Telesat Lightspeed
ESCP-P Contract Announcement
Business Plan Update

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Disclosures

Note: unless otherwise stated, all values included are in United States dollars.

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The forward-looking statements also contain future-oriented financial information and information which could be considered to be in the nature of a financial outlook (together with the future-oriented financial information, "FOFI"), which involves statements about Telesat's prospective financial performance, financial position or cash flows, including, but not limited to, market growth, revenue projections, and capital expenditures. All FOFI contained in this Presentation is subject to the same assumptions, risks, limitations and qualifications as set forth above. All FOFI included in this Presentation is provided for the purpose of helping readers understand Telesat's current expectations and plans for the future. Readers are cautioned that reliance on FOFI may not be appropriate for other purposes or in other circumstances. The actual results of Telesat's operations will likely vary from the amounts set forth in any financial outlook and such variances may be material.
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Telesat secures largest contract in company history to deliver Mil-Ka portion of Enhanced Satellite Communications Project–Polar (ESCP-P) program

US$1.9B contract with the Government of Canada; US$1.5B paid by 2028

Expand initial constellation to 225 satellites funded by milestone-based payments

Mil-Ka capacity in the Arctic north of the 65th parallel for 15 years

Further announcements expected in Mil-Ka and for X and UHF capabilities

Note: All figures in US$ unless otherwise noted

ESCP-P substantially increases Telesat Lightspeed's capacity with no impact to timing of global commercial availability

156 Satellites → **225** Satellites

- **Fully funded**
- **Launch vehicles secured**[1]
- **Enhanced capacity, resiliency and performance**
- **No change to global service start date (1Q28)**

[1]Includes one additional Falcon 9 rocket that remains subject to the completion of a launch services agreement.

Expanded Telesat Lightspeed constellation is fully-funded

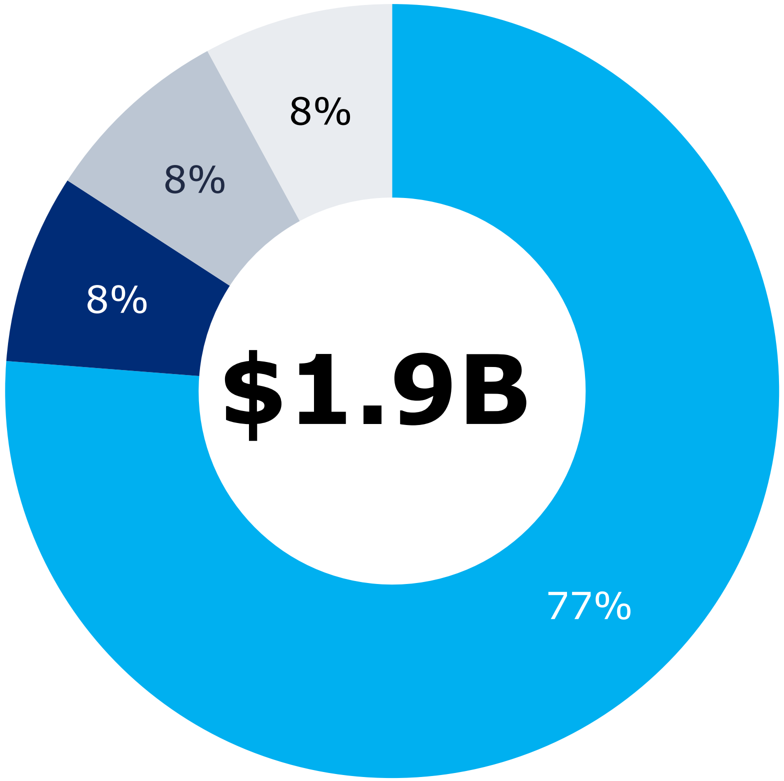
Sources of Funds (US$)	
Telesat Equity (fully funded)	$1.6B
Government Financing	$1.8B
Vendor Financing	$0.3B
ESCP-P Milestone-Based Payments	$1.5B
Total Sources of Funding for 225 Satellite Constellation	**~$5.2B**

Uses of Funds (US$)	
Launch and Development of 225 Satellites	$4.0B
Operational Expenditures	$0.7B
Total Constellation Costs	**$4.7B**
Contingency	$0.5B
Total 225 Satellite Constellation Investment	**~$5.2B**

$2.0B spent as of 1Q26; $3.2B available, consisting of: LEO cash ($0.2B), undrawn GoC/GoQ financing ($1.2B), undrawn vendor financing ($0.3B), ESCP-P milestone-based payments ($1.5B).

