

# Our strategy

## Strategic Pillars



### Expand core government business in infrastructure and managed solutions



### Diversify and expand commercial business



### Invest and partner to diversify and grow



### Build on position as the UAE's flagship satellite operator

## Strategic Objectives

- Solidify our core business to deliver more missions, more solutions and more value.
- Enrich and expand our portfolio of government products, solutions and services.
- Diversify our government business to more entities in the UAE, including civil, and penetrate more strategic international markets.
- Explore value accretive adjacencies (e.g. managed solutions, ICT services) to solidify our core proposition.

- Differentiate through unique products and value-added solutions, as well as deeper distribution relationships.
- Accelerate commercial business across Managed Solutions, Mobility Solutions and Data Solutions.
- Expand market share in growing Fixed Satellite Services (FSS) and Mobile Satellite Services (MSS) markets and regions, by capitalising on unique relationships, technologies and business models.
- Expand into new and disruptive commercial opportunities, such as IoT/M2M and direct-to-device satellite connectivity.

- Capitalise on the increasingly critical role played by satellites in the global connectivity and applications ecosystem.
- Drive strategic partnerships to invest and diversify into adjacent service areas to better serve customers.

- Create long-term value by collaboration with other key players in the broader UAE space and technology ecosystem.
- Support UAE National Space Strategy 2030 and Abu Dhabi 2030 vision by spurring new in-country development in space, technology and industrialisation.

## 2022 Highlights

- Awarded and delivered the first year of a fully managed services and technology management mandate by the UAE Government – a 5 year contract for ground satellite communications services and solutions worth US\$ 247.5 million.
- Awarded new contracts to enable UAE Government platforms with SatCom capabilities and provide an integrated system and ground control services.
- Received the initial US\$ 150 million advance payment from the end user post completion of key project milestones of the Thuraya Next Generation Program development phase including completion of critical design review.
- Provided additional satellite connectivity services to a major oil & gas customer in the UAE to enable critical connectivity and reliable network capabilities.

### Managed Solutions

- Accelerated commercial business lines and signed new customers for both FSS and MSS solutions.
- Explored opportunity to provide maritime Satcom solutions to ADNOC Logistics' regional vessels and conducted successful proof of concept.
- Announced AED 24 Million contract by Abu Dhabi Ship Building to deliver satellite communication solutions.

### Mobility Solutions

- Evolved Go-To-Market model with new distribution agreements, including establishment of new partnerships to address multiple verticals including government, maritime and aero.
- Launched new products (e.g. maritime tracking and monitoring) and strengthened foundation for future strategic growth portfolio (maritime, IoT, government, enterprise) with new products under development that will be compatible to next generation Thuraya-4 satellite.
- Extended our distribution network in 7 countries and signed 8 new partners thus growing our ecosystem of integrators and increasing our visibility.

### Data Solutions

- Double digit growth in subscriber base across MEA to approximately 22,000 customers.
- Launched services in Morocco and activated capacity in several other countries in Africa.
- Signed multiple enterprise and wholesale deals, including for cellular backhaul.

- Acquired a minority stake in eSAT Global and signed a complementary commercial agreement to develop a platform for low-cost low- and very-low data rate (LDR/VLDR) IoT devices with direct-to-satellite connectivity using GEO satellites.
- Selected technology partner for the development of a satellite modem system with Tawazun's<sup>1</sup> support.
- Agreement with EDGE Group, the UAE's defence industry conglomerate, to line-fit NIMR manufactured armoured vehicles with advanced Comms-On-The-Move (COTM) satellite communications solutions.
- Agreement with Al Seer Marine, a UAE marine services company, to test and line-fit unmanned surface vessels with advanced Comms-On-The-Move (COTM) satellite communications solutions.
- Thuraya-4 NGS progressing and expected to be launched in the first half of 2024 and enter service in the first half of 2025.

- Laid foundations for new strategic platforms to serve UAE and international governments and enterprises for 'situational awareness', including remote sensing and earth observation.
- Solidified position as a satellite centre of excellence through talent attraction and retention as well as development of national expertise.
- Awarded contracts worth AED 28.3 million to design and deliver advanced satellite communications for UAE Government Platforms.

<sup>1</sup> Tawazun Council (Tawazun) is the UAE defence and security acquisition authority for the UAE Armed Forces and Abu Dhabi Police.

## Future focus

- Sustain core business by securing new long-term FSS capacity service agreement with the UAE Government on two new satellites (Al Yah 4 and Al Yah 5).
- Expand and sustain core UAE Government Business while expanding commercial base.
- Centralise and expand 3rd party Satcom capacity solutions to benefit from continuing demand.
- Increase collaboration with other Government departments and large UAE entities.
- Continue drive towards fully managed end-to-end services that leverage on specialised internal resources to maximise margins.
- Broaden product solutions across SatCom value chain to offer integrated beyond line-of-sight and Information Communication Technology (ICT) systems.

### Managed Solutions

- Complete final steps of the ongoing transition from previous project delivery function into higher value-add system integrator.
- Continue expansion into adjacent government entities and international government customers.

### Mobility Solutions

- Enhance products and services portfolio, and expand solution and applications offering (such as an enhanced maritime vessel monitoring solution; and a new handheld dual-mode terminal targeted towards enterprise and government market).
- Accelerate strategic M2M/IoT, regional maritime and government business.
- Push into major strategic markets within coverage area and continue seeking partnerships to drive and unlock value.
- Explore potential Direct-to-Device play leveraging company's unique L-band spectrum rights.

### Data Solutions

- Accelerate uptake in wholesale, enterprise and government segments and the MEA region through targeted and customised Go-To-Market models.
- Push for selective geographic expansion focusing on customised enterprise solutions and potentially leveraging interim third party capacity where required.
- Improve satellite fill rate by driving new segments and increasing market share of cellular backhaul solutions for mobile network operators.

- Seek new investment opportunities to build new capabilities across all platforms.
- Develop and launch next generation of products on Thuraya 4-NGS platform in collaboration with technology partners.
- Launch low power low data rate IoT platform in partnership with eSAT Global.
- Embrace complementarity of NewSpace on Yahsat business to capture value and broaden scope.
- Continue current trajectory of organic and inorganic growth combined with strategic UAE partnerships, considering potential horizontal or vertical M&A to build scale and increase value proposition.

- Deliver first phase of the modem system development program through a joint-venture with Tawazun, and expand the scope to reach more customers, including international customers.
- Strengthen collaboration within UAE ecosystem to develop and enhance remote sensing capabilities.
- Continue focusing on national talent development and further nurture solid UAE G2G relationships.
- Support UAE Space agenda and key initiatives including earth observation capabilities and space missions.

## Related risks

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9 10 13 14 15

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## Key performance indicators

Revenue

**US\$ 433m**

Adjusted EBITDA

**US\$ 258m**

Normalised Net income

**US\$ 106m**

Discretionary Free Cash Flow

**US\$ 225m**

Contracted future revenues

**+US\$ 2.0b**

> Read our key performance indicators on pages 42 and 43

> Find a summary of our principal risks on pages 47 to 51