



Space42

Investor Presentation

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Speakers



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Topics



- 1 Key highlights
- 2 Space42: At the intersection of SatCom, Geospatial and AI
- 3 Strategy update
- 4 Financial profile

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, NTN¹ 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



Robust balance sheet - over USD 1.1Bn² in cash, negative net debt and USD 7Bn in contracted future revenues yielding significant capacity to execute Strategic Plan

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



Space42: At the intersection of SatCom, Geospatial and AI

Enlighten the world from space



Space42 is an unprecedented combination between **Yahsat's advanced satellite (S) communication** capabilities and **Bayanat's geospatial (G) data analytics expertise** to create an **artificial intelligence (AI) powered space technology champion**



Differentiated Capabilities

- **Tech-enabled** innovation through SGAI combination
- **Scalability** of global space systems coverage
- **UAE as sandbox** and platform for regional lead and global development



Organizational Harmony

- **Space Services:** upstream, infrastructure-centric
- **Smart Solutions:** downstream, AI focus

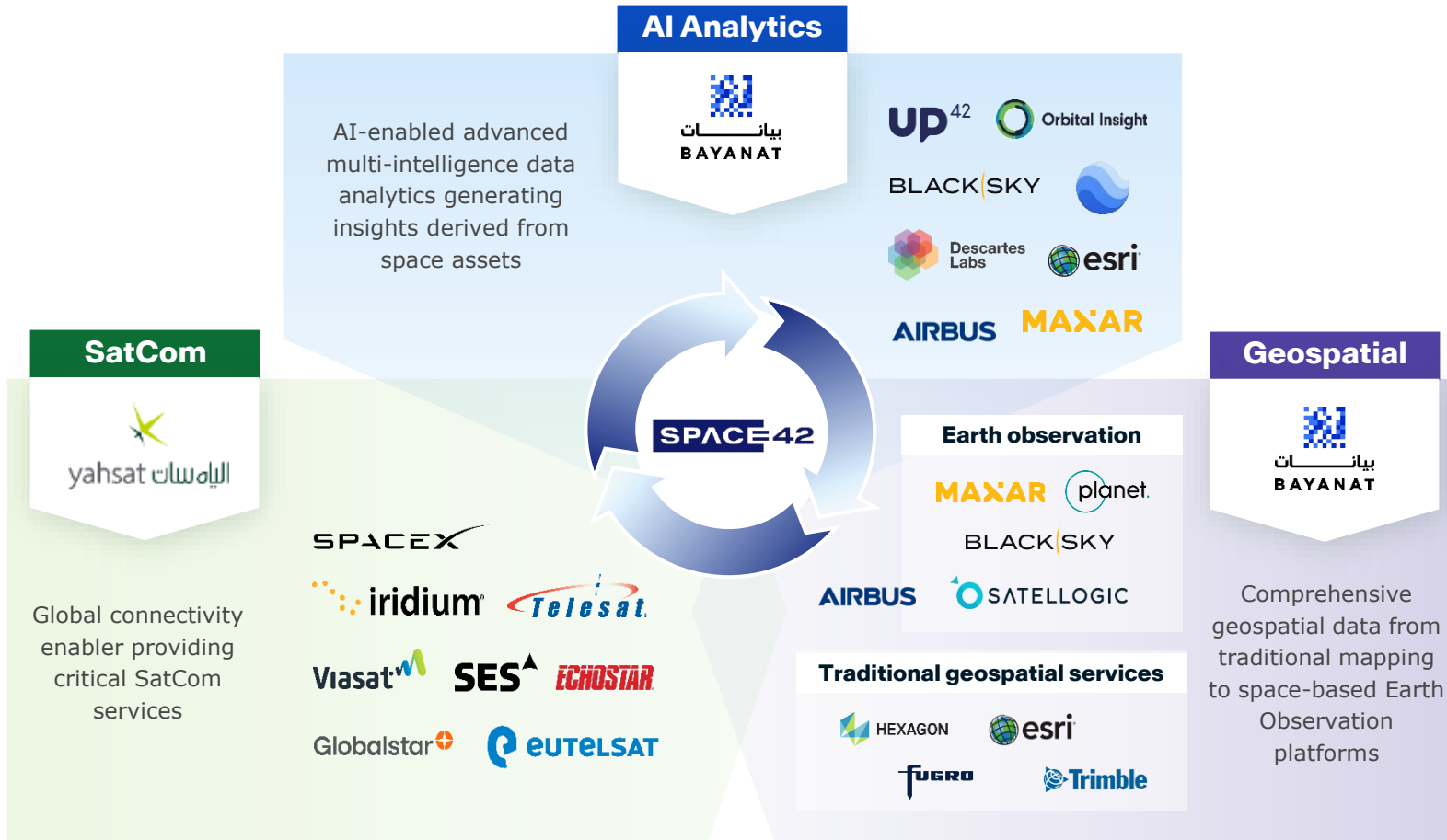


Accelerated Growth

Merger unlocks new growth horizons for Space42

- Positioning to capture **fast-growing market**, aligned with trends
- Growth fueled by scalability, **value-chain expansion and innovation**

Space42 to become a global leader in AI-driven space technology



SPACE42

Space42 is uniquely positioned to leverage capabilities across all three sectors

Combination creates opportunities for synergies across data analytics, geospatial intelligence and satellite communications to unlock value for customers, partners and shareholders and position Space42 as global leader

Overarching position as a dual-use player brings further unique opportunities and ability to scale

