease was driven by reduced operating cash flow as a result of the aforementioned lower working capital contributions as well as higher capital expenditures.
- Net debt to adjusted EBITDA ratio of 0.4x at year-end compared to (0.8)x as of December 31, 2024 as the Company completed the acquisition of SatixFy Communications Ltd.

FOURTH QUARTER 2025 HIGHLIGHTS

- Record quarter for revenues of \$499.1 million in Q4 2025 were up 44.0% year-over-year largely driven by strong contributions from our Satellite Systems business.
- Record quarter for adjusted EBITDA of \$96.2 million in Q4 2025 was up 35.7% year-over-year driven by higher volume of work as we execute on our backlog. Adjusted EBITDA margin of 19.3% in Q4 2025 was in line with the Company's full year margin guidance of 19%-20%, and compares to 20.5% margin reported in Q4 2024.
- Net income of \$24.0 million in Q4 2025 was down 4.4% year-over-year driven primarily by the impact of foreign exchange loss offset by the increase in operating income. Diluted earnings per share of \$0.18 were down 10.0% year-over-year.
- Adjusted net income of \$58.5 million in Q4 2025 was up 66.7% year-over-year primarily due to higher operating income. Adjusted diluted earnings per share of \$0.45 were up 60.7% year-over-year.
- Operating cash flow was \$50.6 million in Q4 2025 compared to \$375.8 million in Q4 2024. The year-over-year decrease in operating cash flow was primarily driven by lower working capital contributions.

2026 FINANCIAL OUTLOOK

As a trusted mission partner and leading global space technology provider, we are leveraging our capabilities and expertise to execute on targeted growth strategies across our end markets and business areas. Our strategic initiatives, which span across our three businesses, include investing in next generation space technology and services, expanding our presence in attractive markets and geographies, scaling and expanding operations, skills, and talent to meet current and future market demand, leveraging strategic mergers and acquisitions to complement organic growth, and continuing to position ourselves as Canada's national defence and space champion and a trusted supplier to partners and allies globally. We continue to make good progress against our long-term strategic plan.

MDA Space is well positioned to capitalize on strong customer demand and robust market activity given our diverse and proven technology offerings. Our growth pipeline is significant and underpinned by existing and new programs and our book of business is healthy.

Our fiscal 2026 outlook consists of the following:

- Revenues of \$1.7 - \$1.9 billion, representing year-over-year growth of approximately 10% at the mid-point of guidance
- Adjusted EBITDA of \$320 - \$370 million, representing year-over-year growth of approximately 7% at the mid-point of guidance
- Adjusted EBITDA margin of 18% - 20%
- Capital expenditures of \$225 - \$275 million to support another year of investments related to the production expansion at our Montreal facility and investments in chip development
- Free cash flow to be neutral to negative driven by normal program working capital fluctuations

FINANCIAL OVERVIEW

KEY INDICATORS SUMMARY

(in millions of Canadian dollars, except per share data)	Three Months Ended		Years Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Revenues	\$ 499.1	\$ 346.6	\$ 1,633.2	\$ 1,080.1
Gross profit	127.1	81.9	409.7	281.7
Gross margin	25.5%	23.6%	25.1%	26.1%
Adjusted EBITDA	96.2	70.9	323.9	217.1
Adjusted EBITDA margin	19.3%	20.5%	19.8%	20.1%
Adjusted Net Income	58.5	35.1	189.9	111.1
Adjusted Diluted EPS	\$ 0.45	\$ 0.28	\$ 1.46	\$ 0.88

(in millions of Canadian dollars, except for ratios)	As at	
	December 31, 2025	December 31, 2024
Backlog	\$ 4,012.9	\$ 4,385.5
Net debt ³ to Adjusted TTM ⁴ EBITDA ratio	0.4x	(0.8)x

