Al Yah Satellite Communications Company PJSC

Condensed consolidated interim financial statements

For the nine months ended 30 September 2021

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Al Yah Satellite Communications Company PJSC

Board of Directors' Report

30 September 2021

The Directors have pleasure in presenting their report, together with the reviewed condensed consolidated interim financial statements of Al Yah Satellite Communications Company PJSC (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the nine months ended 30 September 2021.

Principal activity

The Group’s principal activities include leasing of satellite communication capacity, end-to-end integrated satellite communication and managed services, and providing fixed and mobile telecommunication services via satellites to customers.

Results for the period

For the nine months ended 30 September 2021, the Group reported revenue of $284,294 thousand (30 September 2020: $293,241 thousand) and profit for the period attributable to the shareholders of $43,296 thousand (30 September 2020: $51,750 thousand).

Going concern basis

The Board of Directors has reasonable expectation that the Group has adequate resources and support to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements for the period ended 30 September 2021.

Transactions with related parties

Related party transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations. Related party transactions are disclosed in note 17 of the condensed consolidated interim financial statements.

Directors

Musabbeh Al Kaabi
H.E. Tareq Abdul Raheem Al Hosani
H. E. Rashed Al Ghafri
Badr Alolama
Masood M. Sharif Mahmood
H.E. Maryam Eid Khamis AlMheiri
Peng Xiao
Gaston Urda
Adrian Georges Steckel

Auditors

The condensed consolidated interim financial statements for the nine months ended 30 September 2021 have been reviewed by KPMG Lower Gulf Limited.

On behalf of the Board of Directors

DocuSigned by:
Musabbeh Al Kaabi
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Chairman of the Board
Musabbeh Al Kaabi

Date: 4 November 2021

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Abu Dhabi, United Arab Emirates
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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

To the Shareholder of Al Yah Satellite Communication Company PJSC

Introduction

We have reviewed the accompanying 30 September 2021 condensed consolidated interim financial information of Al Yah Satellite Communication Company PJSC ("the Company") and its subsidiaries (together referred to as "the Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 30 September 2021;
- the condensed consolidated interim statement of profit or loss for the three-month and nine-month periods ended 30 September 2021;
- the condensed consolidated interim statement of comprehensive income for the three-month and nine-month periods ended 30 September 2021;
- the condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2021;
- the condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 2021; and
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2021 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Other matter – comparative information

The consolidated financial statements of the Group as at and for the year ended 31 December 2020 were audited by another auditor, who expressed an unmodified audit opinion on those consolidated financial statements dated 4 April 2021 and that the condensed consolidated interim financial information for the three-month and nine-month periods ended 30 September 2020 was neither reviewed nor audited.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Abu Dhabi, United Arab Emirates
Date: 4 November 2021

	Notes	Three months ended 30 September 2021 $ 000	Three months ended 30 September 2020 $ 000	Nine months ended 30 September 2021 $ 000	Nine months ended 30 September 2020 $ 000
Revenue	4	94,110	95,327	284,294	293,241
Cost of revenue		(9,173)	(7,607)	(22,590)	(20,460)
Staff costs		(25,134)	(21,847)	(65,903)	(66,640)
Other operating expenses [1]		(5,238)	(14,829)	(26,484)	(36,383)
Other income	5	632	12,936	1,769	15,246
Adjusted EBITDA [2]		**55,197**	**63,980**	**171,086**	**185,004**
Depreciation, amortisation and impairment		(38,344)	(37,588)	(111,828)	(112,041)
Fair value adjustments on investment property		-	-	(209)	-
Operating profit		**16,853**	**26,392**	**59,049**	**72,963**
Finance income		39	451	239	2,966
Finance costs		(2,171)	(4,750)	(15,075)	(16,194)
Net Finance costs		**(2,132)**	**(4,299)**	**(14,836)**	**(13,228)**
Share of results of equity-accounted investments	8	(3,311)	(2,756)	(6,160)	(13,213)
Profit before income tax		**11,410**	**19,337**	**38,053**	**46,522**
Income tax expense		42	(24)	(77)	(138)
Profit for the period		**11,452**	**19,313**	**37,976**	**46,384**
Losses (net) for the period attributable to non-controlling interests		(1,745)	(1,905)	(5,320)	(5,366)
Profit for the period attributable to the Shareholders		**13,197**	**21,218**	**43,296**	**51,750**
Earnings per share					
Basic and diluted ($ per share)	20	0.005	0.009	0.018	0.021

[1] Other operating expenses include impairment loss on trade receivables and contract assets. For the three month and nine month periods ended 30 September 2021, the net impairment was negative (net credit) of $4,632 thousand and $2,404 thousand, respectively. For the three-month and nine-month periods ended 30 September 2020, the net impairment was a charge of $3,074 thousand and $4,028 thousand, respectively.

[2] Earnings before interest, tax, depreciation, amortisation, impairment, fair value adjustments on investment property and share of results of equity-accounted investments. Refer to note 3 for a reconciliation of Adjusted EBITDA to profit for the period. Adjusted EBITDA is a non-GAAP measure.

The results for the period ended 30 September 2021 are reviewed. The comparatives for the period ended 30 September 2020 are neither reviewed nor audited.

The notes on pages 9 to 25 form part of these condensed consolidated interim financial statements.

The independent auditor's report is set out on pages 2 to 3.

	Three months ended 30 September		Nine months ended 30 September	
	2021	**2020**	**2021**	**2020**
	$ 000	**$ 000**	**$ 000**	**$ 000**
Profit for the period	**11,452**	**19,313**	**37,976**	**46,384**
Other comprehensive income:				
Items that may be reclassified to profit or loss:				
Cash flow hedge - effective portion of changes in fair value	6	(3,162)	(43)	(7,980)
Cash flow hedge - loss reclassified to profit or loss	886	3,113	10,592	8,102
Foreign operations - currency translation differences	(9,180)	(2,929)	(4,948)	(36,543)
Total comprehensive income for the period	**3,164**	**16,335**	**43,577**	**9,963**
Total comprehensive loss attributable to non-controlling interests	(1,756)	(1,906)	(5,320)	(5,403)
Total comprehensive income attributable to the Shareholders	**4,920**	**18,241**	**48,897**	**15,366**

The results for the period ended 30 September 2021 are reviewed. The comparatives for the period ended 30 September 2020 are neither reviewed nor audited.