Cash impact of this initial ESCP-P contract

ESCP-P Initial Contract Expected Cash Inflow (US$) 2026 – 2043 for Initial Operating Capability



Milestone-based payments (2026-2028)

Initial Five-Year Term (2027-33)

First Option (2033-38)

Second Option (2038-43)

Total cash expected: US$1.9B
Milestone-based payments (26-28): US$1.5B

Projected annual cash inflow: US$30M per year for 15 years (initial 5-year contract and two 5-year options)

15-Year Service Contract
Agreement to provide Mil-Ka connectivity services in the high Arctic for 15 years, including option years, starting in 2028.

Substantial additional revenues are expected for Mil-Ka implementation as well as X and UHF band development and deployment

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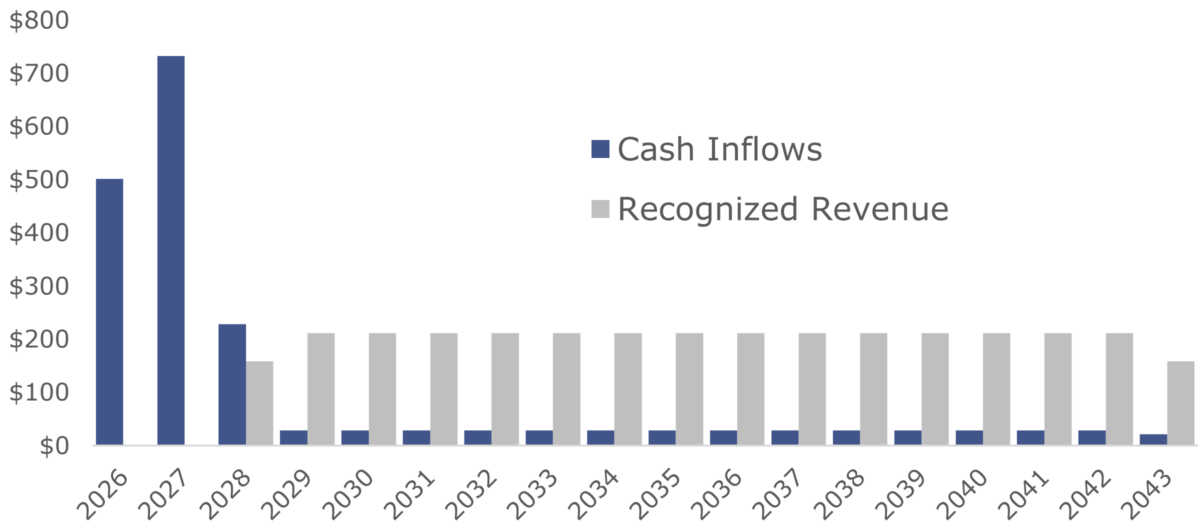
Note: Figures may not add due to rounding.

This initial ESCP-P contract adds US$3.3B to the Telesat Lightspeed backlog, reflecting expected recognized revenue through 2043

ESCP-P Initial Contract Expected Cash Inflows and Recognized Revenue, 2026-2043 (US$M)



Total Milestone Based Cash Payments (2026-2028)	US$1.5B
Total Annual Cash Payments (2028-2043)	US$0.4B
Total Cash Inflows	**US$1.9B**
Total Non-Cash Revenue	US$1.4B
Total Addition to Backlog	**US$3.3B**

- Milestone-based payments at the beginning of the contract represent over ¾ of the total cash proceeds
- Accounting standards require us to incorporate a financing component when determining the revenue to be recognized under this agreement. In total, we expect to recognize approximately $1.4B in non-cash revenue over the life of the contract.

