

Space42 Reports Strong First-Year Pro Forma Results

- *Results follow successful completion of merger between Bayanat and Yahsat*
- *Resilient financial performance with superior margins and strong balance sheet*
- *Execution of strategy underway as Space42 is set to become a global leader in AI-driven space technology*

Abu Dhabi, UAE, 27 February 2025: Space42 PLC ("**Space42**" or the "**Company**"), the UAE-based AI-powered SpaceTech company that seamlessly integrates satellite communications, geospatial analytics, and artificial intelligence capabilities for customers globally, and listed on the Abu Dhabi Securities Exchange ("**ADX**", under symbol: **SPACE42**, ISIN: **AEE01122B228**), today announced its 2024 pro forma consolidated financial results.

The Company delivered a resilient financial performance, reporting EBITDA of USD 317 million with a significant rise in margin, up 8 percentage points, and maintaining a strong balance sheet with a year-end cash position exceeding USD 1.1 billion. This reflects its continued focus on operational efficiency and disciplined capital allocation. Since its formation, the Company has made significant progress in executing its strategy, which was unveiled at its inaugural investor day in November. The strategy is built on four key objectives: becoming the preferred partner for premium geospatial data, leading in geospatial intelligence AI platform services, establishing leadership in non-terrestrial mobile connectivity, and reinforcing its position as a provider of secure connectivity solutions.

Space42 has made significant advancements in its Earth Observation and geospatial analytics capabilities. In August 2024, the Company, in partnership with ICEYE, launched Foresight-1, the UAE's first Synthetic Aperture Radar (SAR) satellite. This milestone enhances its upstream Earth Observation capabilities and reinforces its position as a provider of premium geospatial data. A second satellite was launched in January 2025, with the Foresight system set to enter operation this year. In December 2024, Space42 and ICEYE announced a strategic joint venture to manufacture SAR satellites in the UAE, bringing expertise to the region in line with the UAE's National Space Strategy 2030. In February 2025, the Company signed an agreement with FADA, an EDGE company, to establish a strategic joint venture that will develop a fully integrated Earth Observation ecosystem in the UAE. The initiative will deliver dual-use Earth Observation capabilities tailored for government and commercial applications. In the same month, Space42 and EDGE announced a collaboration worth more than USD 100 million. The partnership will leverage data from Space42's Foresight constellation and other systems to provide real-time geospatial insights for defense, security, and environmental applications.

Space42 continues to strengthen its leadership in satellite communications and connectivity. In January 2025, the Company launched the Thuraya-4 satellite, significantly expanding its mobile satellite solutions with broader coverage, enhanced security, and greater bandwidth. This reinforces its position as a leader in the global SatCom industry. As a founding member of the Mobile Satellite Services Association (MSSA), established in 2024, Space42 is leading the integration of terrestrial and non-terrestrial network services to deliver scalable and affordable connectivity to billions of devices. The Company has also advanced the procurement of two new next-generation GEO satellites, Al Yah 4 and Al Yah 5, following the signing of a USD 5.1 billion, 17-year contract with the UAE Government in November. This strengthens Space42's position as a leading provider of secure connectivity solutions.

Karim Michel Sabbagh, Managing Director of Space42, commented: "We are diligently executing on our strategic objectives. In just a few months since its founding, Space42 has significantly enhanced its upstream and downstream Earth Observation capabilities, reinforced its leadership in secure connectivity solutions, and laid the foundation for its next-generation mobile satellite solutions capabilities with the launch of the Thuraya-4 satellite."

As a founding member of the MSSA and with a strong balance sheet and a revenue backlog exceeding USD 7 billion, we are well positioned to develop the next generation of non-terrestrial networks to unlock the direct-to-device opportunity, bringing connectivity to billions of customers.

The execution of our strategy is guided by five principles. First, we focus on programmatic growth with major programs kicking off in 2025, our recently announced multi-year engagements as a case in point. Second, we pursue strategies where we can sustain a distinct advantage as demonstrated through our Foresight system and the associated GIQ platform. Third, we invest in our economic and human capital to build differentiated capabilities that evolve and grow over time. Fourth, we are expanding globally as exhibited through our recent SatCom and Earth Observation programs. Fifth, we prioritize operational optimization and strategic capital allocation, ensuring that we deploy cash effectively to achieve our objectives and deliver long-term, sustainable shareholder value."