The notes on pages 9 to 25 form part of these condensed consolidated interim financial statements.

The independent auditor's report is set out on pages 2 to 3.

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	Notes	30 September 2021 $ 000	31 December 2020 $ 000
Assets			
Property, plant and equipment	6	936,601	1,018,003
Capital work in progress	7	181,178	98,531
Investment property		21,928	22,137
Right-of-use assets		16,613	20,645
Intangible assets		10,361	13,083
Equity-accounted investments	8	122,228	125,574
Trade and other receivables	9	10,383	11,227
Deferred income tax assets		116	94
Total non-current assets		**1,299,408**	**1,309,294**
Inventories		5,207	13,291
Trade and other receivables	9	147,359	127,296
Income tax assets		187	182
Cash and short-term deposits*	10	398,330	224,915
Total current assets		**551,083**	**365,684**
Total assets		**1,850,491**	**1,674,978**
Liabilities			
Trade and other payables	11	65,157	88,539
Borrowings	12	3,601	129,114
Derivative financial instruments	13	590	8,016
Deferred revenue	14	84,586	22,095
Income tax liabilities		178	288
Total current liabilities		**154,112**	**248,052**
Trade and other payables	11	291,000	291,000
Borrowings	12	502,818	143,655
Derivative financial instruments	13	-	1,641
Provision for employees' end of service benefits		11,369	10,515
Total non-current liabilities		**805,187**	**446,811**
Total liabilities		**959,299**	**694,863**
Net assets		**891,192**	**980,115**
Equity			
Share capital	15	664,334	2,722
Additional paid-in capital	15	-	661,612
Hedging reserve	13	892	(9,657)
Statutory reserve		4,103	4,103
Translation reserve		(27,150)	(22,202)
Retained earnings		170,742	259,946
Equity attributable to the Shareholders		**812,921**	**896,524**
Non-controlling interests		78,271	83,591
Total equity		**891,192**	**980,115**

*Cash and short term deposits include cash and cash equivalents of $371,101 thousand (31 December 2020: US$ 104,915 thousand).

To the best of our knowledge, the financial information included in these condensed consolidated interim financial statements presents fairly, in all material respects, the financial position, results of operations and cash flows of the Group as of, and for, the periods presented therein.

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 4 November 2021 and approved on their behalf by:

DocuSigned by: Musabbeh Al Kaabi 700A64D757D7407...	DocuSigned by: 13AA0BE7E75B451...	DocuSigned by: Andrew Cole A6BF0B65FED14B7...
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**
Musabbeh Al Kaabi	**Ali Hashem Al Hashemi**	**Andrew Francis Cole**

The financial position as of 30 September 2021 is reviewed. The comparative financial position of as of 31 December 2020 is audited.

The notes on pages 9 to 25 form part of these condensed consolidated interim financial statements.

The independent auditor's report is set out on pages 2 to 3.

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Al Yah Satellite Communications Company PJSC

Condensed consolidated interim statement of changes in equity

for the nine months ended 30 September

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	Attributable to the Shareholders							
	Share capital	Additional paid-in capital	Hedging reserve	Other Reserves [1]	Retained earnings	Total	Non-controlling interests	Total equity
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
At 1 January 2020	**2,722**	**661,612**	**(15,839)**	**9,903**	**246,044**	**904,442**	**91,104**	**995,546**
Profit for the period	-	-	-	-	51,750	51,750	(5,366)	46,384
Other comprehensive income:								
Currency translation differences	-	-	-	(36,506)	-	(36,506)	(37)	(36,543)
Cash flow hedge - effective portion of changes in fair value	-	-	(7,980)	-	-	(7,980)	-	(7,980)
Cash flow hedge - loss reclassified to profit or loss	-	-	8,102	-	-	8,102	-	8,102
Other comprehensive income for the period	**-**	**-**	**122**	**(36,506)**	**-**	**(36,384)**	**(37)**	**(36,421)**
Total comprehensive income for the period	**-**	**-**	**122**	**(36,506)**	**51,750**	**15,366**	**(5,403)**	**9,963**
Transactions with the Shareholder:								
Dividends (Note 19)	-	-	-	-	(55,000)	(55,000)	-	(55,000)
At 30 September 2020	**2,722**	**661,612**	**(15,717)**	**(26,603)**	**242,794**	**864,808**	**85,701**	**950,509**
At 1 January 2021	**2,722**	**661,612**	**(9,657)**	**(18,099)**	**259,946**	**896,524**	**83,591**	**980,115**
Profit for the period	-	-	-	-	43,296	43,296	(5,320)	37,976
Other comprehensive income:								
Currency translation differences	-	-	-	(4,948)	-	(4,948)	-	(4,948)
Cash flow hedge - effective portion of changes in fair value	-	-	(43)	-	-	(43)	-	(43)
Cash flow hedge - loss reclassified to profit or loss [2]	-	-	10,592	-	-	10,592	-	10,592
Other comprehensive income for the period	**-**	**-**	**10,549**	**(4,948)**	**-**	**5,601**	**-**	**5,601**
Total comprehensive income for the period	**-**	**-**	**10,549**	**(4,948)**	**43,296**	**48,897**	**(5,320)**	**43,577**
Conversion of additional paid-in capital to share capital (Note 15)	661,612	(661,612)	-	-	-	-	-	-
Transactions with the Shareholder:								
Dividends (Note 19)	-	-	-	-	(132,500)	(132,500)	-	(132,500)
At 30 September 2021	**664,334**	**-**	**892**	**(23,047)**	**170,742**	**812,921**	**78,271**	**891,192**

[1] Other reserves include translation reserve and statutory reserve.

[2] The amount includes $5,156 thousand on account of discontinuance of hedge accounting (Note 13) and $5,436 thousand relating to periodic reclassifications to profit or loss.

The changes in equity for the period ended 30 September 2021 are reviewed. The comparatives for the period ended 30 September 2020 are neither reviewed nor audited.

The notes on pages 9 to 25 form part of these condensed consolidated interim financial statements.

The independent auditor's report is set out on pages 2 to 3.