³As defined in the 'Non-IFRS Financial Measures' section

⁴TTM: trailing twelve months

REVENUES BY BUSINESS AREA

	Three Months Ended		Years Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<i>(in millions of Canadian dollars)</i>				
Geointelligence	\$ 62.00	\$ 47.40	\$ 214.40	\$ 202.10
Robotics & Space Operations	65.7	64.7	309.3	279.8
Satellite Systems	371.4	234.5	\$ 1,109.5	598.2
Consolidated revenues	\$ 499.10	\$ 346.60	\$ 1,633.20	\$ 1,080.10

Revenues

Consolidated revenues for the fourth quarter of 2025 were \$499.1 million, representing an increase of \$152.5 million (or 44.0%) from the fourth quarter of 2024. The year-over-year increase in revenues was primarily driven by higher volumes of work performed in our Satellite Systems business, including the impact of the EchoStar termination agreement.

By business area, revenues in Geointelligence for the fourth quarter of 2025 were \$62.0 million, which represents an increase of \$14.6 million (or 30.8%) from the same period in 2024 due to volume of work on programs. Revenues in Robotics & Space Operations for the fourth quarter of 2025 were \$65.7 million, which represents an increase of \$1.0 million (or 1.5%) from the same period in 2024. Revenues in Satellite Systems for the fourth quarter of 2025 were \$371.4 million, which represents an increase of \$136.9 million (or 58.4%) from the same period in 2024 driven by the increase in volume of work on the Telesat Lightspeed program and the Globalstar next generation LEO constellation program, and the impact of the EchoStar termination agreement.

Consolidated revenues for the years ended December 31, 2025 were \$1,633.2 million, representing an increase of \$553.1 million (or 51.2%) from the same period of 2024. The year-over-year increase in revenues was driven by higher volumes of work performed, primarily in our Satellite Systems business.

By business area, revenues in Geointelligence for the year ended December 31, 2025 were \$214.4 million, which represents an increase of \$12.3 million (or 6.1%) from the same period in 2024 due to volume of work on programs. Revenues in Robotics & Space Operations for the year ended December 31, 2025 were \$309.3 million, which represents an increase of \$29.5 million (or 10.5%) from the same period in 2024. The year-over-year increase is primarily driven by the higher volume of work performed on the Canadarm3 program as volume of work on Phase C activity increased throughout the year. Revenues in Satellite Systems for the year ended December 31, 2025 were \$1,109.5 million, which represents an increase of \$511.3 million (or 85.5%) from the same period in 2024 driven by the increased volume of work on the Telesat Lightspeed program and the Globalstar next generation LEO constellation program.

Gross Profit and Gross Margin

Gross profit reflects our revenues less cost of revenues. Q4 2025 gross profit of \$127.1 million represents a \$45.2 million (or 55.2%) increase over Q4 2024 driven by higher volumes of work performed in our Satellite Systems and and Geointelligence businesses. Gross margin in Q4 2025 was 25.5%, which is in line with the Company's expectations, and compares to a gross margin of 23.6% in Q4 2024.

For the years ended December 31, 2025, gross profit of \$409.7 million represents a \$128.0 million (or 45.4%) increase over 2024 levels driven primarily by higher volumes of work performed in our Satellite Systems business. Gross margin for the years ended December 31, 2025 was 25.1% which is in line with the Company's expectations and compares to 26.1% in 2024. The year-over-year change in gross margin is driven by evolving program mix.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA for the fourth quarter of 2025 was \$96.2 million compared with \$70.9 million for the fourth quarter of 2024, representing an increase of \$25.3 million (or 35.7%) year-over-year driven by higher work volumes as we continue to convert our backlog. Adjusted EBITDA margin was 19.3% in the fourth quarter of 2025 compared to 20.5% adjusted EBITDA margin reported in the fourth quarter of 2024. The decline in margins quarter over quarter are attributable to our changing mix of programs and the impact of realized foreign exchange recognized in the quarter.

