Space42

FY 2024 Pro Forma Results Presentation

27 February 2025

Speakers

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Agenda

1. Key highlights
2. Strategy update
3. Financial overview (Full-year 2024)
4. Appendix

SPACE42

1

Key highlights

Key highlights

Successful merger between Bayanat and Yahsat to form Space42 - bringing together advanced satellite communication capabilities and geospatial data analytics to create an AI powered space technology champion

Strategic plan - underpinned by four core pillars focused on assuming leadership positions in geospatial data and AI platform services, NTN[1] services and providing secure connectivity solutions

Strategy execution – launch of Foresight Earth Observation (EO) satellites, USD 100Mn collaboration with EDGE to enhance geospatial capabilities, launch of Thuraya-4 satellite to augment mobility services and signature of USD 5.1Bn Government contract to provide secure connectivity

Guided by five principles – programmatic growth, sustainable differentiation, capabilities-based, scalability and strong financial management, prioritizing use of cash and debt to achieve strategic objectives

Resilient financial performance - EBITDA of USD 317Mn, rising margins, cash of over USD 1.1Bn[2], over USD 7Bn in contracted future revenues and negative net debt yielding significant capacity to execute Strategic Plan

1. NTN – Non-terrestrial Network; 2. Cash and short-term deposits

SPACE42

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Strategy update

Translating vision into reality

Core pillars and sectorial priority will secure future growth, with uplift in the longer-term from key enablers

Core Pillars

1. **Become preferred partner for premium geospatial data**
   Build tier-1 sovereign multi-sensor EO assets and capabilities
2. **Become leader in GeoInt AI platform and services**
   Deliver actionable insights to global customers
3. **Become a global NTN leader**
   Lead the NTN revolution with IoT and D2D
4. **Enhance leadership position in secure connectivity solutions**
   Provide multi-path and multi-orbital critical connectivity solutions

Verticalized solutions

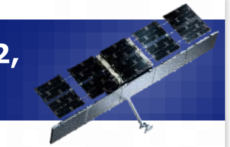
Enabling Pillars

5. **Drive in-country space value chain development**
   Support national capabilities and self-sufficiency
6. **Strengthen core and adjacent R&D for sustained innovation**
   Drive continuous innovation and maintaining competitive edge
7. **Embrace and adopt AI technologies across organization**
   Enhance processes, improve offerings and drive efficiency

1 Become preferred partner for premium geospatial data (1/2)

Build tier-1 sovereign multi-sensor EO assets and capabilities

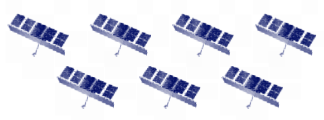
1 Successfully launched Foresight 1 and Foresight 2, as part of a comprehensive SAR[1] Constellation



Proposition

- Sole sovereign provider of premium SAR satellite imagery in UAE
- Position UAE among global leading countries in SAR industry
- Deliver latest generation imagery
- More frequent revisits and faster tasking

7x Generation 3.5 SAR satellites



Technology Partner

ICEYE

Value creation

- Expand market reach with value-add services, including GIQ analytics, applications, and data acquisition marketplace
- Leverage G2G relationships and reseller networks for raw image distribution

2 Pioneering SAR satellite manufacturing in UAE through joint venture with ICEYE

Proposition

- Drive Foresight constellation assembly and testing
- Strengthen satellite production capabilities
- Develop and retain critical manufacturing skills within UAE
- Support local satellite programs and foster satellite equipment exports

AIT Facility

Value creation

- Accelerate SAR/EO satellite development: speeds up in-house technology advancements through ToT and ToK[2]
- Fosters local innovation: leverage advanced facility and capabilities to support other UAE organizations

Foresight system to begin operations this year

1. SAR – Synthetic Aperture Radar satellite; 2. ToT - Transfer of Technology and ToK - Transfer of Knowledge

1 Become preferred partner for premium geospatial data (2/2)

Build tier-1 sovereign multi-sensor EO assets and capabilities

Proposition

Value creation

3 Develop fully integrated Earth Observation ecosystem in UAE through joint venture with FADA, an EDGE company

- Establish a national champion to create an all-inclusive EO ecosystem
- Build and operate sovereign EO missions
- Provide real-time geospatial insights

SPACE42 & FADA

Drive complementary user partnerships and commercialization

- Form alliances with aligned nations seeking EO capabilities
- Commercialize globally through G2G relations and reseller networks

4 Advance next-gen HAPS[1]

- Sustain technological leadership in global HAPS market
- Offer full suite of HAPS products and solutions
- Support EO and connectivity use cases