Al Yah Satellite Communications Company PJSC

Condensed consolidated interim statement of cash flows

for the nine months ended 30 September

	Notes	2021 $ 000	2020 $ 000
Operating activities			
Profit before income tax		38,053	46,522
Adjustments for:			
Share of results of equity-accounted investments		6,160	13,213
Depreciation, amortisation and impairment		111,828	112,041
Allowance for expected credit losses		(2,404)	3,029
Loss allowance for inventories		641	780
Fair value adjustment to investment property		209	-
Finance income		(239)	(2,966)
Finance costs		15,075	16,194
Gain on disposal of property, plant and equipment		(31)	-
Provision for employees' end of service benefits		1,577	1,665
Operating profit before working capital changes		**170,869**	**190,478**
Working capital changes:			
Trade and other receivables		(16,815)	13,466
Inventories		7,443	(4,528)
Trade and other payables		(21,635)	(16,656)
Deferred revenue		62,491	51,622
Employee end of service payments		(723)	(1,886)
Income tax paid		(214)	(126)
Net cash from operating activities		**201,416**	**232,370**
Investing activities			
Purchases of property, plant and equipment		(5,207)	(3,854)
Purchases of capital work in progress		(101,581)	(44,761)
Additions to intangible assets		(193)	(822)
Return of investment in an associate		2,080	-
Investment in an associate		(9,880)	(14,318)
Receipt of short-term deposits with original maturity of over three months, net		92,771	-
Proceeds on disposal of property, plant and equipment		49	-
Interest received		239	2,966
Net cash used in investing activities		**(21,722)**	**(60,789)**
Financing activities			
Proceeds from borrowings		506,681	-
Transaction costs on borrowings paid		(16,292)	-
Repayment of borrowings		(258,878)	(68,997)
Interest paid		(4,159)	(13,898)
Settlement of derivative contract liabilities		(8,555)	-
Dividends paid to the Shareholder	19	(132,500)	(55,000)
Net cash from/(used in) financing activities		**86,297**	**(137,895)**
Net increase in cash and cash equivalents		**265,991**	**33,686**
Net foreign exchange difference		195	(267)
Cash and cash equivalents at the beginning of the period		104,915	147,432
Cash and cash equivalents as at the end of the period		**371,101**	**180,851**

The cash flows for the period ended 30 September 2021 are reviewed. The comparatives for the period ended 30 September 2020 are neither reviewed nor audited.

The notes on pages 9 to 25 form part of these condensed consolidated interim financial statements.

The independent auditor's report is set out on pages 2 to 3.

1 General information

Al Yah Satellite Communications Company (the "Company") was incorporated on 23 January 2007 as a private joint stock company in Abu Dhabi, United Arab Emirates (UAE). UAE Federal Law No. 2 of 2015 (Companies Law) is applicable to the Company and has come into effect on 1 July 2015. On 16 June 2021, the Company was converted into a public joint stock company and on 14 July 2021, the Company's shares were listed on the Abu Dhabi Securities Exchange (refer to Note 15).

The Company is a subsidiary of Mubadala Investment Company PJSC (the "Parent Company" or the "Shareholder"), an entity wholly owned by the Government of Abu Dhabi.

This condensed consolidated interim financial statements include the financial performance and position of the Company, its subsidiaries (collectively referred to as the "Group") and the Group's interest in its equity-accounted investees.

The Group's principal activity is the leasing of satellite communication capacity and providing telecommunication services via satellite to customers.

2 Significant accounting policies

2.1 Basis of preparation

Statement of compliance
These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, and comply where appropriate, with the Articles of Association and applicable requirements of the laws of the UAE and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The same accounting policies and methods of computation are followed in the condensed interim financial statements as compared with the most recent annual financial statements.

Basis of measurement
These condensed consolidated interim financial statements have been prepared on the historical cost basis, except for derivative financial instruments and investment property, which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and presentation currency
These condensed consolidated interim financial statements are presented in United States Dollars ("USD" or "$"), the functional currency of the Company and the presentation currency of the Group. Subsidiaries and its equity-accounted investees determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency. All financial information presented in USD has been rounded to the nearest thousand ("$ 000"), unless stated otherwise.

Use of judgements and estimates
In preparing these condensed consolidated interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

2.2 New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
The amendments require additional disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed and how the entity manages those risks.

The amendments will have an impact on the existing term loan and interest rate swap (IRS) contracts (derivative used for hedging) after 30 June 2023, the date when the USD LIBOR rates are expected to be discontinued. The term loan and IRS agreements provide for a mechanism for transition from LIBOR to an agreed replacement benchmark. The Group will be in a position to assess the potential impact of the transition on the consolidated financial statements when the replacement benchmark is notified by the lenders and the hedge counterparty.

2 Significant accounting policies (continued)

2.2 New and amended standards and interpretations (continued)

Amendments to IFRS 16 Covid-19 Related Rent Concessions
On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. In March 2021, the IASB has extended, by one year, the May 2020 amendment. The amendment is effective for annual reporting periods beginning on or after 1 April 2021 with earlier adoption permitted. The amendments did not have a material impact on the Group.

2.3 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 17 Insurance Contracts
The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. This standard is not applicable to the Group.

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current
The amendments provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and are to be applied retrospectively. The Group is assessing the potential impact of this amendment.

Reference to the Conceptual Framework – Amendments to IFRS 3
The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The IASB also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the IASB decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively. The Group is assessing the potential impact of these amendments.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
The amendment prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
The amendment specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. The amendment is not expected to have a material impact on the Group.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The amendment is not expected to have a material impact on the Group.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
The amendment clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendment is effective for annual periods beginning on or after 1 January 2023 with earlier adoption permitted. The amendment is not expected to have a material impact on the Group.

3 Segment information

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 Operating Segments.

Accounting policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Information on segments

The CODM monitors the operating results of the segments for the purpose of making decisions, allocating resources and assessing performance. The segments are based on lines of business as follows:

- Infrastructure segment, which primarily provides long-term satellite capacity leases, and satellite operation services. This is the largest operating segment.
- Managed Solutions segment includes end-to-end managed solutions provided mainly to government customers (Yahsat Government Solutions) and other industry solutions.
- Mobility Solutions segment provides narrow-band satellite solutions under the trade name Thuraya.
- Data Solutions (BCS) segment represents the Group's Yahclick business providing broadband satellite solutions in Africa, Middle East and Asia.
- 'Others' include two segments: a) Data Solutions - Brazil representing the Group's Brazilian associate HPE and b) Broadcast segment representing the Group's associate Al Maisan.