Adjusted EBITDA for the years ended December 31, 2025 was \$323.9 million compared with \$217.1 million for the same period in 2024, representing an increase of \$106.8 million (or 49.2%) year-over-year. The improvement was driven by higher volumes of work performed year-over-year. Adjusted EBITDA margin was 19.8% for the years ended December 31, 2025 compared with 20.1% in 2024 driven by evolving program mix and the impact of realized foreign exchange recognized in year.

Adjusted Net Income

Adjusted net income for the fourth quarter of 2025 was \$58.5 million compared with \$35.1 million for the fourth quarter of 2024, representing an increase of \$23.4 million (or 66.7%) year-over-year primarily driven by higher operating income in the quarter.

Adjusted net income for the years ended December 31, 2025 was \$189.9 million compared with \$111.1 million for the same period in 2024, representing an increase of \$78.8 million (or 70.9%) year-over-year largely due to higher operating income in 2025.

Backlog

Backlog is comprised of our remaining performance obligations which represents the transaction price of firm orders less inception to date revenue recognized and excludes unexercised contract options and indefinite delivery or indefinite quantity contracts. Backlog as at December 31, 2025 was \$4,012.9 million, a decrease of \$372.6 million compared with the backlog at December 31, 2024 driven by continued conversion of our backlog into revenue. The following table shows the build up of backlog for the three months and years ended December 31, 2025 as compared with the same periods in 2024.

	Three Months Ended		Years Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<i>(in millions of Canadian dollars)</i>				
Opening Backlog	\$ 4,392.8	\$ 4,578.1	\$ 4,385.5	\$ 3,097.0
Less: Revenue recognized	(499.1)	(346.6)	(1,633.2)	(1,080.1)
Add: Order Bookings	119.2	154.0	1200.1	2,368.6
Add: Adjustments ⁽⁵⁾	0.0	0.0	60.5	—
Ending Backlog	\$ 4,012.9	\$ 4,385.5	\$ 4,012.9	\$ 4,385.5

⁽⁵⁾ Backlog adjustment arising from the inclusion of the opening backlog of recently acquired SatixFy Communications Ltd. (acquisition completed on July 2, 2025)

CONFERENCE CALL AND WEBCAST

MDA Space will host a conference call and webcast to discuss these financial results on Wednesday, March 4, 2026 at 8:30 a.m. ET. Interested parties can join the call by dialing 416-945-7677 (Toronto area) or 1-888-699-1199 (toll-free North America) or +44-800-279-7040 (toll-free United Kingdom) and entering the conference ID 48399. A live webcast of the conference call and an accompanying slide presentation will be available at <https://mda-en.investorroom.com/events-presentations>.

A replay of the webcast will be archived on the MDA Space Investor Relations website following the call. Parties may also access a recording of the call which will be available until March 11, 2026, by dialing 1-888-660-6345 and entering the passcode 48399 #.

NON-IFRS FINANCIAL MEASURES

This press release refers to certain non-IFRS measures. These measures are not recognized measures under IFRS Accounting Standards as issued by the International Accounting Standards Board (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. Accordingly, the measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use non-IFRS measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Earnings per Share, 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 define EBITDA as net income (loss) before: i) depreciation and amortization expenses, ii) provision for (recovery of) income taxes, and iii) finance costs. Adjusted EBITDA is calculated by adding to and deducting from EBITDA, as applicable, certain expenses, costs, charges or benefits incurred which in management's view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including i) unrealized foreign exchange gain or loss, ii) unrealized gain or loss on financial instruments, and iii) share-based compensation expenses, and iv) other items that may arise from time to time. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenue. Adjusted Net Income is calculated by adding to and deducting from net income, as applicable, certain expenses, costs, charges or benefits incurred which in management's view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including i) amortization of intangible assets related to business combinations, ii) unrealized foreign exchange gain or loss, iii) unrealized gain or loss on financial instruments, iv) share-based compensation expenses, and v) other items that may arise from time to time. Adjusted Earnings per Share represents Adjusted Net Income divided by the weighted average number of shares outstanding. Order Bookings is the dollar sum of contract values of firm customer contracts. Order Bookings is indicative of firm future revenues; however, it does not provide a guarantee of future net income and provides no information about the timing of future revenue. Net Debt is the total carrying amount of long-term debt including current portions, as presented in the 2025 Audited Financial Statements, less cash and excluding any lease liabilities. Net Debt is a liquidity metric used to determine how well the Company can pay its debt obligations if they were due immediately. Free Cash Flow is a supplemental measure used by Management and other users of the financial statements to monitor the availability of discretionary cash generated, and available to the Company to repay debt, make strategic investments, and meet other payment obligations. We define Free Cash Flow as operating cash flows less net capital expenditures.