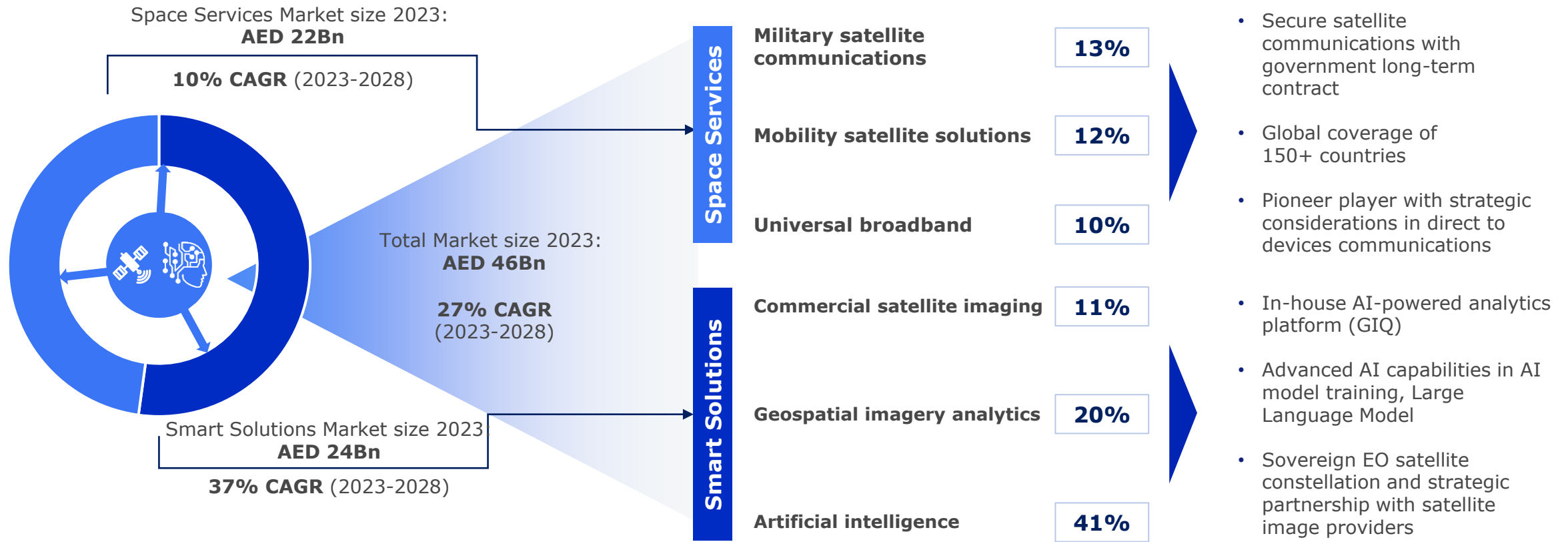
Business aligned with growth trends

Positioned to capture high-growth opportunities in key areas of play

2023 Global Market Size

CAGR 2023-2028

SPACE42



Source: Euroconsult 2023, PwC

Assets covering the entire value chain – from Earth to Space

6

Existing satellites and 2 in pipeline

2

Existing satellites and 5 in pipeline

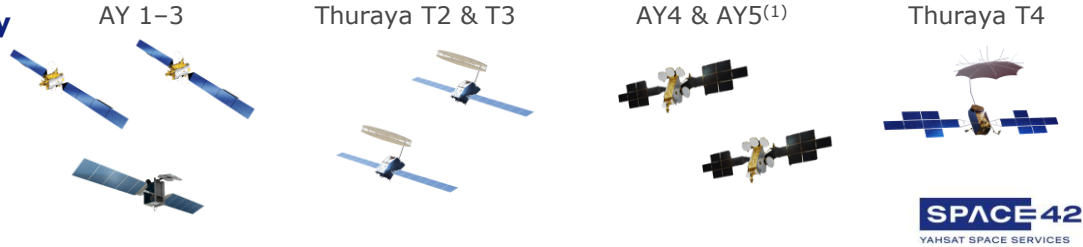
Manufacturing in the UAE; successful flights

500,000+ km

Distance travelled by Autonomous Mobility

Geostationary Orbit (GEO) Satellites

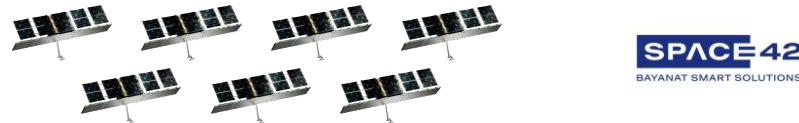
(36,000 km above Earth)



Low Earth Orbit (LEO) Satellites

(160-2,000 km above Earth)

Foresight Constellation



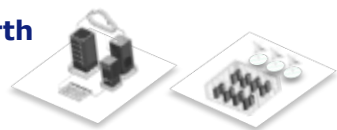
Stratosphere

(10-50 km above Earth)

High-Altitude Platform-Stations (HAPS)



On-Earth



Cloud & Data Center Ground Station

Shared core infrastructure



4/5G communication network



Voice, data, tracking, Terminals. Land, Sea, Air



Autonomous Mobility Drones Aerial



GIQ SPACE42

AI Multi-intelligence Platform



Integrated for SatCom and Geospatial

AI driven multi-intelligence platform, GIQ, integrates data from space and ground assets



Optimized decision making



Enhanced situational awareness



Improved operational effectiveness

Example: AI assessment of earthquake damage



1. Assets in pipeline

Unlocked synergies

3



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



Sectorial Priority

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

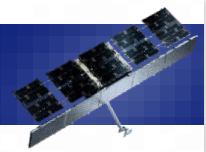
Enhance processes, improve offerings and drive efficiency

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

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

