

**Report of Recipient's Progress
on Economic Development Assistance Agreement**
Province of Nova Scotia

*(subsection 5(2) of the Accountability in Economic Development Assistance Act, and
the Accountability in Economic Development Assistance Regulations)*

Under the Act, the Minister is responsible for publishing a report that documents the progress made by a recipient of economic development assistance in meeting the targets or timelines defined in their economic development assistance agreement. Progress must be published on a 6-month cycle and is summarized below for the reporting period for this report, as specified in Part 2 of this form.

Part 1 – Recipient Company Details

Company	MDA Systems Ltd.
Fund name	Strategic Investment Funds
Type of assistance	Payroll Rebate
Agreement date	February 27, 2018
Agreement business activities	Payroll investments in Nova Scotia. Business development, retention, and expansion in the aerospace & defense sector.

Part 2 – Reporting Period for this report

A recipient of economic development assistance from the Province of Nova Scotia is required by law to submit a report every 6 months on their progress in meeting the targets or timelines defined in their agreement with the Province. The reporting period for this report is indicated below.

Reporting Period	Due Date	Year
<input checked="" type="checkbox"/> October 1 to March 31	by May 1	2023
<input type="checkbox"/> April 1 to September 30	by November 1	2023

Part 3 – Progress of Recipient for Reporting Period

The following table summarizes the recipient’s progress report to the Minister for the reporting period for this report, as specified in Part 2. The information contained in this Table was submitted by the recipient and the recipient is responsible for its accuracy.

Table 2

Targets / Timelines	Progress made during Reporting Period	Comments
For the Company to have made incremental payroll investments in Nova Scotia.	We have hired 9 FTE’s during the period of Oct 1, 2022 to Mar 31, 2023.	We are currently forecasting to hire an additional 6 FTEs by the end of the period, ending Sept 30, 2023.
To be eligible for an earned incentive, for the payroll investments to be in the range of a minimum of \$510,000 for completed Program Year 1, up to a stretch maximum of \$4,250,000 for completed Program Year 5 and a minimum of 6 FTEs for completed Program Year 1, up to a stretch maximum of 50 FTEs for completed Program Year 5.	We forecast and incremental 9 FTEs onboarding this term and incremental payroll of \$864,000.	Based on best knowledge to date, our intent is to hire 6 more FTEs by end of term accounting for an additional \$576,000 in payroll.
For the business to continue to operate, develop or expand in the aerospace & defense sector.	MDA office in Halifax is moving from Dartmouth to a new location in Halifax (Bayer’s Lake) in Fall 2023. This is a brand new facility with a 10 year lease agreement in place, to support expansion and modernization of workplace environment and facilities. In addition, we have a hired a Talent Acquisition Advisor as a permanent employee.	We have increased participation in career fairs and increased our co-op student for summer 2023. In addition, we are fostering relationships and attended events with industry specific departments at local universities (Dal, SMU, Acadia).

Part 4 – Status of agreement with recipient at end of this reporting period

The status of the agreement between the recipient and the Province, as determined by the Minister, is:

- Open - undisbursed
 - Open – partially disbursed
 - Open – fully disbursed
 - Completed
 - Cancelled / Withdrawn
- Amount disbursed- \$754,800.00

Comments (if applicable)

N/A