MIRA AEROSPACE
SPACE42

APUS NEO18

- 18m wingspan
- 7kg payload
- Testing phase

APUS NEO30

- 30m wingspan
- 13kg payload
- Launch in Q2 2025

Build UAE manufacturing capabilities and sustain tech leadership

- Scale production in UAE to deliver 20+ aircrafts annually
- Expand network of corporate alliances to support growth

Deliver dual-use Earth Observation capabilities tailored for both government and commercial applications

1. HAPS – High-altitude platform stations

2 Become leader in GeoInt AI platform and services

Develop and deliver geospatial intelligence services and industry-specific platforms

Space42 and FADA announced strategic partnership to provide real-time geospatial insights for defense, security and environmental applications

Geospatial Intelligence Services

GIQ SPACE42 — Multi-source intelligence platform capable of fusing heterogeneous set of data (e.g., imagery, IoT, private or government databases, public data on the internet) to feed AI-powered analytics

GIX SPACE42 — Ruggedized version for military purposes offering a secure on-premises air-gapped instance with customizable out-of-the-box features

Data acquisition	Image processing	AI-enabled analytics	Applications
Module to access satellite images	Resemble best-in-class technology stack	Unique AI models based on space data	4 existing industry-specific applications

Strategic partnership with FADA

Contract value: > USD 100Mn

Duration: 5 years

Key features: Data acquisition | Image processing | AI-enabled analytics | Applications

Highlights: Delivering premium geospatial insights by leveraging data from Foresight constellation

❸ Become a global NTN leader

Lead the NTN revolution with IoT and D2D

Thuraya-4 launched earlier this year, paving the way for next gen D2D mobile satellite solutions

Thuraya 4

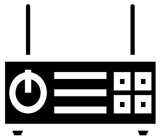
- One of the largest MSS communication satellites ever produced
- Provides secure capacity, faster speed and wider coverage
- Enables new IoT applications and advanced data solutions
- Satellite operational by H2 2025
- Over 15 new products to be launched

Technology Partner AIRBUS

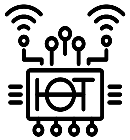
New Products and Applications

T-TAC:
Tactical Satellite Communication Solution

Thuraya One



Broadband user terminals
(up to 1Mbps)



IoT system

Today: Bridge to full D2D service

Next steps: Full D2D service

Developing D2D constellation provides:

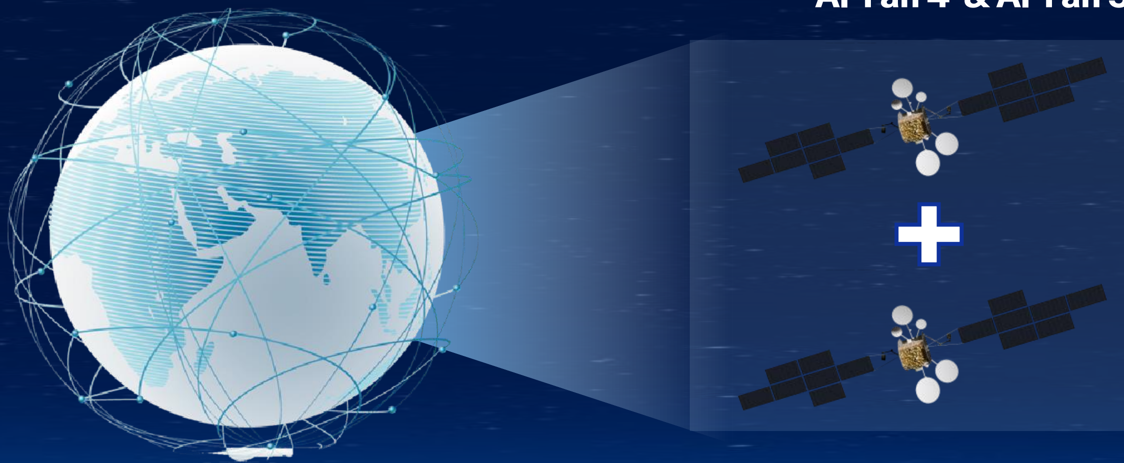
- Services directly from satellite to off-the-shelf consumer device
- 5G/6G standard waveform
- Seamless transition between terrestrial and satellite networks
- Niche market -> mass market

Thuraya-4 satellite significantly expands Space42's MSS capabilities, with added coverage, higher security and greater bandwidth