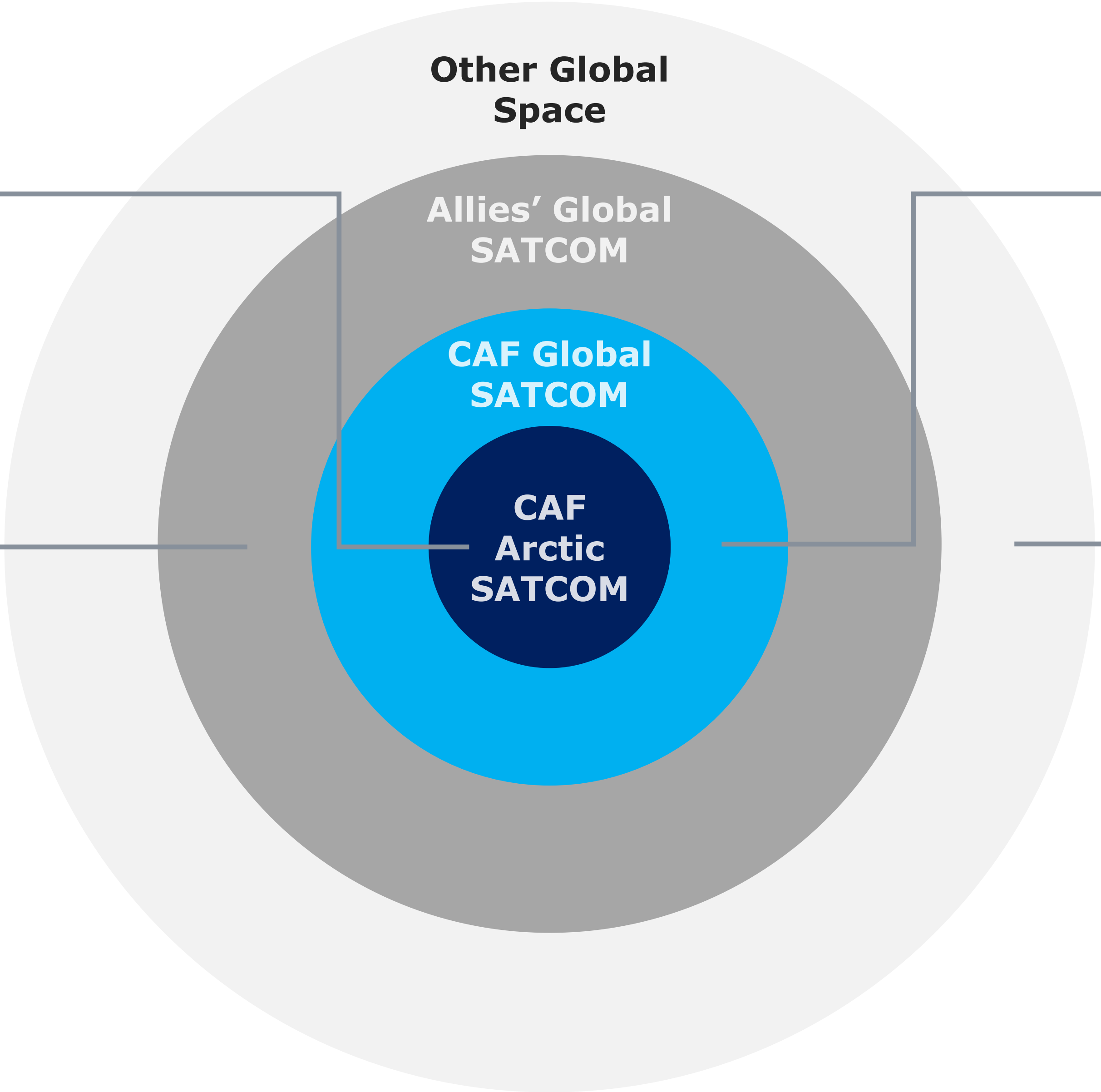
ESCP-P strongly positions Telesat to capture other key future defence opportunities

