

Yahsat reports record first quarter revenue in 2023

Net income and EBITDA both grew by 35% and 4% respectively year-on-year

Abu Dhabi, United Arab Emirates, 8 May 2023: Al Yah Satellite Communications Company PJSC (“Yahsat” or the “Group”), the UAE’s flagship satellite solutions provider listed on the Abu Dhabi Securities Exchange (“ADX”, under symbol: **YAHSAT**, ISIN: **AEA007501017**) announced today its consolidated financial results for the three months ended 31 March 2023.

Yahsat continued to deliver year-on-year growth in revenue, EBITDA and Net Income, which increased 2%, 4% and 35% respectively during the quarter. On a normalised basis EBITDA and Net Income surged by 8% and 46% respectively.

First quarter revenues reached AED 369 million [USD 100 million] for the first time in Yahsat’s history with the strong performance primarily driven by the Managed Solutions segment, which saw revenue increase significantly by 29% year-on-year to AED 72 million [USD 20 million]. Infrastructure, the Group’s largest business segment, continued to deliver stable and predictable returns, reporting AED 220 million [USD 60 million] in revenue for the period, 1% higher than the prior year.

Highlights for the period include:

- **Revenue** of AED 369 million [USD 100 million], up 2% year-on-year, driven by strong growth of 29% in Managed Solutions, and further growth in the Infrastructure and Data Solutions businesses.
- **Normalised EBITDA** of AED 231 million [USD 63 million], up 8% year-on-year, delivering a superior margin of 63%.
- **Normalised Net Income** of AED 108 million [USD 29 million] up 46% year-on-year, generating a strong margin of 29%.
- **Contracted future revenue** of AED 7.0 billion [USD 1.9 billion], equivalent to 4.4 times last-twelve-month revenue.
- **Robust balance sheet** with negative Net Debt, strong cash position and long-term visibility of future cash flows, continues to support Yahsat’s investment in organic growth as well as opportunistic acquisitions, without impacting its progressive dividend policy.
- **Net finance costs** were negative, boosting net income as finance income exceeded costs on higher cash balances benefiting from higher interest rates versus the prior period.
- **On track to grow full year 2023 dividend** by at least 2% to 16.46 fils [4.48 cents] per share or AED 402 million [USD 109 million] – based on the last closing share price, this implies an annualised dividend yield of over 6%, amongst the highest offered by UAE listed stocks.
- **Guidance** for full year revenue, EBITDA, Discretionary Free Cash Flow and cash capex and investments remains unchanged.

Ali Al Hashemi, Group Chief Executive Officer of Yahsat, commented: “Yahsat had a strong start to the year with continued focus on growing both our core government business and commercial segments, whilst optimising costs across the Group. The upcoming Thuraya-4 NGS satellite, due to be launched in



2024, followed by two potential new satellites, Al Yah 4 and Al Yah 5, reinforce this direction and present unique growth opportunities.

“We are also working to progress previously announced initiatives with local and international partners targeting areas including satellite-enabled internet of things, vertical value-chain integration, satellite direct-to-device and earth observation.

“The satellite industry is witnessing substantial investments as exciting new products and applications are brought to the market whilst the largest satellite operators consolidate to confront the transforming, competitive landscape. Our unique backlog of future revenues, reaching AED 7.0 billion [USD 1.9 billion] or 4.4 times last twelve-month revenues, as well as a robust balance sheet place us in a strong position to drive our future ambitions and continue delivering sustainable long-term growth.”

The full set of [first quarter financial disclosures](#), including a more detailed Management Discussion & Analysis report that clearly defines capitalised terms used in this press release, can be found within the Investor Relations section on Yahsat’s website.

Note to Editors:

Normalised EBITDA is EBITDA 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. Q1 2023 Normalised EBTIDA of AED 231 million [USD 63 million] reflects an adjustment for one-off redundancy costs (AED 8 million [USD 2 million]) whilst there were no adjustments made to Q1 2022 EBITDA of AED 213 million [USD 58 million]

Similarly, Q1 2023 Normalised Net Income of AED 108 million [USD 29 million] reflects adjustments made to derive Normalised EBITDA whilst there were no adjustments made to Q1 2022 net income of AED 74 million [USD 20 million].

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About Yahsat

Al Yah Satellite Communications Company PJSC (Yahsat) is a public company listed on the Abu Dhabi Securities Exchange (ADX) and a subsidiary of Mubadala Investment Company PJSC, offering multi-mission satellite solutions in more than 150 countries across Europe, the Middle East, Africa, South America, Asia and Australasia.

Yahsat’s fleet of 5 satellites reaches more than 80% of the world’s population, enabling critical communications including broadband, broadcasting, backhauling and mobility solutions. Based out of Abu Dhabi in the UAE, Yahsat provides C, Ku, Ka and L-band satellite communications solutions for land, maritime and aero platforms to consumers, governments and enterprises. Its businesses consist of Yahsat Government Solutions, Thuraya, YahClick (powered by Hughes) and YahLink. Yahsat also participates in Hughes do Brasil, an equity partnership with Hughes, and Yahlive, an equity partnership with SES. In 2020, Yahsat commenced construction of Thuraya 4-NGS, the next generation telecommunications system for Thuraya, which is due to enter service in 2025.

For more information, visit: www.yahsat.com; follow us on Twitter: [@YahsatOfficial](https://twitter.com/YahsatOfficial)



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This announcement includes 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 at 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 that any forward-looking statement will come to pass. You are therefore cautioned not to place any undue reliance on forward-looking statements. For further information regarding forward-looking statements, and the factors that may cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements please refer to our Annual Report for 2021, which is available on our website at <https://www.yahsat.com/Reports/2022/index.html>

The amount and payment of dividends by the Group is subject to consideration by the Board of Directors of the cash management requirements of the Group for operating expenses, interest expense, and anticipated capital expenditures, and market conditions, the then current operating environment in its markets, and the Board of Directors' outlook for the business of the Company. In addition, any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, as determined at the discretion of the Board of Directors.

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