Segment revenue is measured in a manner consistent with that in the condensed consolidated interim statement of profit or loss. The performance of the segments are evaluated on the following basis:

- Infrastructure and Managed Solutions segments are evaluated based on segment Adjusted EBITDA, a measure broadly consistent with Group Adjusted EBITDA.
- Data Solutions (BCS) and Mobility Solutions segments are evaluated based on segment Adjusted EBITDA and segment profit or loss which is measured consistently with profit for the year in the consolidated financial statements.
- Data solutions (Brazil) and Broadcast segments are evaluated based on the Group's share of results in the respective equity accounted investments (associates).

Elimination of inter-segment revenue and other consolidation adjustments, if any, are presented under the column 'reconciliations'.

Capital expenditure includes additions during the period to property, plant and equipment, capital work in progress, right-of-use assets and intangible assets.

The breakdown of revenue from external customers by nature of business activity is provided in Note 4.

The segment information for the nine months ended 30 September 2021 is as follows:

	Infra-structure	Managed solutions	Mobility solutions	Data solutions (BCS)	Other	Recon-ciliation	Total
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
External revenue	179,225	41,927	45,887	17,255	-	-	284,294
Inter-segment revenue	809	-	-	586	-	(1,395)	-
Total revenue	**180,034**	**41,927**	**45,887**	**17,841**	**-**	**(1,395)**	**284,294**
Adjusted EBITDA	**137,217**	**19,162**	**17,282**	**(2,575)**	**-**	**-**	**171,086**
Depreciation, amortisation and impairment	(68,402)	(79)	(18,783)	(24,564)	-	-	(111,828)
Fair value losses on investment property	-	-	(209)	-	-	-	(209)
Finance income	963	-	6	1,962	-	(2,692)	239
Finance costs	(16,884)	-	(745)	(138)	-	2,692	(15,075)
Share of results - HPE	-	-	-	-	(7,407)	-	(7,407)
Share of results - Al Maisan	-	-	-	-	1,247	-	1,247
Income tax expense	(30)	-	(13)	(34)	-	-	(77)
Profit/(loss) for the period	**52,864**	**19,083**	**(2,462)**	**(25,349)**	**(6,160)**	**-**	**37,976**
Losses (net) for the period attributable to non-controlling interests	-	-	(250)	(5,070)	-	-	(5,320)
Profit for the period attributable to the Shareholders	**52,864**	**19,083**	**(2,212)**	**(20,279)**	**(6,160)**	**-**	**43,296**
Capital expenditure	98,513	137	3,975	3,862	-	-	106,487

3 Segment information (continued)

The segment information for the nine months ended 30 September 2020 is as follows:

	Infra-structure	Managed solutions	Mobility solutions	Data solutions (BCS)	Other	Recon-ciliation	Total
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
External revenue	177,871	43,951	50,625	20,794	-	-	293,241
Inter-segment revenue	974	-	-	438	-	(1,412)	-
Total revenue	**178,845**	**43,951**	**50,625**	**21,232**	**-**	**(1,412)**	**293,241**
Adjusted EBITDA	**150,628**	**20,964**	**16,562**	**(3,150)**	**-**	**-**	**185,004**
Depreciation, amortisation and impairment	(68,494)	(95)	(19,851)	(23,601)	-	-	(112,041)
Finance income	419	-	6	2,541	-	-	2,966
Finance costs	(14,933)	-	(955)	(306)	-	-	(16,194)
Share of results - HPE	-	-	-	-	(11,310)	-	(11,310)
Share of results - Al Maisan	-	-	-	-	(1,903)	-	(1,903)
Income tax expense	20	-	(1)	(157)	-	-	(138)
Profit/(loss) for the period	**67,640**	**20,869**	**(4,239)**	**(24,673)**	**(13,213)**	**-**	**46,384**
Losses (net) for the period attributable to non-controlling interests	-	-	(432)	(4,934)	-	-	(5,366)
Profit for the period attributable to the Shareholders	**67,640**	**20,869**	**(3,807)**	**(19,739)**	**(13,213)**	**-**	**51,750**
Capital expenditure	43,318	340	3,123	3,103	-	-	49,884

Geographical information

The information on Group's revenue by geography has been compiled based on the principal location of the customers. The Group's principal place of operations is the United Arab Emirates.

Information on significant revenues from a single customer is provided in Note 17.

	Nine months ended 30 September	
	2021	2020
	$ 000	$ 000
United Arab Emirates	237,495	239,900
Europe	17,607	23,763
Asia	16,378	16,575
Africa	8,347	6,165
North America	3,749	5,996
Others	718	842
Revenue	**284,294**	**293,241**

4 Revenue

	Notes	Three months ended 30 September 2021	Three months ended 30 September 2020	Nine months ended 30 September 2021	Nine months ended 30 September 2020
		$ 000	$ 000	$ 000	$ 000
Services rendered		88,656	90,548	272,660	281,071
Sale of equipment and accessories		5,454	4,779	11,634	12,170
		94,110	**95,327**	**284,294**	**293,241**
Revenue from related parties is disclosed in Note 17.					
Revenue includes:					
Revenue from contracts with customers (IFRS 15)		61,615	61,893	185,868	192,973
Income from operating leases (IFRS 16)		32,495	33,434	98,426	100,268
		94,110	**95,327**	**284,294**	**293,241**
Disaggregation of revenue by operating segment:					
Services rendered:					
Infrastructure		59,296	59,285	179,225	177,871
Managed solutions		12,877	11,452	41,927	43,951
Data solutions - BCS		4,923	7,234	16,566	20,308
Mobility solutions		11,560	12,407	34,942	38,941
Sale of equipment and accessories (recognised at a point in time)					
Data solutions - BCS		493	170	689	486
Mobility solutions		4,961	4,779	10,945	11,684
	3	**94,110**	**95,327**	**284,294**	**293,241**
Timing of recognition of revenue from contracts with customers:					
Over time		56,166	55,824	173,635	178,592
At a point in time		5,449	6,069	12,233	14,381
		61,615	**61,893**	**185,868**	**192,973**

Revenue by geography is disclosed in note 3.

Contract balances (IFRS 15)	Notes	30 September 2021 $ 000	31 December 2020 $ 000
Trade receivables, net of loss allowance	9	104,077	94,448
Contract assets	9	17,834	19,827
Contract liabilities:			
Advances from a related party		128,040	128,040
Advances from other customers	11	3,484	5,999
Deferred revenue	14	51,896	22,095

5 Other income

During the previous period, the Group entered into an Orbital Location Agreement with a satellite operator to transfer the beneficial rights in certain orbital rights to the operator. The fair value of the consideration for the transfer was $14 million, comprising of $4 million in cash and a non-monetary consideration in the form of a right to future orbital services valued at $10 million. The fair value of the consideration received was recorded as gain on transfer of orbital right included within Other income for the period ended 30 September 2020.