CAF Arctic SATCOM

Execute on ESCP-P requirements for Arctic Mil-Ka, X, and UHF

CAF Global SATCOM

Opportunity to provide CAF with global Mil-Ka connectivity



Allies' Global SATCOM

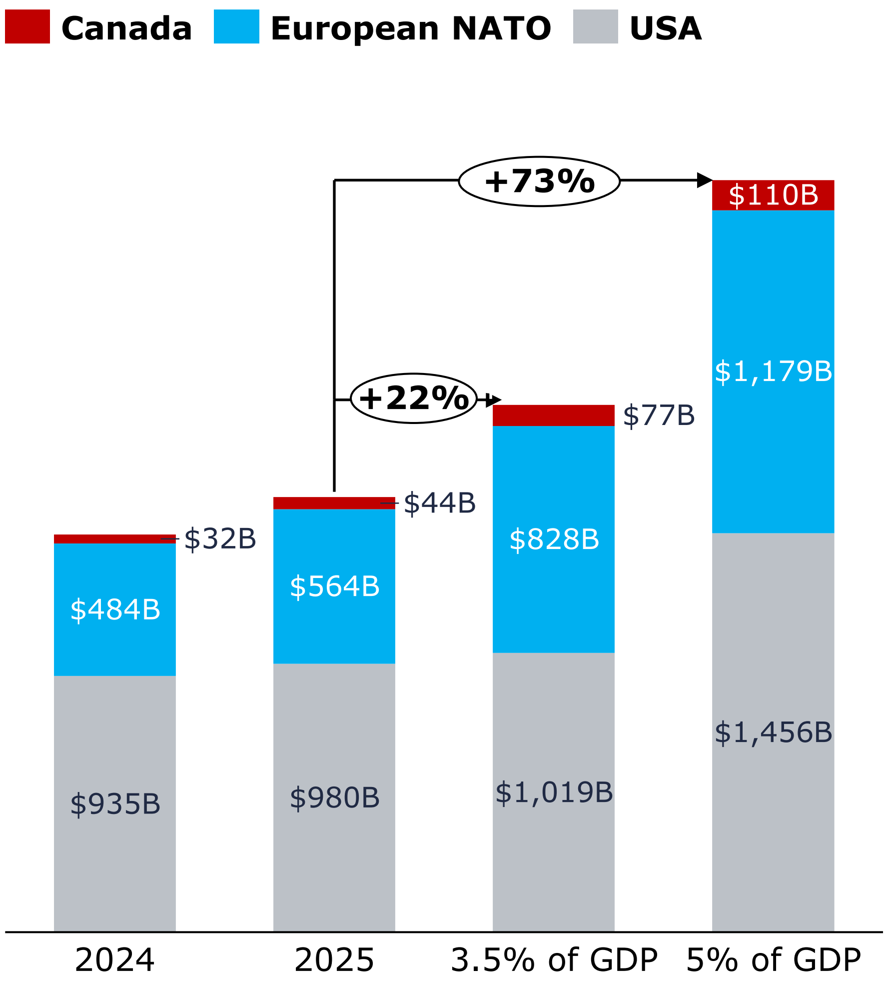
Support SATCOM requirements of key allies and partners

Other Global Space

Meet requirements for other space-based capabilities (e.g., space relay)

Global defence spending at record highs, driving opportunities in Canada and internationally

NATO Defence Spending Scenarios
US$, Current GDP



- NATO members committed to significantly increase defence spending to 5% of GDP by 2035
  - 3.5% dedicated to core military requirements
  - 1.5% allocated towards security-related infrastructure
- Achieving 3.5% and 5% of GDP will require NATO spending uplift of approximately US$350B and US$1.15T, respectively, at 2025 GDP figures, a 22% and 73% increase from 2025 levels, respectively
- Spending increases towards meeting 5% will be disproportionately driven by Canada (US$66B) and Europe (US$616B)

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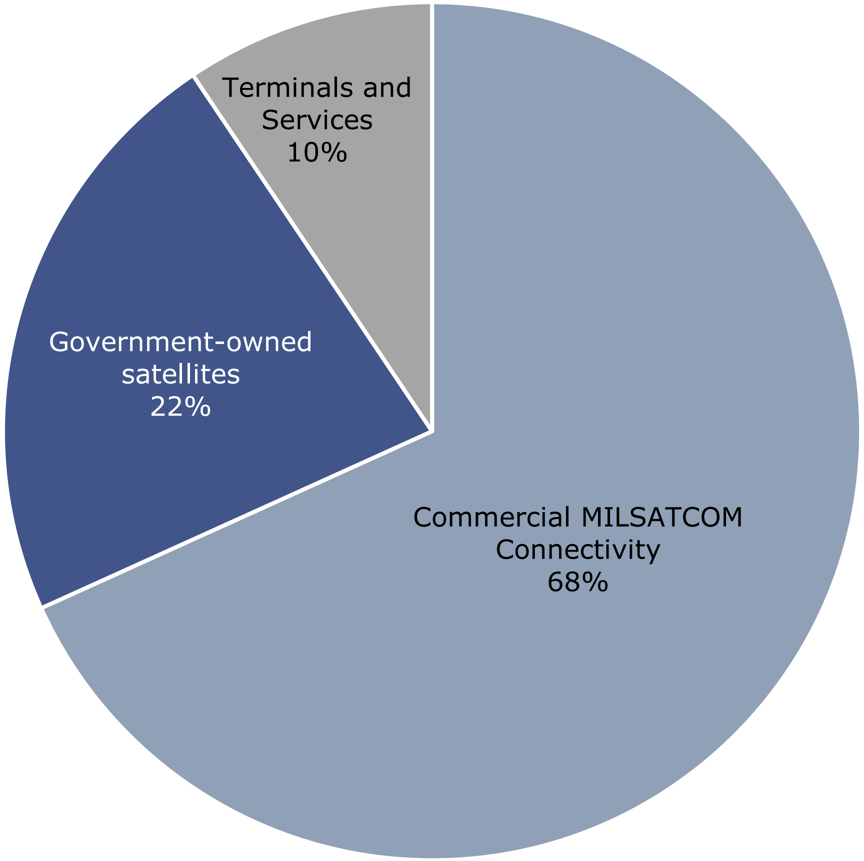
Calculated based on 2024 GDP numbers for NATO nations

Demand for Military SATCOM is growing at an unprecedented pace, with strong demand for high-bandwidth LEO Mil-Ka capacity

US$43B Defence Broadband Connectivity TAM



Users are increasingly seeking LEO Military-Ka (Mil-Ka) capacity due to several advantages:

Higher data rates to meet growing bandwidth requirements (e.g., Command & Control, multi-sensors, real-time video, etc.)