FORWARD-LOOKING STATEMENTS

This news release contains certain statements that may constitute "forward-looking information" within the meaning of applicable securities laws ("forward-looking statements"), including but not limited to statements relating to our financial position, business and growth strategies and our revenue pipeline. When used in this news release, forward-looking statements often but not always, can be identified by the use of forward-looking words such as, including but not limited to, "may", "will", "would", "should", "expect", "believe", "intend", "future" and other similar terminology or the negative or inverse of such words or terminology. Forward-looking statements 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, including but not limited to: pipeline opportunities resulting in awarded contracts and realized revenue; retention of material customers; successful execution of our business strategies; consistent and stable economic conditions or conditions in financial markets; government priorities and the growth in the global space industry being consistent with expectations; consistent and stable legislation in the various countries in which we operate; and continued availability of qualified personnel.

Forward-looking statements are also subject to risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation: economic, political and geopolitical conditions; catastrophic space events, natural disasters and other significant disruptions; policies, priorities, mandates and funding levels of governmental entities; the termination of customer contracts; our revenue pipeline not resulting in firm contracts or realized revenue; cybersecurity risks; tariffs or other international trade disputes; the loss, failure or performance degradation of RADARSAT-2; revenue concentration in a small number of contracts; the failure to successfully implement our growth strategy; supplier risks; our ability to develop new technology; our ability to attract, retain and retain employees; and the other risks and uncertainties detailed under the “Risk Factors” section of the Company’s annual information form dated March 4, 2026. 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 statements. There are a number of additional risks and uncertainties affecting or that could affect MDA Space, which could cause actual results and developments to differ materially from those described in, expressed or implied by these forward-looking statements. Accordingly, readers should not place undue reliance on any forward-looking statements or information. These forward-looking statements speak only as of the date of this news release. Except as required by law, MDA Space is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Certain information in this news release, including the section entitled “2026 Financial Outlook”, may be considered as “financial outlook” or “future-oriented financial information” within the meaning of applicable securities laws. The purpose of this financial outlook or future-oriented financial information is to provide readers with disclosure regarding MDA Space’s reasonable expectations as to the anticipated results of its proposed business activities for the period indicated. Readers are cautioned that the financial outlook or future-oriented financial information may not be appropriate for other purposes.

ABOUT MDA SPACE

Building the space between proven and possible, MDA Space (TSX:MDA) is a trusted mission partner to the global defence and space industry. A robotics, satellite systems and geointelligence pioneer with a 55-year+ story of world firsts and more than 450 missions, MDA Space is a global leader in communications satellites, Earth and space observation, and space exploration and infrastructure. The global MDA Space team of more than 4,000 space experts has the knowledge and know-how to turn an audacious customer vision into an achievable mission – bringing to bear a one-of-a-kind mix of experience, engineering excellence and wide-eyed wonder that’s been in our DNA since day one. For those who dream big and push boundaries on the ground and in the stars to change the world for the better, we’ll take you there. For more information, visit www.mda.space.

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MDA Space Ltd.