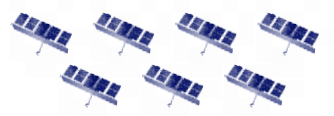
Proposition
Value creation

1 Successfully launched Foresight 1 and Foresight 2, as part of a comprehensive SAR¹ Constellation



- 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



- 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

- 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



- Accelerate SAR/EO satellite development: speeds up in-house technology advancements through ToT and ToK²
- 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
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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



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 HAPS¹



- 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
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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

Strategic partnership with FADA

Contract value > USD 100Mn

Duration 5 years

Key features Data acquisition Image processing AI-enabled analytics Applications



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

Highlights Delivering premium geospatial insights by leveraging data from Foresight constellation

3 Become a global NTN leader

Lead the NTN revolution with IoT and D2D

Proposition

Value creation

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

- Deploy one of the largest MSS communication satellites
- Enhance regional capabilities
- Deliver secure, high-speed connectivity with broad coverage
- Enable advanced IoT applications and next-gen data solutions

Technology Partner **AIRBUS**



- T2 L-Band Coverage
- T4 Extended Coverage

- Introduce over 15 innovative satellite-based products

T-TAC: Tactical Satellite Communication Solution	Thuraya One	Broadband user terminals (up to 1Mbps)	IoT system