4 Enhance leadership position in secure connectivity solutions

Deliver next gen GEO Al Yah 4 (AY4) & Al Yah 5 (AY5) program

Al Yah 4 & Al Yah 5 Overview



Mission

- Government Mil-Ka-Band and C-Band

Advantage to Al Yah 1 and Al Yah 2

- Increased capacity
- Enhanced coverage
- Improved security

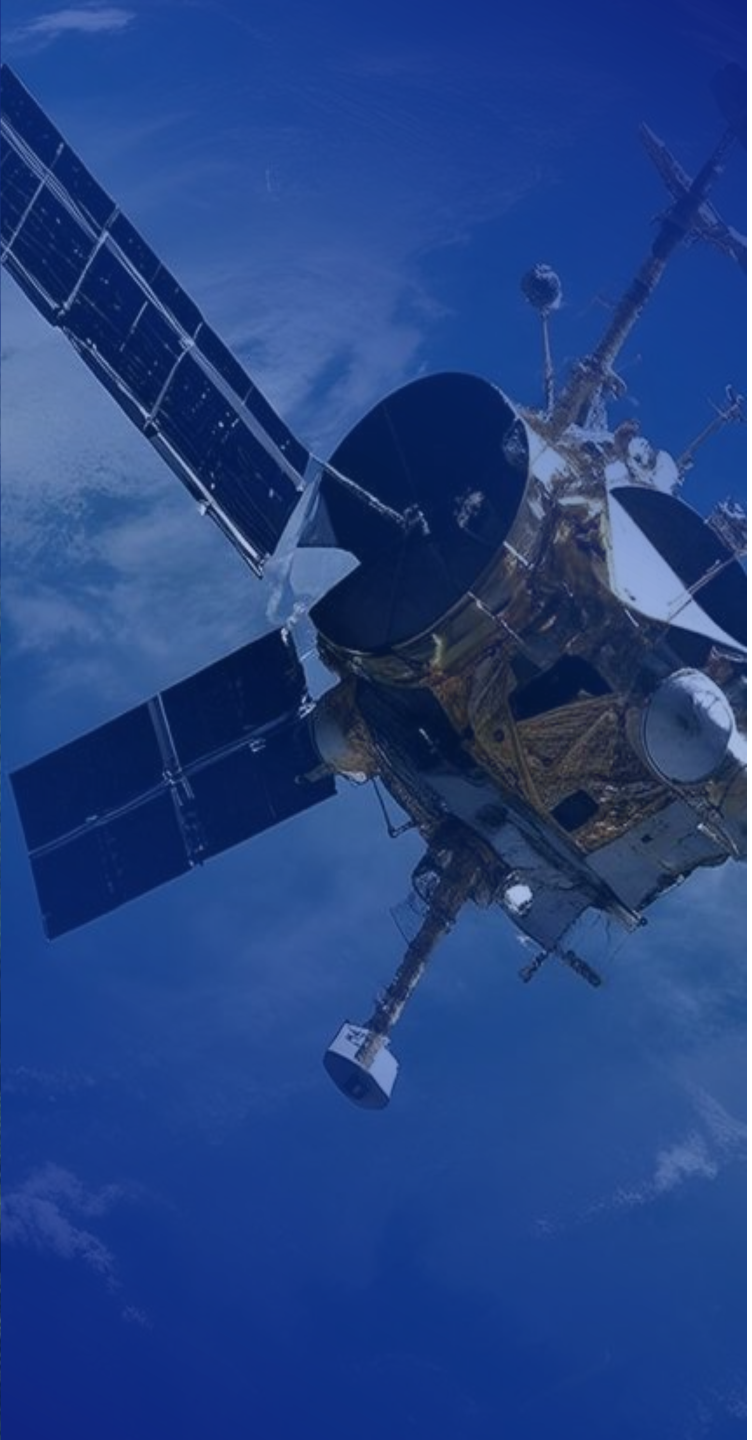
CapEx

- > USD 300Mn spent to date

Expected Timeline of AY 4 and AY 5 Launch

Satellite	2023	2024	2025	2026	2027	2028	2029
AY4	AY4&5 Contract signed	Satellite manufacturing			Expected Launch		
AY5				Satellite manufacturing		Expected Launch	

Al Yah 4 and Al Yah 5 program underway, underpinned by USD 5.1Bn Government contract, reinforcing leadership position as provider of secure connectivity solutions



Strategic plan objective

Guided by five principles

Programmatic Growth

Prioritize clearly defined growth programs that bring incremental and recurring value

Scalability

Unlock opportunities and business models which can be materially scaled and are not constrained by geography, customer segment or sector

Sustainable Differentiation

Pursue strategies where we can sustain a distinct advantage versus existing and new players

Strategic Financial Stewardship

Focused on disciplined financial management, prioritizing the use of cash and debt to achieve our strategic objectives

Capabilities-based

Capitalize on evolutionary core capabilities, and invest in new capability foundations that meet our principles

3

2024 Financial overview (Proforma)

Note: Unaudited pro forma financials for Space42 have been prepared to allow for like-for-like comparison, as if merger had occurred on 1 January 2023 – these exclude any purchase price allocation adjustments