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2025 and 2024

(In millions of Canadian dollars except per share figures)

Year ended December 31	2025	2024
Revenue	\$ 1,633.2	\$ 1,080.1
Cost of revenue		
Materials, labour and subcontractors	(1,168.6)	(754.6)
Depreciation and amortization of assets	(54.9)	(43.8)
Gross profit	409.7	281.7
Operating expenses		
Selling, general and administration	(111.5)	(78.6)
Research and development, net	(38.1)	(36.9)
Amortization of intangible assets	(84.6)	(47.0)
Share-based compensation	(17.7)	(12.4)
Operating income	157.8	106.8
Other income (expenses)		
Unrealized gain (loss) on financial instruments	5.0	1.2
Foreign exchange gain	(2.2)	17.5
Finance income	7.8	7.0
Finance costs	(17.0)	(28.0)
Other income	1.0	6.5
Income before taxes	152.4	111.0
Income tax expense	(43.9)	(31.6)
Net income	108.5	79.4
Other comprehensive income		
Gain (loss) on translation of foreign operations	0.9	(1.2)
Gain on cash flow hedges (net of tax recovery of nil in 2025 and \$0.4 in 2024)	—	1.0
Remeasurement gain on defined benefit plans (net of tax expense of \$1.6 in 2025 and \$1.8 in 2024)	4.7	5.1
Total comprehensive income	\$ 114.1	\$ 84.3
Earnings per share:		
Basic	\$ 0.87	\$ 0.66
Diluted	0.84	0.63
Weighted-average common shares outstanding:		
Basic	124,247,299	120,088,519
Diluted	129,711,641	126,049,042

MDA Space Ltd.
Consolidated Statement of Financial Position
December 31, 2025 and 2024
(In millions of Canadian dollars)

As at	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash	\$ 152.0	\$ 166.7
Trade and other receivables	145.3	75.9
Unbilled receivables	187.5	250.1
Inventories	23.5	8.1
Income taxes receivable	52.9	54.0
Other current assets	53.3	71.7
	614.5	626.5
Non-current assets:		
Property, plant and equipment	649.6	496.6
Right-of-use assets	114.5	115.4
Intangible assets	876.7	580.0
Goodwill	800.4	441.0
Equity-accounted investees	11.3	—
Deferred income tax assets	10.0	9.9
Other non-current assets	279.2	328.1
	2,741.7	1,971.0
Total assets	3,356.2	2,597.5
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	391.4	248.7
Income taxes payable	11.0	1.9
Contract liabilities	798.9	761.3
Current portion of net employee benefit payable	77.1	60.2
Current portion of lease liabilities	20.2	16.2
Other current liabilities	19.2	2.7
	1,317.8	1,091.0
Non-current liabilities:		
Net employee defined benefit payable	23.4	23.7
Lease liabilities	118.9	120.6
Long-term debt	272.0	—
Deferred income tax liabilities	245.7	185.4
Other non-current liabilities	23.4	0.8
	683.4	330.5
Total liabilities	2,001.2	1,421.5
Shareholders' equity		
Common shares	1,042.7	975.8
Contributed surplus	36.0	38.0
Accumulated other comprehensive income	29.1	23.5
Retained earnings	247.2	138.7
Total equity	1,355.0	1,176.0
Total liabilities and equity	\$ 3,356.2	\$ 2,597.5

MDA Space Ltd.

Consolidated Statement of Cash Flows

For the years ended December 31, 2025 and 2024

(In millions of Canadian dollars)