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

2 Space42 and Viasat recently signed a MOU¹ to explore partnership options for developing a 5G NTN² initiative

- Space42-Viasat Teaming underway to design, manufacture and launch an advanced, high-performance satellite constellation adapted to 3GPP³ standards
- Targets 5G D2D services (texting, voice, data), IoT and advanced MSS services, market anticipated to reach USD 50Bn per year by 2030
- Develop an open standard based model that can be scaled via collaboration with public and private partners, including MNOs to deliver services to a mass market



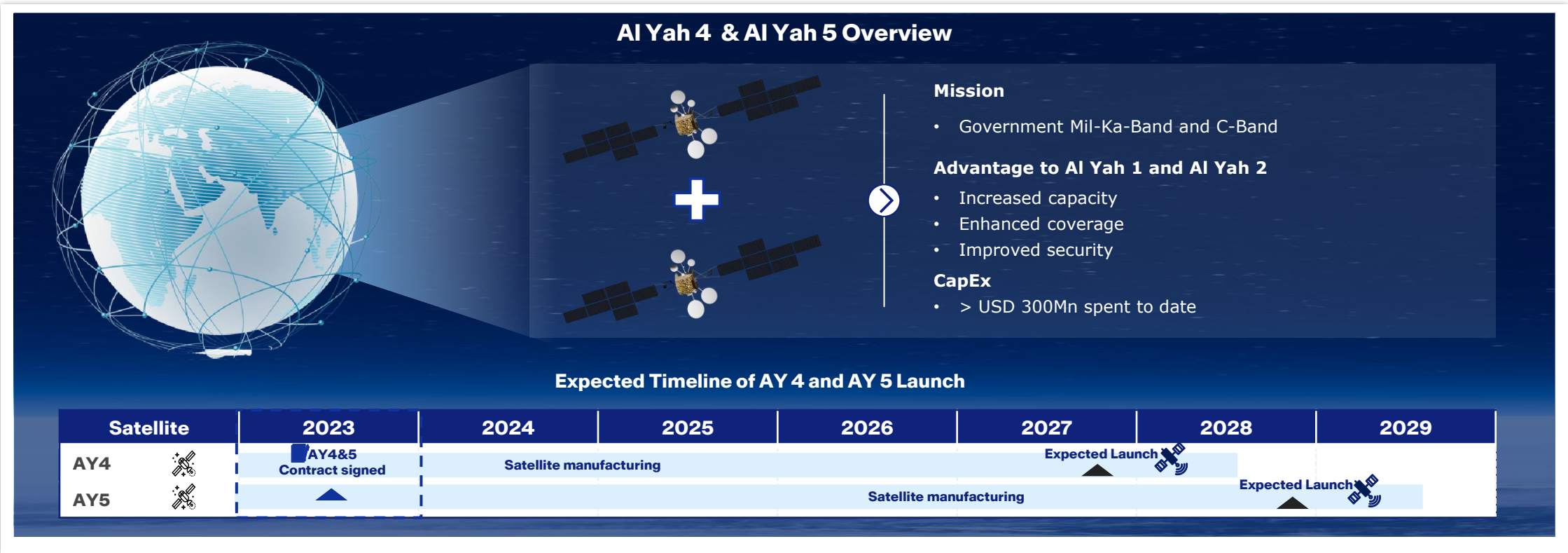
- Provides services directly from satellite to off-the-shelf consumer devices
- Allows for seamless transition between terrestrial and satellite networks

Build a scalable, open architecture system enabling global collaboration and D2D connectivity across terrestrial and space networks

1. MoU - Memorandum of Understanding, 2. NTN - Non-Terrestrial Network, 3. 3GPP is a global collaboration that defines standards for mobile technologies including GSM, UMTS, LTE, and 5G
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4 Enhance leadership position in secure connectivity solutions

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



AI Yah 4 and AI 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

4



Financial profile

Financial Highlights



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



Stronger margins – both EBITDA and Net Profit



More than USD 7Bn of contracted future revenues



Robust balance sheet underpinned by Financial Framework

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%

Cost base down 19% through OAGS¹ program resulting in superior margins for EBITDA and Net Profit, despite introduction of UAE Corporate Tax