6 Property, plant and equipment

	Notes	30 September 2021 $ 000	31 December 2020 $ 000
At the beginning of the period/year		1,018,003	1,146,331
Additions		5,207	8,644
Depreciation		(104,792)	(139,286)
Disposal/write-off		(18)	(7)
Exchange differences		(144)	132
Transfer from capital work in progress	7	18,434	2,665
Impairment		-	(213)
Other movements		(89)	(263)
At the end of the period/year		**936,601**	**1,018,003**

Additions to property, plant and equipment during the nine-month period ended 30 September 2020 amounted to $3.8 million.

7 Capital work in progress

	Notes	30 September 2021 $ 000	31 December 2020 $ 000
At the beginning of the period/year		98,531	19,180
Additions		101,081	82,016
Transfers to property, plant and equipment	6	(18,434)	(2,665)
At the end of the period/year		**181,178**	**98,531**

Additions during the period mainly relate to the Thuraya 4 satellite (T4-NGS) under construction. The cumulative cost of T4-NGS as of 30 September 2021 amounted to $174.1 million (31 December 2020: $76.8 million). Additions to capital work in progress during the period ended 30 September 2020 amounted to $44.8 million.

8 Equity-accounted investments

	30 September 2021 $ 000	31 December 2020 $ 000
At the beginning of the period/year	125,574	151,285
Contributions made during the period/year	9,880	18,558
Return of investment from Al Maisan	(2,080)	-
Share of results for the period/year	(6,160)	(16,360)
Exchange differences	(4,986)	(27,909)
At the end of the period/year	**122,228**	**125,574**
of which Investment in HPE	102,693	105,205
of which Investment in Al Maisan	19,535	20,369

Share of results for the nine-month period ended 30 September 2020 was a loss of $13.2 million (also refer to note 3).

9 Trade and other receivables

	30 September 2021 $ 000	31 December 2020 $ 000
Trade receivables	126,392	119,312
Allowance for expected credit losses	(22,315)	(24,864)
Trade receivables, net of allowance	**104,077**	**94,448**
Contract assets - accrued income	17,834	19,827
Prepayments - orbital services	10,000	10,000
Prepayments - others	5,108	2,647
Advances	15,013	5,348
Other receivables	5,710	6,253
Total trade and other receivables	**157,742**	**138,523**
of which non-current	10,383	11,227
of which current	147,359	127,296

10 Cash and short term deposits

	30 September 2021 $ 000	31 December 2020 $ 000
Cash on hand and in banks	371,097	94,912
Short-term deposits with banks	27,233	3
Short-term deposits with related parties	-	130,000
Cash and short-term deposits	**398,330**	**224,915**
Less: Short-term deposits with original maturities of over three months	(27,229)	(120,000)
Cash and cash equivalents	**371,101**	**104,915**

During the period, the Group withdrew the entire amount of $130 million short-term deposits placed with related parties in the previous year and placed $27,229 thousand as deposit with a bank.

11 Trade and other payables

	30 September 2021 $ 000	31 December 2020 $ 000
Trade payables	28,528	40,287
Accruals	28,926	32,197
Advance from a related party	291,000	291,000
Advances from other customers	3,484	5,999
Other payables	4,219	10,056
Total trade and other payables	**356,157**	**379,539**
of which non-current	291,000	291,000
of which current	65,157	88,539

12 Borrowings

	30 September 2021 $ 000	31 December 2020 $ 000
The carrying amount of borrowings are as follows:		
A) Term loans:		
Principal amounts	507,745	255,716
Unamortised transaction costs	(17,649)	(2,744)
Term loans - net of unamortised transaction costs	**490,096**	**252,972**
B) Lease liabilities	16,323	19,797
Total borrowings	**506,419**	**272,769**
of which current	3,601	129,114
of which non-current	502,818	143,655

A) Term loans

The breakdown of the carrying amounts of the term loans is as follows:

	Repayment tenor Years	Principal amount $ 000	Unamortised transaction costs $ 000	Carrying amount $ 000
At 30 September 2021				
Term loan 1	2012-2022	-	-	-
Term loan 4	2015-2021	1,064	(4)	1,060
Term loan 5	2022-2026	400,000	(4,366)	395,634
Term loan 6	2024-2032	106,681	(13,279)	93,402
		507,745	**(17,649)**	**490,096**
At 31 December 2020				
Term loan 1	2012-2022	251,461	(2,726)	248,735
Term loan 4	2015-2021	4,255	(18)	4,237
		255,716	**(2,744)**	**252,972**

	30 September 2021 $ 000	31 December 2020 $ 000
The movements in term loans are as follows:		
At the beginning of the period/year	252,972	367,736
Additions	506,681	-
Transaction costs	(18,045)	-
Amortisation of transaction costs	3,141	1,837
Payments	(254,653)	(116,601)
At the end of the period/year	**490,096**	**252,972**

12 Borrowings (continued)

The principal amounts of the term loans are repayable as follows:

	Term loan 1	Term loan 4	Term loan 5	Term loan 6	Total
	$ 000	$ 000	$ 000	$ 000	$ 000
At 30 September 2021					
Within one year	-	1,064	-	-	1,064
1 - 2 years	-	-	120,000	-	120,000
2 - 5 years	-	-	280,000	25,101	305,101
Beyond 5 years	-	-	-	81,580	81,580
	-	**1,064**	**400,000**	**106,681**	**507,745**
At 31 December 2020					
Within one year	121,229	4,255	-	-	125,484
1 - 2 years	130,232	-	-	-	130,232
2 - 5 years	-	-	-	-	-
Beyond 5 years	-	-	-	-	-
	251,461	**4,255**	**-**	**-**	**255,716**

On 14 June 2021, the Group entered into a new Term Facility Agreement for a facility amount of $400 million (Term loan 5 or 2021 Term Loan $400m Facility). Term loan 5 has a tenor of five years and is repayable in eight semi-annual installments starting from 14 December 2022. Term loan 5 bears interest at LIBOR plus margin of 1.30% per annum.