Financial Highlights

Resilient financial performance with revenue shortfall offset by significant cost reduction and other items

Revenue shortfall reflects temporary timing shifts in execution of a major multi-year program (Smart Solutions) and Thuraya-3 anomaly (Space Services) – recovery expected in 2025

Strong performance across portfolio of Managed Solutions with revenues up 9%

Stronger margins – both EBITDA and Net Profit

Cost base down 19% through OAGS[1] program resulting in superior margins for EBITDA and Net Profit, despite introduction of UAE Corporate Tax

More than USD 7Bn of contracted future revenues

Equivalent to 11x FY 2024 revenue

Robust balance sheet underpinned by Financial Framework

Liquidity of over USD 1.1Bn and negative leverage (-1.6x) provides capacity to fund growth and execute Strategic Plan

Strong liquidity, low leverage, cut-cost-and-grow-stronger approach, and predictable future cash flow underpin a Financial Framework focused on organic investments, bolt-on acquisitions and generating attractive returns

1. Optimize and grow stronger

Income Statement Highlights

Financial extracts	FY'24	FY'23	FY YoY	Δ
Revenue	**629**	**772**	***(19%)***	***(143)***
Cost of revenue	(168)	(263)	*(36%)*	*95*
Staff costs	(121)	(125)	*(4%)*	*4*
Other OpEx	(77)	(63)	*22%*	*(14)*
Other income	53	5	*nm*	*49*
Adjusted EBITDA	**317**	**325**	***(3%)***	***(9)***
Margin (%)	*50%*	*42%*		*+8pp*
Net finance income	23	23	*(1%)*	*0*
Net Profit	**166**	**174**	***(4%)***	***(7)***
Margin (%)	*26%*	*22%*		*+4pp*
Normalized Adj.EBITDA	**282**	**330**	***(15%)***	***(48)***
Margin (%)	*45%*	*43%*		*+2pp*
Normalized Net Profit	**135**	**179**	***(24%)***	***(44)***
Margin (%)	*21%*	*23%*		*-2pp*
	Dec'24	**Dec'23**	***FY YoY***	**Δ**
Cash and equivalents	1,163	770	*51%*	*393*

- **Revenue headwinds** (-19%) due to temporary shifts in execution of a major multi-year program and Thuraya-3 satellite anomaly
- **Lower cost base** (-19%) reflecting lower cost of revenue. Staff costs lower with increase in Other OpEx mainly due to one-off merger costs and higher insurance
- **Other income** includes USD 30Mn of liquidated damages relating to T4 procurement and USD 13Mn profit on sale non-core asset
- **Significant margin improvement** with majority of revenue shortfall offset by cost savings and other items. Excluding tax, net profit increased 5%
- **Normalized Adjusted EBITDA** lower on reduced revenue, but superior margin of 45%
- **Normalized Net Profit** lower due to first-time adoption of UAE corporate tax
- **Solid balance sheet** with more than USD 1.1Bn in cash and equivalents, negative net debt of USD 0.5Bn and negative leverage ratio of -1.6x
- **Additional resources** to be received - further advance payment of USD 500Mn related to Al Yah 4&5 satellite

nm: not meaningful; All figures are in USD million, unless otherwise stated; Normalized Adjusted EBITDA adjusted for one-off items

Normalized Results

Normalized Adjusted EBITDA

	FY'24	FY'23	FY YoY	Δ
Adjusted EBITDA	**317**	**325**	***(3%)***	***(9)***
One-off restructuring costs	1	3	*(83%)*	*(2)*
One-off merger costs	8	2	*235%*	*5*
Gain on sale of assets	(13)	0	*nm*	*(13)*
Liquidated damages (T4)	(30)	0	*nm*	*(30)*
Total EBITDA adjustments	(34)	5	*nm*	*(40)*
Normalized Adj. EBITDA	**282**	**330**	***(15%)***	***(48)***
Margin (%)	45%	43%		*+2pp*