Equivalent to 11x FY 2024 revenue

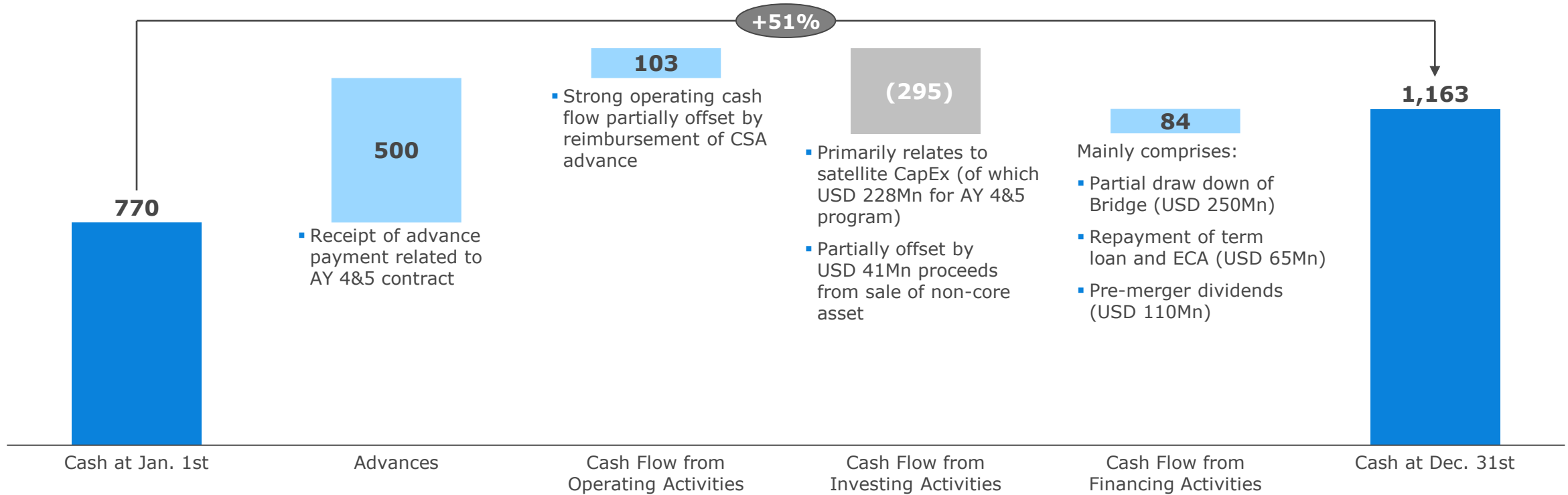
Liquidity of over USD 1.1Bn and negative leverage (-1.6x) provides capacity to fund growth and execute Strategic Plan