Multi-platform support for a wide range of military assets across domains (air, land, sea)

Sovereign infrastructure to underpin military adoption of AI and digital tools

Exclusive for government use in key jurisdictions

Telesat Lightspeed: Plan Update

Telesat Lightspeed on track for Q1 2028 commercial launch

225

Fully funded satellites; launches secured[1]

$4B

Backlog secured

$2B

Invested to date

- Satellites ordered
- Launch dates secured
- Manufacturing facility opened
- Ground segment rollout ongoing
- Pathfinder satellites under construction
- Global service 1Q28

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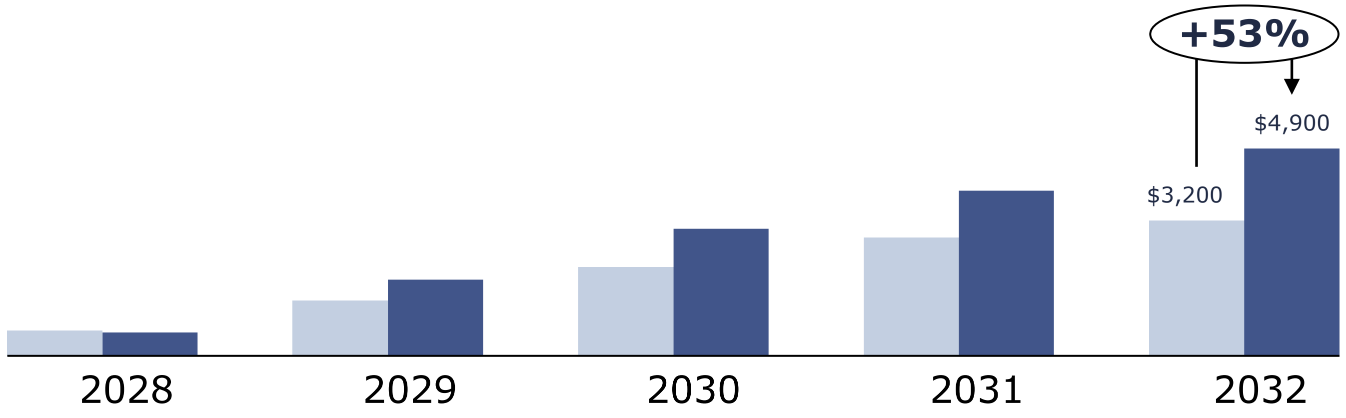
[1]Includes one additional Falcon 9 rocket that remains subject to the completion of a launch services agreement.

Business Plan Update Summary
Expanded Telesat Lightspeed constellation grows revenue and EBITDA

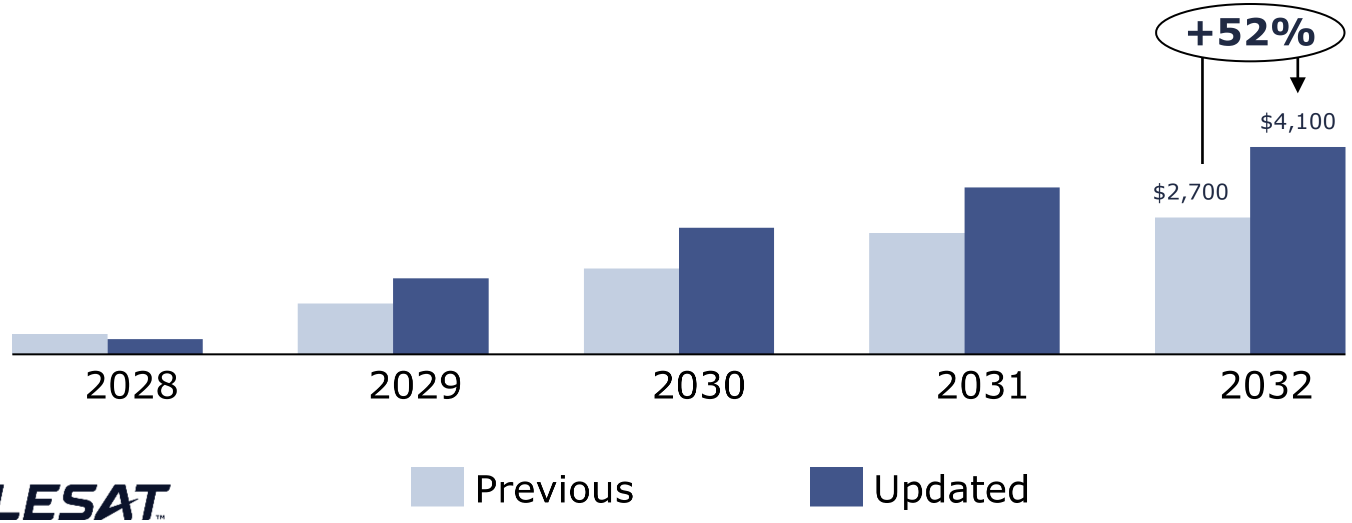
Forecasted Revenue, 2028-2032 (US$M)