On 22 June 2021, the Term loan 5 was drawn in full and was partially used to acquire the outstanding borrowings of Term loan 1 amounting to $251,461 thousand on the same date. Upon acquisition of Term Loan 1, the remaining unamortised transaction cost of $1,858 thousand was charged to profit or loss under finance costs and is included in the line item 'Amortisation of transaction costs' above.

On 14 June 2021, the Group entered into an export credit agency facility through a BPIFAE Facility Agreement (Term loan 6 or ECA $300.5m Facility). Term loan 6 will be used to partly fund the capital expenditure relating to the T4-NGS. The total facility amount is $300.5 million with a tenor of 8.5 years and an availability period starting from 14 June 2021 until the date falling 5 months after the starting point of credit. The ECA $300.5m Facility bears interest at LIBOR plus margin of 0.60% per annum. During the period, an amount of $106.7 million was drawn from this facility.

Both Term loan 5 and Term loan 6 contain customary representations, warranties, covenants and undertakings including limitations on incurrence of financial indebtedness, mergers, acquisitions, disposals and negative pledge in relation to certain assets of the Group save, in each case, as permitted under the terms of the facility documents. In both facilities, the Group is required to maintain an interest cover ratio of not less than 4.00:1 and a net leverage ratio of no more than 3.00:1, in each case on a calculation date (which occurs on 30 June and 31 December in each financial year).

Additions and repayments of term loans during the nine-month period ended 30 September 2020 amounted to $Nil and $57.8 million, respectively.

B) Lease liabilities

	30 September 2021	31 December 2020
	$ 000	$ 000
The movements in lease liabilities are as follows:		
At the beginning of the period/year	19,797	31,502
Accretion of interest	751	1,216
Payments	(4,225)	(10,945)
Additions	-	446
Modification	-	(2,384)
Retirement	-	(38)
At the end of the period/year	**16,323**	**19,797**

13 Derivative financial instruments

On 15 June 2021, the Group entered into interest rate swap (IRS) agreements to hedge the variability in interest rates with respect to Term loan 5 and the ECA Facility. The effective date for both IRS agreements is 14 July 2021.

On 22 June 2021, the Group terminated all, but one, IRS agreements relating to Term Loan 1 resulting in a total settlement of $8.6 million. Consequently, the Group discontinued hedge accounting which resulted in the reclassification of the related balance in the accumulated hedging reserve to profit or loss amounting to $5.2 million. The remaining IRS formed part of the new hedging arrangement relating to Term loan 5.

As of 30 September 2021, the hedging relationships of the above-mentioned hedges still meet the requirements for hedge accounting.

14 Deferred revenue

	30 September 2021 $ 000	31 December 2020 $ 000
Deferred revenue relating to a capacity services contract with a related party*	58,474	-
Unutilized airtime balances from prepaid scratch cards (IFRS 15)	15,616	12,469
Others (IFRS 15)	10,496	9,626
Total deferred revenue	**84,586**	**22,095**

*As of 30 September 2021, contract liabilities (IFRS 15) included within the deferred revenue relating to a capacity services contract with a related party amounted to $25,784 thousand (31 December 2020: Nil). The remaining amount relates to leases (IFRS 16).

15 Share capital

	30 September		31 December 2020	
	Shares (000)	$ 000	Shares (000)	$ 000
At the beginning of the period/year	10,000	2,722	10,000	2,722
Conversion of additional paid-in capital	2,429,770	661,612	-	-
At the end of the period/year	**2,439,770**	**664,334**	**10,000**	**2,722**

On 17 June 2021, the Company's share capital increased from AED 10,000,000 to AED 2,439,770,265 by conversion of additional paid-in capital into share capital. Share capital is converted into USD at the rate of AED 3.6725 to USD 1.

On 14 July 2021, the Parent Company completed the secondary offering to the public of 975,908,106 shares representing 40% of the Company's share capital, upon which all of the Company's shares were listed on the Abu Dhabi Securities Exchange. Subsequent to the listing, the Parent Company continues to own 60% of the Company's share capital.

16 Capital commitments and contingent liabilities

	30 September 2021 $ 000	31 December 2020 $ 000
Capital commitments - committed and contracted	295,618	267,440
Contingent liabilities - performance bonds provided by banks in the normal course of business	33,489	31,479

During 2020, the Group entered into a contract for procurement of a next generation satellite known as Thuraya 4 (T4-NGS), with an option to procure an additional satellite known as Thuraya 5 (T5-NGS). Capital commitments include committed costs relating to the T4-NGS.

17 Related party transactions

Transaction with related parties	Nine months ended 30 September 2021 $ 000	2020 $ 000
Revenue		
Entities under common control*	211,717	209,292
Associate	1,029	990
Total	**212,746**	**210,282**
Interest income on short term deposits		
Entities under common control	191	2,474
Interest expense on term loans		
Entities under common control	2,834	3,672
Outsourced expenses, office lease rent, systems support		
Entities under common control	792	734
Parent Company	-	16
Total	**792**	**750**
Cost of sales		
Entities under common control	391	1,383
Associate	1,490	220
Total	**1,881**	**1,603**
Key management personnel compensation		
Short term employment benefits	5,615	2,892
Post-employment benefits	247	227

* Revenue from entities under common control includes $204.7 million (nine months ended 30 September 2020: $206.6 million) from a single customer. Revenue from such customer is recorded under infrastructure, managed solutions and mobility solutions segments. On 17 June 2021, the Company signed the T4-NGS capacity services agreement with such customer (T4-NGSA) for a total contract value of $708.4 million (AED 2.6 billion). The term of the T4-NGSA is 15 years from the date of commencement of commercial services of T4-NGS which is expected in the second half of 2024.

There are no revenues from an individual customer, except as disclosed above, that represent 10 percent or more of the Group's total revenue.

18 Fair value disclosures

A number of the Group’s accounting policies and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes as explained below.

The fair value of the derivative financial instruments is based on broker quotes, which are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Derivatives fall into Level 2 of the fair value hierarchy.

The fair value measurement for the investment property is classified as Level 2. The fair value has been determined by an external valuer based on transactions observable in the market.

There were no transfers between Level 1 and Level 2 during current and previous periods.

The fair values of the Group's current financial assets and liabilities are equal to their carrying amounts. The fair values of the Group's borrowings, which bear interest at variable rates, approximate their carrying amounts. These are determined using discounted cash flows.