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

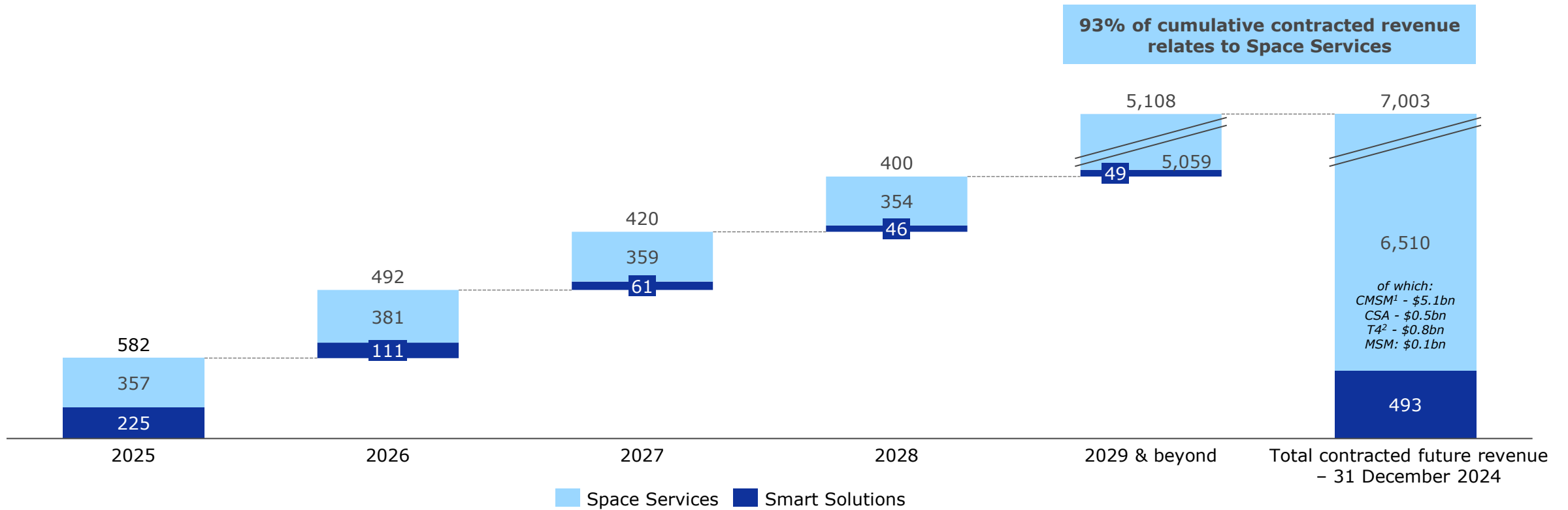
Cash Bridge



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

Note: Values in USD million, unless otherwise stated

Contracted Future Revenues out to 2043



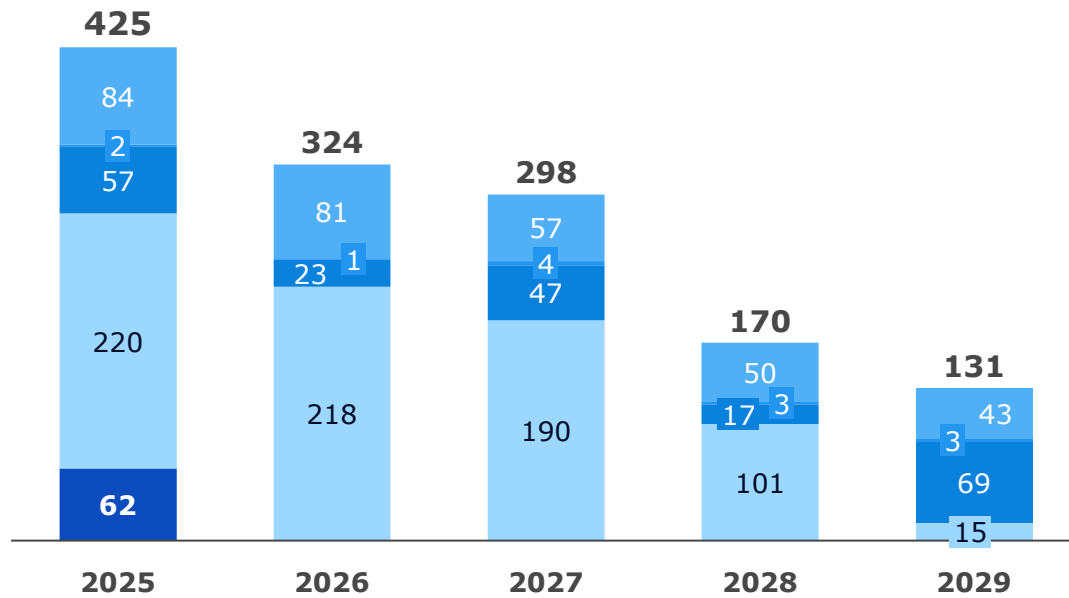
Future contracted revenues maintained at c.11x 2024 pro forma revenue underpinned by CMSM¹ award

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)

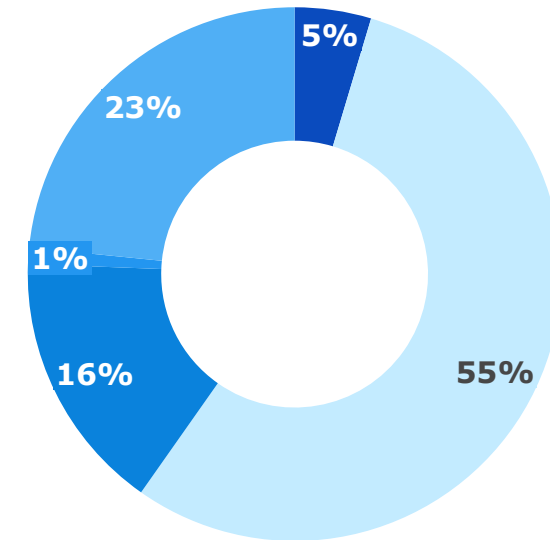
Growth supported by significant organic investment