Inclusive of all connectivity revenues (Mil-Ka, ESCP-P, and Space Relay)



Forecasted EBITDA, 2028-2032 (US$M)

Inclusive of all connectivity revenues (Mil-Ka, ESCP-P, and Space Relay)



$4.9B

2032 Forecast Revenue

$4B / ~39%

Cumulative increase over prior plan (2028-2032)

$4.1B

2032 Forecast EBITDA

EBITDA margin profile comparable to prior forecasts

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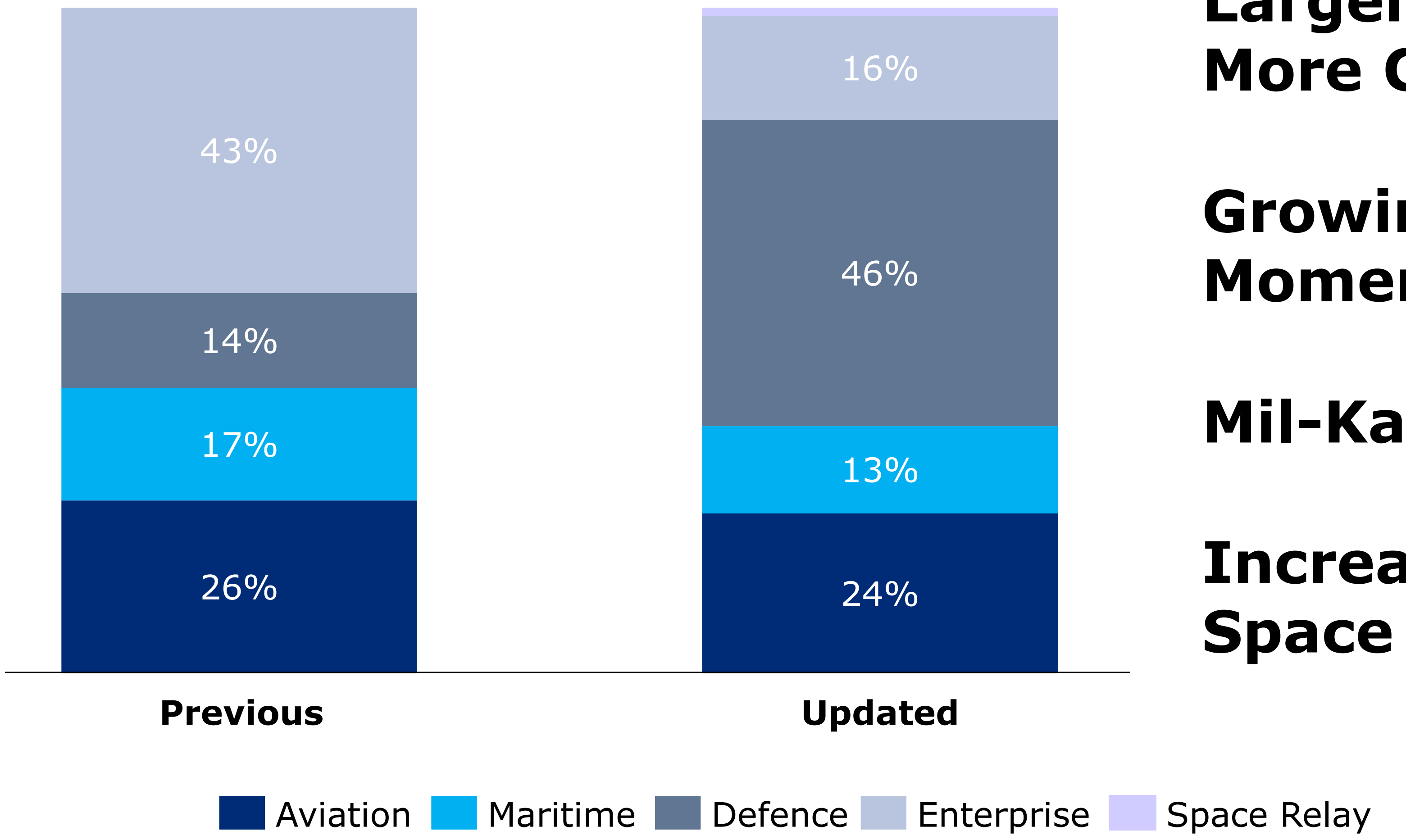
Updated Telesat Lightspeed revenue mix (2032) reflects changed geopolitical context and addition of Mil-Ka