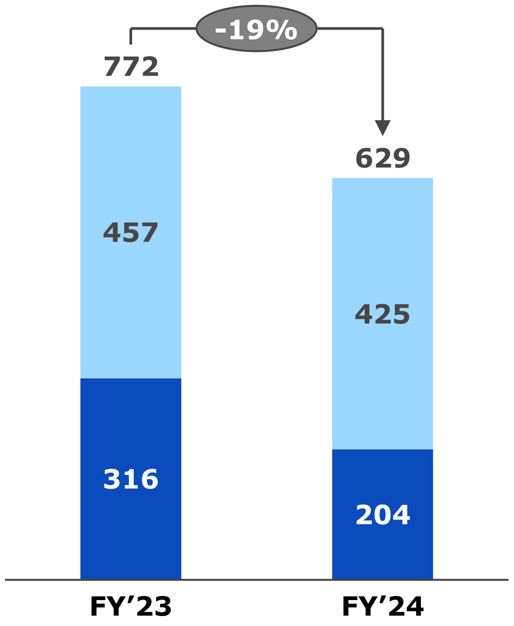
Normalized Net Profit

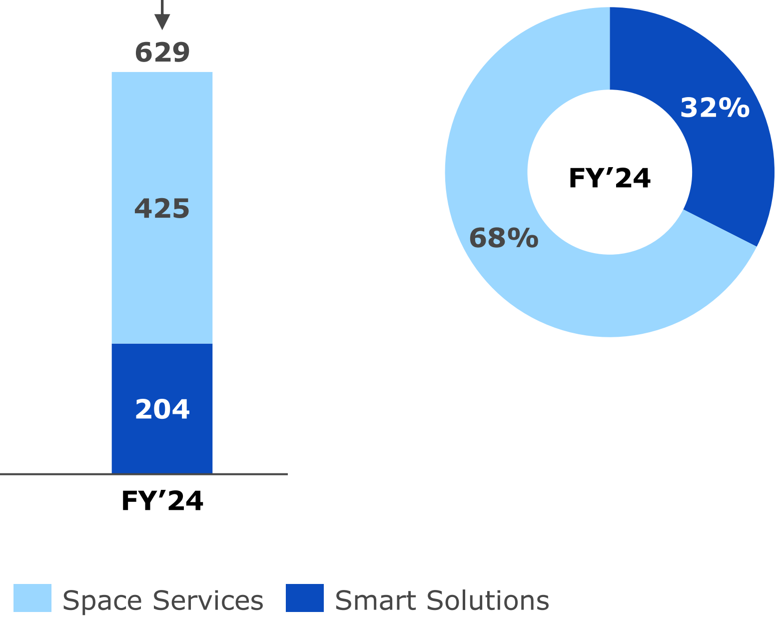
	FY'24	FY'23	FY YoY	Δ
Net Profit	**166**	**174**	***(4%)***	***(7)***
Total EBITDA adjustments	(34)	5	*nm*	*(40)*
Tax impact of adjustments	3	0	*nm*	*3*
Total Net profit adjustments	(31)	5	*nm*	*(37)*
Normalized Net Profit	**135**	**179**	***(24%)***	***(44)***
Margin (%)	*21%*	*23%*		*-2pp*

Stronger margins despite revenue headwinds and first-time adoption of UAE Corporate Tax

nm: not meaningful; All figures are in USD million, unless otherwise stated

Financial Performance - Revenue



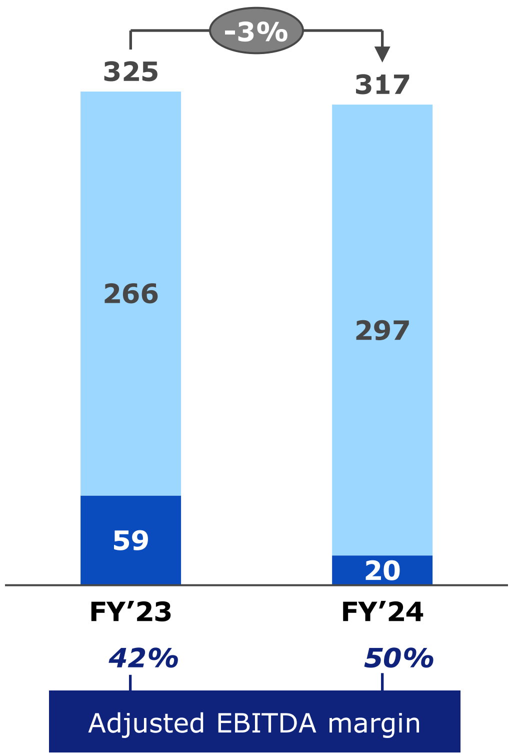


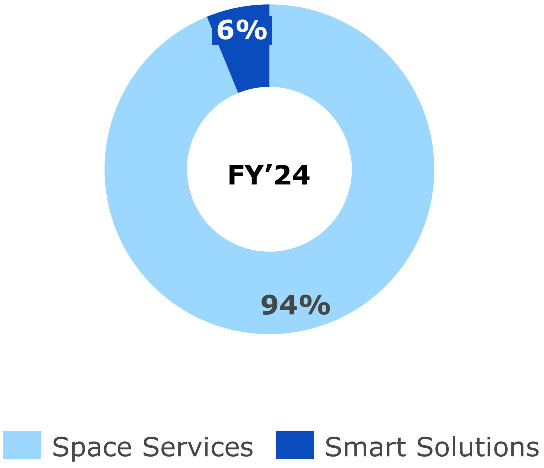
- Revenue shortfall reflects temporary timing shifts in execution of a major, multi-year program, in line with our five principles
- Shortfall in Space Services due to Thuraya-3 anomaly, partially offset by growth across Infrastructure and Managed Solutions
- Oil & Gas revenue up 35% vs prior
- Strong recovery expected in 2025
- Contracted future revenue of over USD 7Bn provides security over future cash flow - includes USD 789Mn 15-year T4 contract and USD 5.1Bn 17-year CSA[1] extension