19 Dividends

During the period ended 30 September 2021, the Company paid total dividends of $132.5 million as follows:
i) $36 million representing $3.6 per fully paid share which was paid in April 2021 prior to the increase in the Company's share capital (refer to Note 15); and
ii) $96.5 million representing $0.04 per fully paid share which is comprised of $44 million relating to the financial year 2020 and an interim dividend of $52.5 million relating to the financial year 2021, both of which were paid in July 2021.

During the period ended 30 September 2020, the Company paid total dividends of $55 million representing $5.5 per fully paid share.

20 Earnings per share

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Profit for the period attributable to the Shareholder (in $'000)	13,197	21,218	43,296	51,750
Weighted average number of ordinary shares outstanding ('000)	2,439,770	2,439,770	2,439,770	2,439,770
Basic and diluted earnings per share ($)	0.005	0.009	0.018	0.021
Basic and diluted earnings per share (AED)	0.020	0.032	0.065	0.078

On 17 June 2021, the Company's share capital increased from AED 10,000,000 to AED 2,439,770,265 by conversion of additional paid-in capital into share capital (Note 15). As the increase in the number of shares outstanding did not have a corresponding change in resources, the number of shares for 2020 have been adjusted for the purpose of calculating the weighted average number of ordinary shares.

21 Seasonality and cyclicality of interim operations

There are no items of seasonal or cyclical nature in the interim operations during the period ended 30 September 2021 and 2020.

22 Impact of COVID-19 pandemic

The outbreak of the novel coronavirus (COVID-19) pandemic continues to evolve and, to date, has resulted in the implementation of significant measures by governments globally, including lockdowns, closures, quarantines and travel bans intended to control the spread of the virus.

The Group's activity has demonstrated a certain resilience compared to other industries. The Group's major source of revenue is secured through long term contracts with governments. However, some of the Group's operations relating to Mobility, Data and Managed Solutions were slightly affected mainly due to supply chain disruption. While COVID-19 does have an indirect exposure to customer segments on these operations, there is no evidence that there is a pervasive impact on the ability of the Group's customers to pay. On another note, the pandemic resulted in reduced business travel, marketing and other operating expenses.

Based on the overall assessment, the Group's business remains largely unaffected and significant changes are not required as of 30 September 2021 in its key accounting judgements and estimates from those applied in the last annual consolidated financial statements as of 31 December 2020.

While things are slowly returning to normalcy, the expected duration to full recovery will depend on future developments that cannot be accurately predicted which could impact future financial results, cash flows and financial position.

23 Supplemental information

The condensed consolidated interim financial statements are presented in United States Dollars ("USD" or "$"), the functional currency of the Company and the presentation currency of the Group. The following selected supplemental information is presented in United Arab Emirates Dirhams (AED) solely for convenience. AED amounts have been translated at the rate of AED 3.6725 to USD 1, except for share capital and additional paid-in capital which are translated using historical rates. For the purpose of this translation, numbers have been rounded where necessary.

i) Condensed consolidated interim statement of profit or loss

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
	AED 000	AED 000	AED 000	AED 000
Revenue	345,619	350,088	1,044,070	1,076,928
Cost of revenue	(33,688)	(27,937)	(82,962)	(75,139)
Staff costs	(92,305)	(80,233)	(242,029)	(244,735)
Other operating expenses [(1)]	(19,236)	(54,458)	(97,263)	(133,618)
Other income	2,321	47,507	6,497	55,991
Adjusted EBITDA	**202,711**	**234,967**	**628,313**	**679,427**
Depreciation, amortisation and impairment	(140,818)	(138,042)	(410,688)	(411,470)
Fair value adjustments on investment property	-	-	(768)	-
Operating profit	**61,893**	**96,925**	**216,857**	**267,957**
Finance income	143	1,656	878	10,892
Finance costs	(7,973)	(17,444)	(55,363)	(59,472)
Net Finance costs	**(7,830)**	**(15,788)**	**(54,485)**	**(48,580)**
Share of results of equity-accounted investments	(12,160)	(10,122)	(22,622)	(48,525)
Profit before income tax	**41,903**	**71,015**	**139,750**	**170,852**
Income tax expense	154	(88)	(283)	(507)
Profit for the period	**42,057**	**70,927**	**139,467**	**170,345**
Loss for the period attributable to non-controlling interests	(6,409)	(6,996)	(19,538)	(19,707)
Profit for the period attributable to the Shareholders	**48,466**	**77,923**	**159,005**	**190,052**
Earnings per share				
Basic and diluted (AED per share)	0.020	0.032	0.065	0.078

[(1)]Other operating expenses include impairment loss on trade receivables and contract assets. For the three month and nine month periods ended 30 September 2021, the net impairment was negative (net credit) of AED 17,011 thousand and AED 8,829 thousand, respectively. For the three-month and nine-month periods ended 30 September 2020, the net impairment was a charge of AED 11,289 thousand and AED 14,793 thousand, respectively.

23 Supplemental information (continued)

ii) Condensed consolidated interim statement of comprehensive income

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
	AED 000	AED 000	AED 000	AED 000
Profit for the period	**42,057**	**70,927**	**139,467**	**170,345**
Other comprehensive income:				
Items that may be reclassified to profit or loss:				
Cash flow hedge - effective portion of changes in fair value	22	(11,612)	(158)	(29,307)
Cash flow hedge - loss reclassified to profit or loss	3,255	11,432	38,899	29,755
Foreign operations - currency translation differences	(33,714)	(10,757)	(18,170)	(134,204)
Total comprehensive income for the period	**11,620**	**59,990**	**160,038**	**36,589**
Total comprehensive loss attributable to non-controlling interests	(6,449)	(7,000)	(19,537)	(19,843)
Total comprehensive income attributable to the Shareholders	**18,069**	**66,990**	**179,575**	**56,432**