2032 Forecasted Share of Revenue By Segment



Larger Constellation & More Capacity

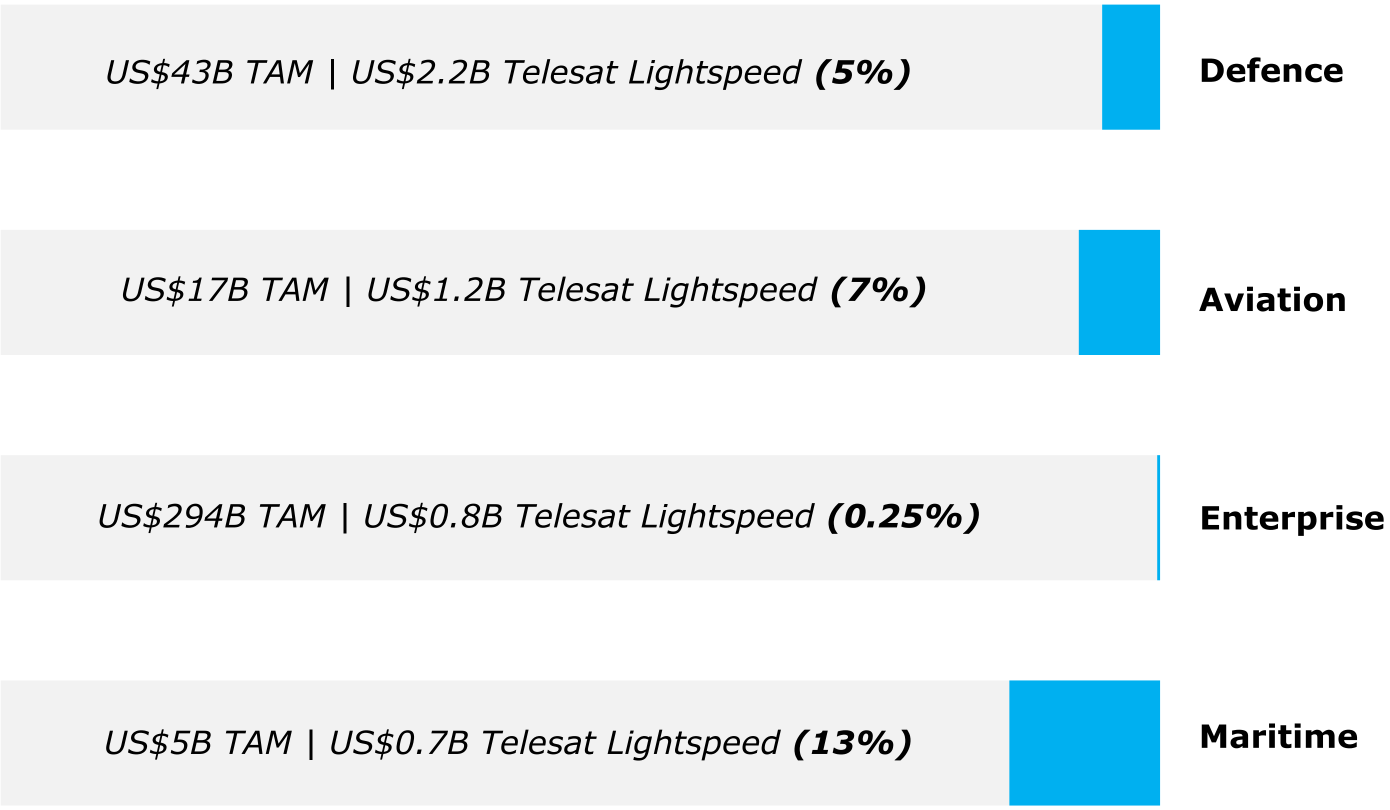
Growing Government Momentum & Investment

