

**Al Yah Satellite Communications Company PJSC**

**Condensed consolidated interim financial statements**

For the three months ended 31 March 2023

**Al Yah Satellite Communications Company PJSC****Condensed consolidated interim financial statements**

For the three months ended 31 March 2023 (Unaudited)



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## Al Yah Satellite Communications Company PJSC

### Board of Directors' Report

31 March 2023

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 three months ended 31 March 2023.

#### Principal activities

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 three months ended 31 March 2023, the Group reported revenue of \$100,355 thousand (31 March 2022: \$98,695 thousand) and profit for the period attributable to its shareholders of \$27,072 thousand (31 March 2022: \$20,092 thousand).

#### 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 14 of the condensed consolidated interim financial statements.

#### Directors

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

#### Auditors

RAI Audit and Tax Services LLC, was appointed as the external auditors (auditors) for the financial year 2023, by the shareholders in the General Assembly on 5 April 2023.

#### On behalf of the Board of Directors

DocuSigned by:

*Musabbeh Al Kaabi*

9FA2035C5F534C1  
**Chairman of the Board**  
**Musabbeh Al Kaabi**

Date: 8 May 2023

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**Report on Review of  
Condensed Consolidated Interim Financial Statements**

**To: The Shareholders of Al Yah Satellite Communications Company PJSC**

*Introduction*

We have reviewed the accompanying 31 March 2023 condensed consolidated interim financial statements of Al Yah Satellite Communications Company PJSC (the "Company") and its subsidiaries (together referred to as the "Group"), which comprises:

- the condensed consolidated interim statement of profit or loss for the three months ended 31 March 2023;
- the condensed consolidated interim statement of comprehensive income for the three months ended 31 March 2023;
- the condensed consolidated interim statement of financial position as at 31 March 2023;
- the condensed consolidated interim statement of changes in equity for the three months ended 31 March 2023;
- the condensed consolidated interim statement of cash flows for the three months ended 31 March 2023; and
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 - Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements 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 statements 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 condensed consolidated interim financial statements as at and for the three months ended 31 March 2023 are not prepared, in all material respects, in accordance with IAS 34 - Interim Financial Reporting.

*Other Matter*

The condensed consolidated interim financial statements of the Group for the three months ended 31 March 2022 were reviewed by another auditor who expressed an unmodified conclusion on those condensed consolidated interim financial statements on 10 May 2022.

The consolidated financial statements of the Group as at and for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 28 February 2023.

For RAI Audit and Tax Services,



Auditor Name: **Ashraf Eradhun**

Entry Number: 5446

Date: 8 May 2023

Abu Dhabi, United Arab Emirates

**Al Yah Satellite Communications Company PJSC**  
**Condensed consolidated interim statement of profit or loss**  
for the three months ended 31 March 2023 (Unaudited)



	Notes	Three months ended 31 March	
		2023 \$ 000	2022 \$ 000
<b>Revenue</b>	4	100,355	98,695
Cost of revenue		(6,911)	(10,059)
Staff costs		(22,541)	(21,050)
Other operating expenses <sup>(1)</sup>		(11,068)	(10,008)
Other income		780	535
<b>Adjusted EBITDA <sup>(2)</sup></b>		<b>60,615</b>	<b>58,113</b>
Depreciation and amortisation		(35,668)	(35,889)
<b>Operating profit</b>		<b>24,947</b>	<b>22,224</b>
Finance income		5,355	575
Finance costs		(2,135)	(1,317)
<b>Net finance income (costs)</b>		<b>3,220</b>	<b>(742)</b>
Share of results of equity-accounted investments	7	(2,278)	(2,898)
<b>Profit before income tax</b>		<b>25,889</b>	<b>18,584</b>
Income tax expense	5	(52)	(34)
<b>Profit for the period</b>		<b>25,837</b>	<b>18,550</b>
Loss for the period attributable to non-controlling interests		(1,235)	(1,542)
<b>Profit for the period attributable to the Shareholders</b>		<b>27,072</b>	<b>20,092</b>
<b>Earnings per share</b>			
Basic and diluted (cents per share)	17	1.11	0.82

<sup>(1)</sup> Other operating expenses include expected credit losses on trade receivables and contract assets. For the three months ended 31 March 2023, there was a net charge of \$197 thousand. For the three months ended 31 March 2022, there was a net reversal of expected credit losses of \$398 thousand.