Revenue shortfall reflects temporary timing shifts in execution of a major multi-year program within Smart Solutions - strong recovery expected in 2025

All figures are in USD million, unless otherwise stated
1. CMSM, Capacity and Managed Services Mandate, includes provision of services through AY1 and AY2 starting late 2026, and two new satellites currently under construction (AY 4 and AY5) for subsequent years

Financial Performance - EBITDA



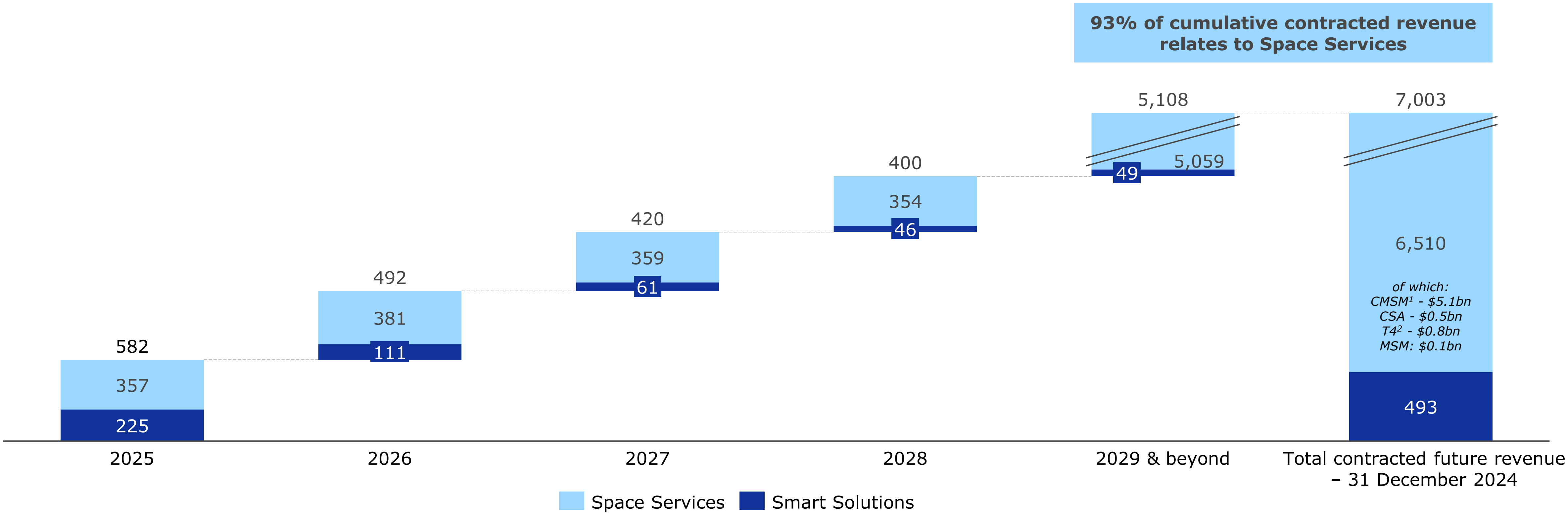


- Significant improvement in margin reflects substantial cost savings as well as higher 'other income' (USD 30Mn Thuraya-4 liquidated damages and USD 13Mn profit on sale of non-core asset)
- Adjusted EBITDA only marginally lower despite revenue headwinds
- Space Services, accounting for 94% of adjusted EBITDA, increased 12% vs. prior
- Smart Solutions, accounting for 6% of adjusted EBITDA, fell 66% reflecting revenue decline and additional merger related costs. Recovery expected in 2025

Stronger margins despite revenue headwinds

All figures are in USD million, unless otherwise stated

Contracted Future Revenues out to 2043



Future contracted revenue[3] maintained at c.11x 2024 pro forma revenue underpinned by CMSM[1] award