Mil-Ka as Differentiator

Increased Demand for Space Relay

Telesat Lightspeed’s 2032 TAM exceeds US$359B, up from prior $320B estimate

Telesat’s 2032 % share of TAM



$4.9B

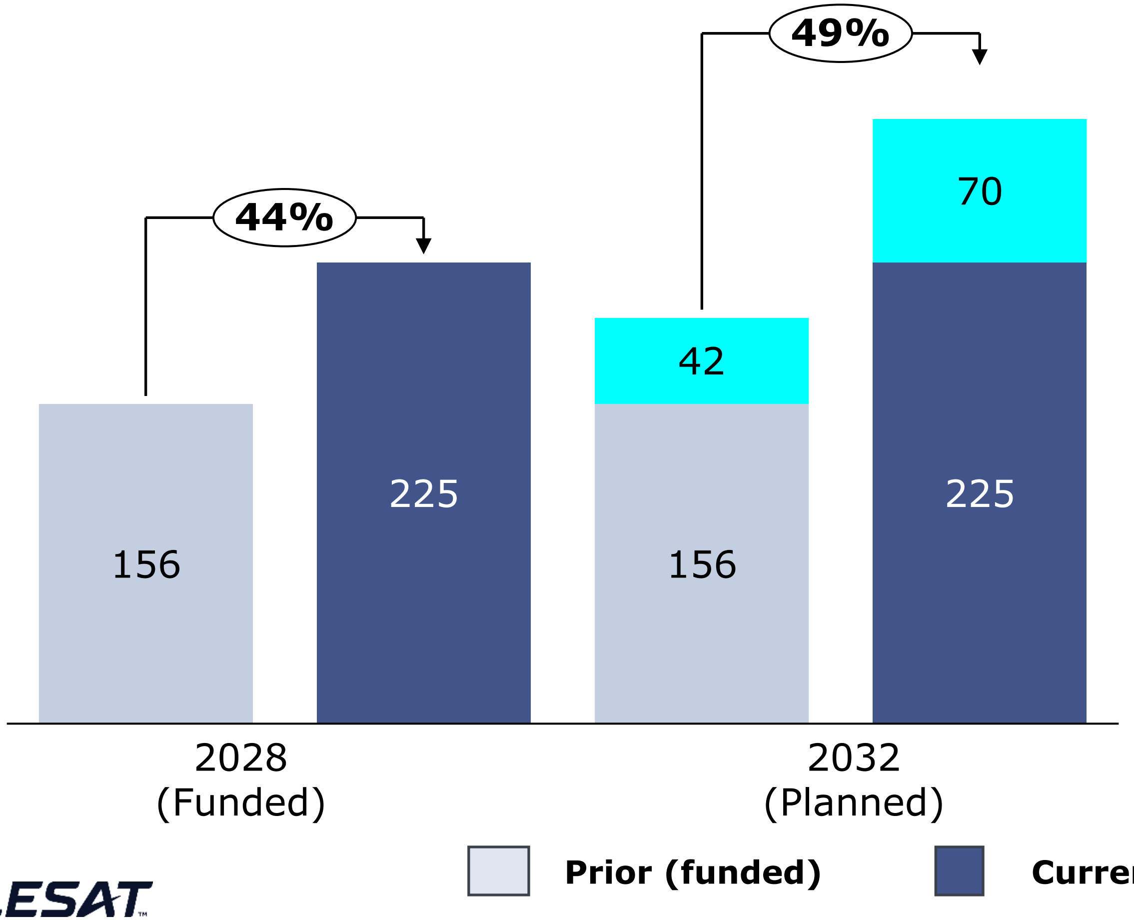
In Forecast 2032 Revenue

1.3%

Total Addressable Market Share

Accelerating plans for Telesat Lightspeed constellation expansion

Telesat Lightspeed Constellation Size



- Telesat Lightspeed is now planned to have 225 highly advanced satellites in 2028 (fully funded)
- Prior plan was for 156 satellites, with an additional 42 satellites funded with future cash flows from the initial constellation
- Telesat had planned on adding further satellites beyond the 198 planned; current demand forecasts have pulled those planned additions forward into 2032, but no capex has been committed at this time

Telesat is strongly positioned to execute its growth plan and create significant shareholder value

57 years of innovation, industry firsts, engineering excellence and world class customer service have made us a trusted provider of mission-critical, enterprise-grade communications services

Current geopolitical environment and increased global defence spending create strong demand for advanced LEO networks

Telesat Lightspeed is optimized to meet fast-growing requirements of enterprise and government users

Telesat Lightspeed is fully funded with US$4B contractual backlog

Telesat has the strong support of Canada's Federal and Provincial governments

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