Projected CapEx of more than USD 1.3Bn over next five years to support growth

CapEx roll-out



2025-2029 CapEx by program



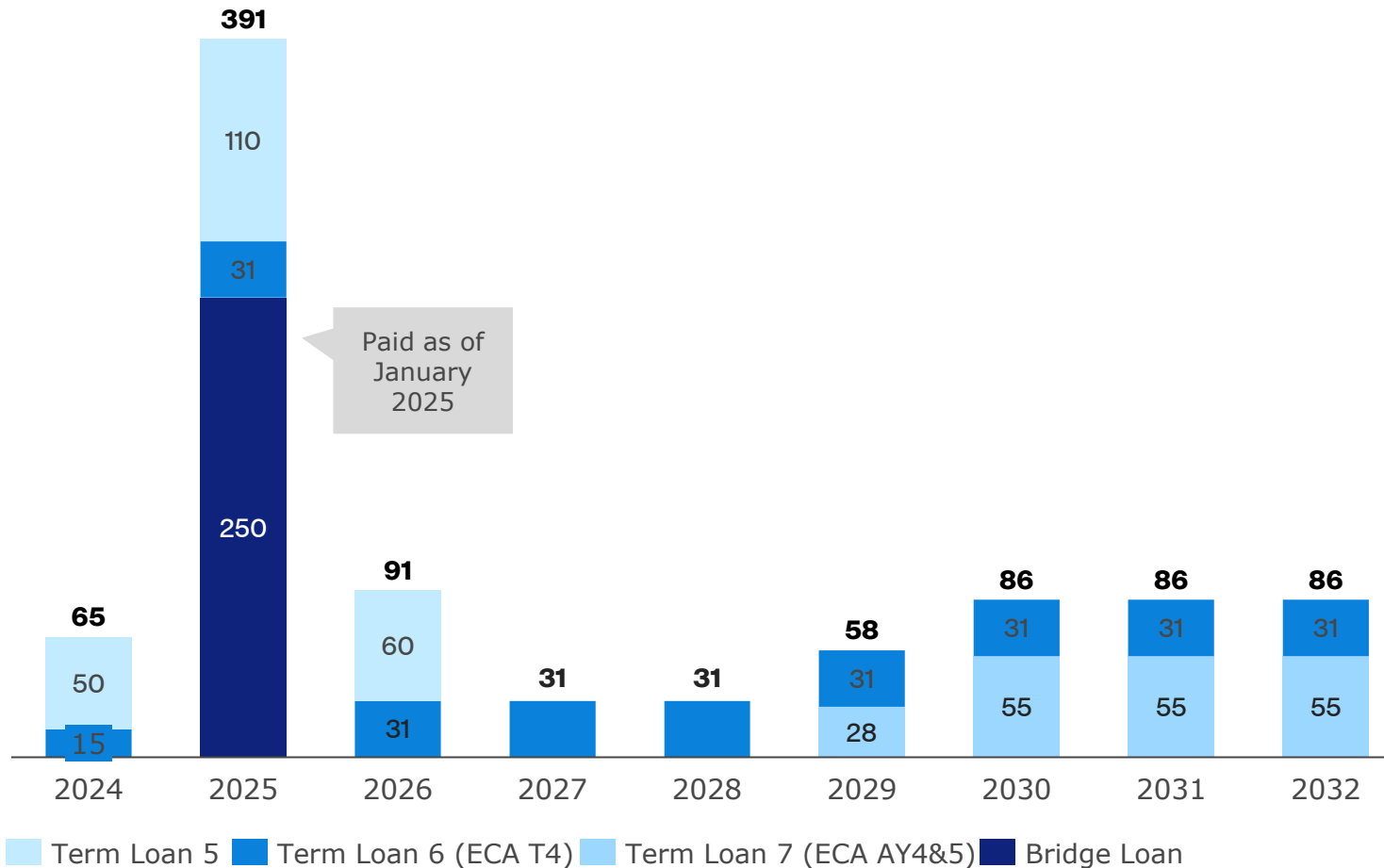
■ T4 ■ AY4&5 ■ SAR ■ MIRA ■ Others

- Circa USD 800Mn CapEx for Geo satellite programs and more than USD 200Mn for SAR