1. CSA and Managed Services Mandate backlog replaced from end of 2026 by Capacity and Managed Services Mandate (CMSM) that was awarded in September 2023 and signed in November 2024 - excludes revenue accretion in relation to AY 4&5 advance
2. Under IFRS 15, as a significant part of the contract price is received years ahead of the service provision, the contract is deemed to contain a significant financing component and requires the contract value to be adjusted to include the imputed finance cost relating to the advance payments. The future revenue is adjusted to include USD 46.3 million (imputed finance cost relating to the first USD 150 million) and USD 44.1 million (imputed finance cost relating to the second USD 150 million). The imputed finance cost will be recorded as a charge from the date of receipt of advance payment until the advance is fully offset
3. >90% of contracted future revenue with highly rated counterparty (UAE rating at Aa2 by Moody’s and AA- by Fitch, Abu Dhabi rating at Aa2 by Moody’s, AA by S&P and AA by Fitch)

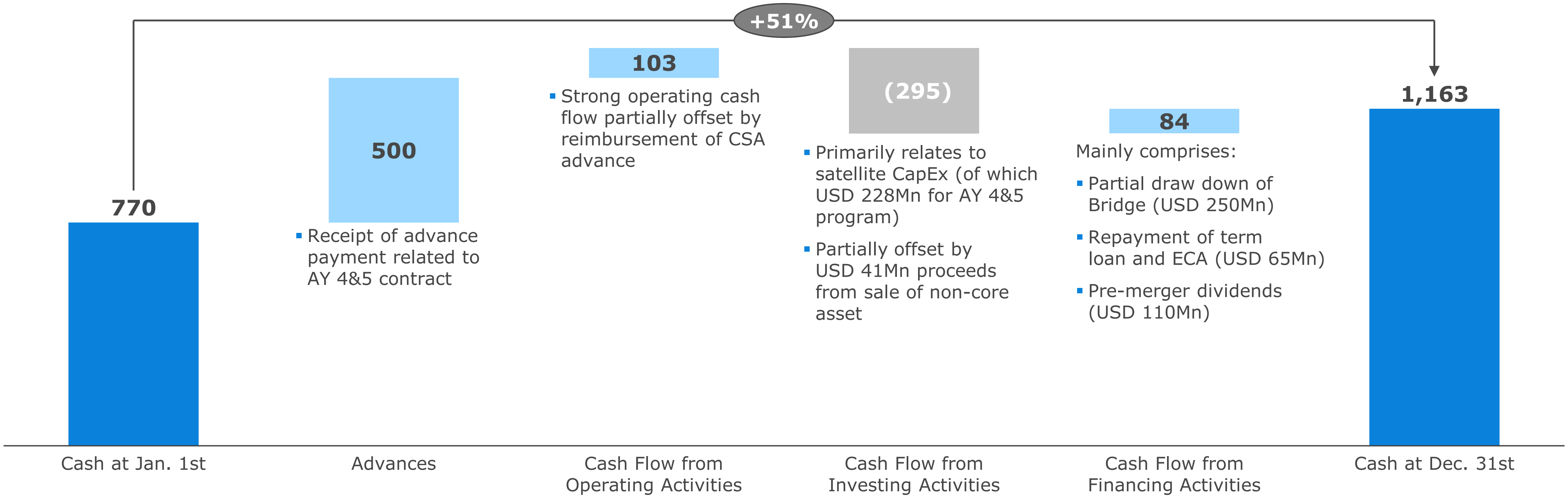
Strong Balance Sheet

Balance sheet extracts	FY'24	FY'23	FY YoY	Δ
Fixed Assets (Satellites, ground systems/infrastructure, land and buildings, incl. capital work in progress)	1,208	1,361	*(11%)*	*(152)*
Capital work in progress (CWIP incl. T4, AY 4/5, HAPS, SAR)[1]	903	501	*80%*	*402*
Cash and short term deposits	1,163	770	*51%*	*393*
Contract assets	301	202	*49%*	*99*
Trade and other receivables	178	218	*(18%)*	*(40)*
Other assets	49	46	*8%*	*3*
Total assets	**3,802**	**3,097**	***23%***	***705***
Borrowings (excl. amortised transaction costs)	657	447	*47%*	*211*
Trade and other payables	413	441	*(7%)*	*(29)*
Other liabilities	888	377	*136%*	*511*
Total liabilities	**1,959**	**1,265**	***55%***	***693***
Equity attributable to shareholders	1,808	1,768	*2%*	*40*
Non-controlling interests	36	63	*(44%)*	*(28)*
Total equity	**1,843**	**1,831**	***1%***	***12***
Total liabilities and equity	**3,802**	**3,097**	***23%***	***705***