Highlights for the period include:

- **Revenue of USD 629 million**, reflected a 19% year-on-year decrease, primarily due to temporary timing shifts in execution of a major multi-year program within Bayanat Smart Solutions and the Thuraya-3 service anomaly within Yahsat Space Services
- **Adjusted EBITDA of USD 317 million**, broadly stable vs. 2023 with a superior margin of 50%, up eight percentage points. Excluding one-off items, primarily USD 30 million income from liquidated damages and USD 13 million profit from the sale of a non-core asset, **Normalized Adj. EBITDA** of USD 282 million reflects a 15% decrease vs. prior year, while margins strengthened at 45% (up from 43% in 2023)
- **Net Profit of USD 166 million**, marginally lower than 2023 (USD 174 million), driven by first-time adoption of UAE Corporate Tax, generated an improved margin of 26%. Excluding tax, Net Profit increased by 5%. Normalized Net Profit of USD 135 million, adjusted for one-off items, decreased from USD 179 million in 2023 with margins broadly stable at 21%
- **Cash CapEx totaled USD 348 million**, mainly related to Yahsat Space Services, primarily in respect of Al Yah 4 & 5 satellites procurement
- **Contracted future revenues of more than USD 7 billion**, equivalent to 11x full-year revenue, including the landmark 17-year, USD 5.1 billion UAE Government agreement signed in November 2024
- **Strong balance sheet** with cash and short-term deposits exceeding USD 1.1 billion, negative Net Debt of USD 505 million, a net leverage ratio of -1.6x and a further USD 0.5 billion expected to be received in advance payments for Al Yah 4 and Al Yah 5 satellites

The full set of financial disclosures can be found within the Investor Relations section on Space42's [website](#).

Note

The financial information presented in this press release has been prepared on a pro forma basis, as if the merger between Bayanat and Yahsat had taken place on January 1, 2023. This has been done to facilitate like-for-like comparison of financial performance of the combined Company.

Normalized Adjusted EBITDA is EBITDA (earnings before interest, taxes, depreciation and amortization) 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 Adjusted EBITDA of USD 282 million reflects adjustments for one-off costs related to the merger between Bayanat and Yahsat (USD 8 million), restructuring (USD 1 million), liquidated damages in relation to the T4 procurement contract (USD 30 million) and a gain on the sale of a building (USD 13 million). 2023 Normalized Adjusted EBITDA of USD 330 million reflects adjustments for one-off restructuring costs (USD 3 million) and costs related to the merger between Bayanat and Yahsat (USD 2 million).

2024 Normalized Net Profit of USD 135 million reflects adjustments made above to derive Normalized EBITDA as well as the related tax impact of these adjustments (USD 3 million) following the introduction of UAE corporate tax. There were no further adjustments for 2023 Normalized Net Profit of USD 179 million.

-Ends-

For investor enquiries, please contact: ir@space42.ai

For media enquiries, please contact: media@space42.ai

About Space42

Space42 (ADX: SPACE42) is a UAE-based AI-powered SpaceTech company that integrates satellite communications, geospatial analytics and artificial intelligence capabilities to enlighten the Earth from space. Formed in 2024 by the successful merger of Bayanat and Yahsat, Space42's global reach allows it to address the rapidly evolving needs of its customers in governments, enterprises, and communities. Space42 comprises two business units: Yahsat Space Services and Bayanat Smart Solutions. Yahsat Space Services focuses on upstream satellite operations for both fixed and mobility satellite services. Bayanat Smart Solutions integrates geospatial data acquisition and processing with AI to inform decision-making, enhance situational awareness, and improve operational efficiency. Major shareholders include G42, Mubadala, and IHC.

For more information, visit: www.space42.ai; follow us on X: [@space42ai](https://twitter.com/space42ai)

Legal Notice and Cautionary statement regarding forward-looking information

This announcement may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, words such as "expect", "will", "looking ahead" and any other words and terms of similar meaning. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and its investments and speak only as of the date of this announcement. Forward-looking statements are based on assumptions of future events and information currently available to the Company which may not prove to be accurate, and the Company does not accept any responsibility for the accuracy or fairness thereof and expressly disclaims any obligation to update any such forward-looking statement. No representation or warranty is made so that any forward-looking statement will come to pass. You are therefore cautioned not to place any undue reliance on forward-looking statements.

Neither this announcement nor anything contained herein constitutes a financial promotion, or an invitation or inducement to acquire or sell securities in any jurisdiction.

Definitions

- Net leverage ratio: Net debt to last-twelve-months Adjusted EBITDA