Note: All financial figures are in USD million, unless otherwise stated

Debt maturity profile

Attractive tenors and low all-in cost of financing



Paid as of January 2025

Existing facilities

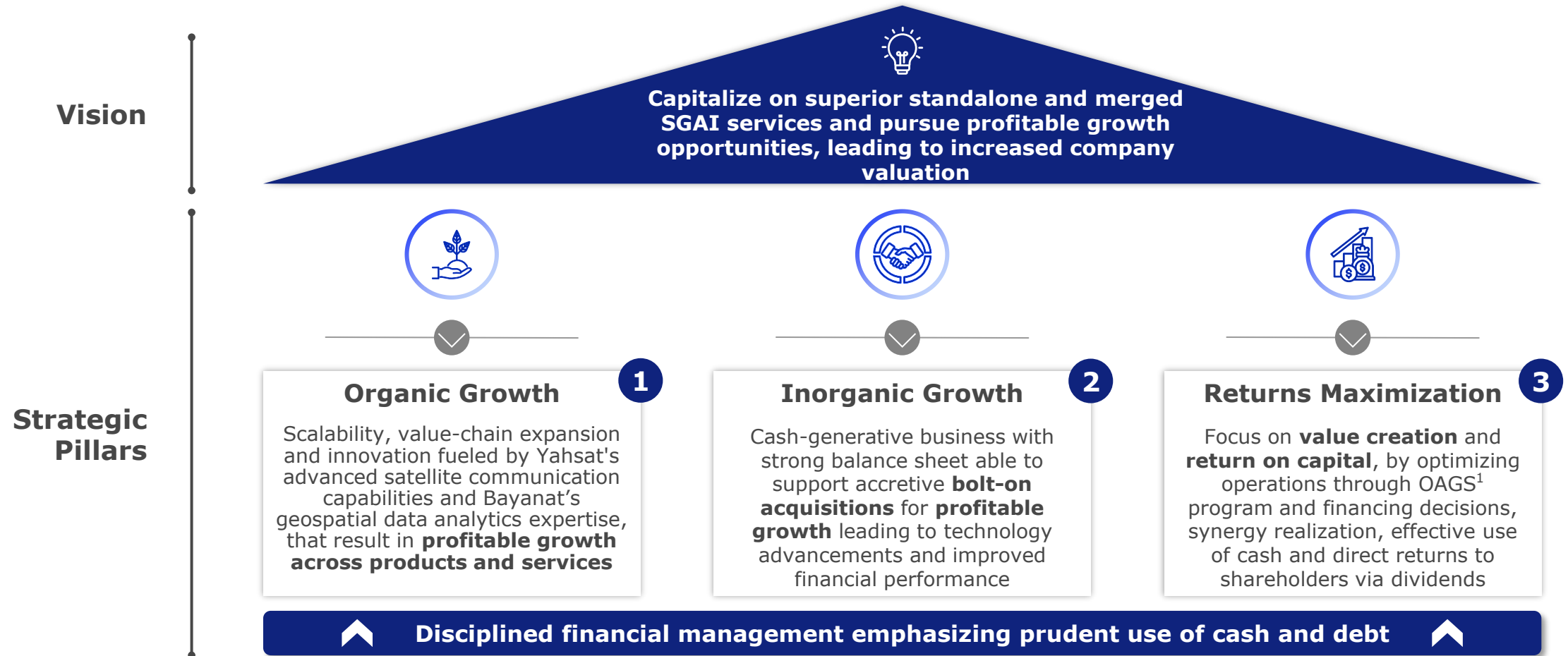
- All facilities relate to Yahsat Space Services
- Term Loan 5 to be fully repaid by 2026
- T4 ECA facility of USD 273Mn with repayment starting in December 2024 until 2032

New facilities (under consideration)

- Term Loan 7 AY4&5 ECA facility of up to USD 660Mn repaid over 12-15 years from 2029

Note: All financial figures are in USD million and pro-forma, unless otherwise stated

Financial framework built on three pillars



1. Optimize and grow stronger



Appendix

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

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 CWIP¹ 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 leverage² 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



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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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