23 Supplemental information (continued)

iii) Condensed consolidated interim statement of financial position

	30 September 2021 AED 000	31 December 2020 AED 000
Assets		
Property, plant and equipment	3,439,667	3,738,616
Capital work in progress	665,376	361,855
Investment property	80,531	81,298
Right-of-use assets	61,011	75,819
Intangible assets	38,051	48,047
Equity-accounted investments	448,882	461,171
Trade and other receivables	38,132	41,231
Deferred income tax assets	426	345
Total non-current assets	**4,772,076**	**4,808,382**
Inventories	19,123	48,811
Trade and other receivables	541,175	467,496
Income tax assets	687	668
Cash and short-term deposits*	1,462,867	826,000
Total current assets	**2,023,852**	**1,342,975**
Total assets	**6,795,928**	**6,151,357**
Liabilities		
Trade and other payables	239,288	325,159
Borrowings	13,225	474,171
Derivative financial instruments	2,167	29,439
Deferred revenue	310,642	81,144
Income tax liabilities	654	1,058
Total current liabilities	**565,976**	**910,971**
Trade and other payables	1,068,697	1,068,697
Borrowings	1,846,599	527,573
Derivative financial instruments	-	6,027
Provision for employees' end of service benefits	41,753	38,617
Total non-current liabilities	**2,957,049**	**1,640,914**
Total liabilities	**3,523,025**	**2,551,885**
Net assets	**3,272,903**	**3,599,472**
Equity		
Share capital	2,439,770	10,000
Additional paid-in capital	-	2,429,770
Hedging reserve	3,276	(35,465)
Statutory reserve	15,068	15,068
Translation reserve	(99,712)	(81,541)
Retained earnings	627,050	954,652
Equity attributable to the Shareholders	**2,985,452**	**3,292,484**
Non-controlling interests	287,451	306,988
Total equity	**3,272,903**	**3,599,472**

*Cash and short term deposits include cash and cash equivalents of AED 1,362,868 thousand (31 December 2020: AED 385,300 thousand).

23 Supplemental information (continued)

iv) Condensed consolidated interim statement of changes in equity

	Attributable to the Shareholders							
	Share capital	**Additional paid-in capital**	**Hedging reserve**	**Other Reserves [(1)]**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
At 1 January 2020	**10,000**	**2,429,770**	**(58,169)**	**36,365**	**903,597**	**3,321,563**	**334,580**	**3,656,143**
Profit for the period	-	-	-	-	190,052	190,052	(19,707)	170,345
Other comprehensive income:								
Currency translation differences	-	-	-	(134,068)	-	(134,068)	(136)	(134,204)
Cash flow hedge - effective portion of changes in fair value	-	-	(29,307)	-	-	(29,307)	-	(29,307)
Cash flow hedge - loss reclassified to profit or loss	-	-	29,755	-	-	29,755	-	29,755
Other comprehensive income for the period	**-**	**-**	**448**	**(134,068)**	**-**	**(133,620)**	**(136)**	**(133,756)**
Total comprehensive income for the period	**-**	**-**	**448**	**(134,068)**	**190,052**	**56,432**	**(19,843)**	**36,589**
Transactions with the Shareholder:								
Dividends	-	-	-	-	(201,988)	(201,988)	-	(201,988)
At 30 September 2020	**10,000**	**2,429,770**	**(57,721)**	**(97,703)**	**891,661**	**3,176,007**	**314,737**	**3,490,744**
At 1 January 2021	**10,000**	**2,429,770**	**(35,465)**	**(66,473)**	**954,652**	**3,292,484**	**306,988**	**3,599,472**
Profit for the period	-	-	-	-	159,005	159,005	(19,538)	139,467
Other comprehensive income:								
Currency translation differences	-	-	-	(18,171)	-	(18,171)	1	(18,170)
Cash flow hedge - effective portion of changes in fair value	-	-	(158)	-	-	(158)	-	(158)
Cash flow hedge - loss reclassified to profit or loss [(2)]	-	-	38,899	-	-	38,899	-	38,899
Other comprehensive income for the period	**-**	**-**	**38,741**	**(18,171)**	**-**	**20,570**	**-**	**20,571**
Total comprehensive income for the period	**-**	**-**	**38,741**	**(18,171)**	**159,005**	**179,575**	**(19,537)**	**160,038**
Conversion of additional paid-in capital to share capital	2,429,770	(2,429,770)	-	-	-	-	-	-
Transactions with the Shareholder:								
Dividends	-	-	-	-	(486,607)	(486,607)	-	(486,607)
At 30 September 2021	**2,439,770**	**-**	**3,276**	**(84,644)**	**627,050**	**2,985,452**	**287,451**	**3,272,903**

[(1)] Other reserves include translation reserve and statutory reserve.

[(2)] The amount includes AED 18,935 thousand on account of discontinuance of hedge accounting and AED 19,964 thousand relating to periodic reclassifications to profit or loss.

23 Supplemental information (continued)

v) Condensed consolidated interim statement of cash flows

	2021 AED'000	2020 AED'000
Operating activities		
Profit before income tax	139,750	170,852
Adjustments for:		
Share of results of equity-accounted investments	22,623	48,525
Depreciation, amortisation and impairment	410,688	411,471
Allowance for expected credit losses	(8,829)	11,124
Loss allowance for inventories	2,354	2,865
Fair value adjustment to investment property	768	-
Finance income	(878)	(10,893)
Finance costs	55,363	59,472
Gain on disposal of property, plant and equipment	(114)	-
Provision for employees' end of service benefits	5,791	6,114
Operating profit before working capital changes	**627,516**	**699,530**
Working capital changes:		
Trade and other receivables	(61,753)	49,454
Inventories	27,334	(16,629)
Trade and other payables	(79,454)	(61,169)
Deferred revenue	229,498	189,582
Employee end of service payments	(2,655)	(6,926)
Income tax paid	(786)	(463)
Net cash from operating activities	**739,700**	**853,379**
Investing activities		
Purchases of property, plant and equipment	(19,123)	(14,154)
Purchases of capital work in progress	(373,056)	(164,385)
Additions to intangible assets	(709)	(3,019)
Return of investment in an associate	7,639	-
Investment in an associate	(36,284)	(52,583)
Receipt of short-term deposits with original maturity of over three months	340,701	-
Proceeds on disposal of property, plant and equipment	180	-
Interest received	878	10,893
Net cash used in investing activities	**(79,774)**	**(223,248)**
Financing activities		
Proceeds from borrowings	1,860,786	-
Transaction costs on borrowings paid	(59,832)	-
Repayment of borrowings	(950,729)	(253,391)
Interest paid	(15,274)	(51,040)
Settlement of derivative contract liabilities	(31,418)	-
Dividend paid to the Shareholder	(486,607)	(201,988)
Net cash from/(used in) financing activities	**316,926**	**(506,419)**
Net increase in cash and cash equivalents	976,852	123,712
Net foreign exchange difference	716	(981)
Cash and cash equivalents at the beginning of the period	385,300	541,444
Cash and cash equivalents as at the end of the period	**1,362,868**	**664,175**