Year ended December 31	2025	2024
Cash flows from operating activities		
Net income	\$ 108.5	\$ 79.4
Items not affecting cash:		
Income tax expense	43.9	31.6
Depreciation of property, plant, and equipment	29.0	19.8
Depreciation of right-of-use assets	13.3	11.9
Amortization of intangible assets	98.3	59.3
Gain on disposal of assets	—	(5.8)
Write-down of assets	—	3.3
Equity-settled share-based compensation	12.8	10.4
Investment tax credits accrued	(46.1)	(42.6)
Finance costs, net	9.2	21.0
Unrealized gain on financial instruments	(5.0)	(1.2)
Changes in operating assets and liabilities	154.3	636.5
	418.2	823.6
Interest paid	(15.0)	(25.4)
Income tax received, net	4.3	14.5
Net cash generated in operating activities	407.5	812.7
Cash flows from investing activities		
Purchases of property and equipment	(175.3)	(141.2)
Purchases/development of intangible assets	(100.1)	(63.7)
Government grants on capital expenditure	33.2	7.0
Proceeds from disposal of assets	0.2	7.4
Acquisition of subsidiaries, net of cash	(362.6)	(27.3)
Investment in equity securities	—	(9.2)
Investment in equity-accounted associate	(10.0)	—
Net cash used in investing activities	(614.6)	(227.0)
Cash flows from financing activities		
Proceeds from senior credit facility	395.0	110.0
Proceeds from issuance of senior unsecured notes	250.0	—
Repayments of loans from financial institutions	(468.2)	(550.0)
Transaction costs related to loans and borrowings	(8.3)	—
Payment of lease liability (principal portion)	(10.2)	(7.9)
Payments on SatixFy warrants	(12.0)	—
Proceeds from stock options exercised	50.0	11.8
Net cash generated in financing activities	196.3	(436.1)
Net increase (decrease) in cash	(10.8)	149.6
Net foreign exchange difference on cash	(3.9)	(5.4)
Cash, beginning of period	166.7	22.5
Cash, end of period	\$ 152.0	\$ 166.7

RECONCILIATION OF NON-IFRS MEASURES

The following table provides a reconciliation of net income to EBITDA, adjusted EBITDA, and adjusted net income:

	Three Months Ended		Years Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<i>(in millions of Canadian dollars)</i>				
Net income	\$ 24.0	\$ 25.1	\$ 108.5	\$ 79.4
Depreciation and amortization of assets	15.0	12.7	56.0	43.8
Amortization of intangible assets related to business combination	31.3	11.5	84.6	47.0
Income tax expense	8.5	11.3	43.9	31.6
Finance income	(0.7)	(3.3)	(7.8)	(7.0)
Finance costs	3.6	9.6	17.0	28.0
EBITDA	\$ 81.7	\$ 66.9	\$ 302.2	\$ 222.8
Unrealized foreign exchange gain	15.3	(3.6)	(2.3)	(14.0)
Unrealized loss (gain) on financial instruments	(7.0)	—	(5.0)	(1.2)
Gain on disposal of assets	—	—	—	(5.8)
Acquisition, integration and reorganization costs	2.7	1.6	16.2	1.6
Equity-settled share-based compensation	3.5	2.7	12.8	10.4
Adjusted EBITDA	\$ 96.2	\$ 70.9	\$ 323.9	\$ 217.1

	Three Months Ended		Years Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<i>(in millions of Canadian dollars except for adjusted earnings per share)</i>				
Net income	\$ 24.0	\$ 25.1	\$ 108.5	\$ 79.4
Amortization of intangible assets related to business combination	31.3	11.5	84.6	47.0
Impairment of assets	—	3.3	—	3.3
Acquisition, integration and reorganization costs	2.7	1.6	16.2	1.6
Gain on disposal of assets	—	—	—	(5.8)
Unrealized gain on financial instruments	(7.0)	—	(5.0)	(1.2)
Net foreign exchange loss (gain)	17.4	(8.8)	2.2	(17.5)
Embedded derivative effects	(0.9)	(1.4)	—	0.8
Hedge derecognition cost	—	4.7	—	4.7
Equity-settled share-based compensation	3.5	2.7	12.8	10.4
Income taxes related to the above items ⁽¹⁾	(12.5)	(3.6)	(29.4)	(11.6)
Adjusted net income	\$ 58.5	\$ 35.1	\$ 189.9	\$ 111.1
Weighted average number of shares outstanding - diluted	130,025,960	127,435,524	129,711,641	126,049,042
Adjusted earnings per share - diluted	\$ 0.45	\$ 0.28	\$ 1.46	\$ 0.88

⁽¹⁾ Statutory income tax rate of 26.5% applied