- Increase in CWIP[1] reflects USD 290Mn ramp up of AY 4&5 program as well as other major projects such as Thuraya-4 (USD 82Mn)
- Increase in cash and short-term deposits mainly reflects strong operating cash flow, receipt of USD 500Mn advance payment, USD 250Mn partial draw down of Bridge facility offset by CapEx, debt repayments and pre-merger dividend
- Trade and other receivables down reflecting stronger collections
- Increase in contract assets expected to fall in short to medium term
- Higher borrowings reflect USD 250Mn partial draw down of Bridge facility which has been fully repaid in January 2025
- Increase in Other liabilities mainly reflects receipt of USD 500Mn advance under AY 4&5 contract in December 2024
- Reduction in Trade and Other payables largely reflects amortization of AY 1&2 advances with USD 140Mn remaining at year-end
- Negative Net Debt of USD 505Mn and net leverage[2] of -1.6x - significant capacity to fund growth CapEx

nm: not meaningful; All figures are in USD million, unless otherwise stated
1. CWIP – Capital work in progress; SAR -Synthetic Aperture Radar; HAPS - High-Altitude Platform Station. 2. Net debt to last-twelve-months Adjusted EBITDA

Cash Bridge



More than UDS 1.1Bn cash position – Space42 uniquely positioned to invest in growth programs

Note: Values in USD million, unless otherwise stated

Financial framework built on three pillars

Vision

Capitalize on superior standalone and merged SGAI services and pursue profitable growth opportunities, leading to increased company valuation

Strategic Pillars

1 Organic Growth

Scalability, value-chain expansion and innovation fueled by Yahsat's advanced satellite communication capabilities and Bayanat’s geospatial data analytics expertise, that result in **profitable growth across products and services**

2 Inorganic Growth

Cash-generative business with strong balance sheet able to support accretive **bolt-on acquisitions** for **profitable growth** leading to technology advancements and improved financial performance

3 Returns Maximization

Focus on **value creation** and **return on capital**, by optimizing operations through OAGS program and financing decisions, synergy realization, effective use of cash and direct returns to shareholders via dividends

Disciplined financial management emphasizing prudent use of cash and debt

4

Q&A

5

Appendix

Alternative Performance Measures

Space42 uses alternative performance measures which are relevant to enhance the understanding of the financial performance and financial position of the Group. These measures may not be comparable to similar measures used by other companies; they are neither measurements under IFRS nor any other body of generally accepted accounting principles and thus should not be considered as substitutes for the information contained in the Group's audited financial statements

Alternative Performance Measure	Definition
Adjusted EBITDA	Earnings from continuing operations before interest, tax, depreciation, amortization, impairment, fair value adjustments on investment property and share of results of equity-accounted investments
Adjusted EBITDA Margin	Adjusted EBITDA divided by revenue
Government or UAE Government	Unless otherwise specified, Government shall mean the Federal Government of the UAE, the Government of Abu Dhabi and any instrumentality or body of either of them, including the General Headquarters of the UAE Armed Forces
Gross Debt	Interest bearing borrowings excluding unamortized transaction costs
Net Debt	Gross Debt minus cash and short-term deposits
Net Profit	Profit attributable to the shareholders
Normalized Adjusted EBITDA	Adjusted EBITDA further adjusted for material, one-off items recorded during the current and comparative periods that would otherwise distort the underlying, like-for-like performance of the business. Adjustments in 2024 include one-off advisory costs related to the merger (USD 8Mn), other income related to liquidated damages in relation to the T4 procurement (USD 30Mn) and gain on sale of a non-core asset (USD 13Mn). Adjustments in 2023 reflect one-off restructuring costs (USD 3Mn) and one-off advisory costs related to the merger (USD 2Mn)
Normalized Adjusted EBITDA margin	Normalized Adjusted EBITDA divided by revenue
Normalized Net Profit	Profit attributable to the Group's shareholders, adjusted for material, one-off items recorded during the current and comparative periods that would otherwise distort the underlying, like-for-like performance of the business. 2024 Normalized Net Profit reflects adjustments made above to derive Normalized Adjusted EBITDA as well as the related tax impact of these adjustments (USD 3Mn) following the introduction of UAE corporate tax. There were no further adjustments in 2023
Normalized Net Profit margin	Normalized Net Profit divided by revenue

Disclaimer

The **information** contained in this presentation represents a summary of the condensed pro forma consolidated financial statements for the **full year** ended 31 December 2024 (the **full year 2024 Financial Statements**) of Space42 PLC and its subsidiaries (**Space42**). This presentation does not purport to contain all of the information that you may wish to consider in making any investment decision and should not be relied upon in substitution for a review of the complete full year 2024 Financial Statements or the exercise of independent judgment. Space42 uses alternative performance measures (**APMs**) which are relevant to enhance the understanding of the financial performance and financial position of the Group, which are neither measurements under IFRS nor any other body of generally accepted accounting principles and thus should not be considered as substitutes for the information contained in the Group's financial statements. A summary of these APMs can be found in the Appendix. The financial information referenced in this presentation has been prepared on a pro forma basis, as if the merger between Bayanat and Yahsat took place on January 1, 2023. This enables like-for-like comparability of the combined Company with prior year periods

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