<sup>(2)</sup> Adjusted EBITDA is a non-GAAP measure and refers to earnings before interest, tax, depreciation, amortisation, impairment, fair value adjustments on investment property and share of results of equity-accounted investments.

The notes on pages 6 to 16 form part of these condensed consolidated interim financial statements.

The auditor's review report is set out on pages ii to iii.

**Al Yah Satellite Communications Company PJSC**  
**Condensed consolidated interim statement of comprehensive income**  
for the three months ended 31 March 2023 (Unaudited)



	Three months ended 31 March	
	2023	2022
	\$ 000	\$ 000
<b>Profit for the period</b>	<b>25,837</b>	<b>18,550</b>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified to profit or loss in subsequent periods:</b>		
Cash flow hedge - effective portion of changes in fair value	(1,989)	20,617
Cash flow hedge - (gain)/loss reclassified to profit or loss	(5,051)	941
Foreign operations - currency translation differences	1,020	16,867
	<b>(6,020)</b>	<b>38,425</b>
<b>Item that may not be reclassified to profit or loss in subsequent periods:</b>		
Remeasurement of defined benefit obligation	<b>28</b>	-
<b>Other comprehensive (loss)/income for the period</b>	<b>(5,992)</b>	<b>38,425</b>
<b>Total comprehensive income for the period</b>	<b>19,845</b>	<b>56,975</b>
Total comprehensive loss attributable to non-controlling interests	(1,297)	(1,510)
<b>Total comprehensive income attributable to the Shareholders</b>	<b>21,142</b>	<b>58,485</b>

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**Al Yah Satellite Communications Company PJSC**  
**Condensed consolidated interim statement of financial position**

As at 31 March 2023




		(Unaudited)	(Audited)
		31 March	31 December
		2023	2022
	Notes	\$ 000	\$ 000
<b>Assets</b>			
Property, plant and equipment	6	1,152,044	1,144,224
Investment property		19,981	19,981
Right-of-use assets		5,678	5,852
Intangible assets		6,743	7,210
Equity-accounted investments	7	57,972	64,054
Trade and other receivables	8	10,382	10,382
Derivative financial instruments		30,521	32,214
Other investments		3,700	2,950
Deferred income tax assets		142	132
<b>Total non-current assets</b>		<b>1,287,163</b>	<b>1,286,999</b>
Inventories		12,027	7,232
Trade and other receivables	8	191,991	168,259
Derivative financial instruments		16,906	17,202
Income tax assets		182	182
Cash and short-term deposits*	9	554,932	544,699
<b>Total current assets</b>		<b>776,038</b>	<b>737,574</b>
<b>Total assets</b>		<b>2,063,201</b>	<b>2,024,573</b>
<b>Liabilities</b>			
Trade and other payables	10	154,868	171,161
Borrowings	11	121,096	121,077
Deferred revenue	12	84,951	24,809
Income tax liabilities		157	215
<b>Total current liabilities</b>		<b>361,072</b>	<b>317,262</b>
Trade and other payables	10	331,195	367,679
Borrowings	11	418,939	407,251
Defined benefit obligations		9,666	9,897
<b>Total non-current liabilities</b>		<b>759,800</b>	<b>784,827</b>
<b>Total liabilities</b>		<b>1,120,872</b>	<b>1,102,089</b>
<b>Net assets</b>		<b>942,329</b>	<b>922,484</b>
<b>Equity</b>			
Share capital		664,334	664,334
Hedging reserve		41,365	48,405
Statutory reserve		20,929	20,929
Translation reserve		(23,295)	(24,353)
Remeasurement reserve		1,953	1,901
Retained earnings		166,991	139,919
<b>Equity attributable to the Shareholders</b>		<b>872,277</b>	<b>851,135</b>
Non-controlling interests		70,052	71,349
<b>Total equity</b>		<b>942,329</b>	<b>922,484</b>

\*Cash and short term deposits include cash and cash equivalents of \$141,173 thousand (31 December 2022: US\$ 213,994 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 8 May 2023 and approved on their behalf by:

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

DocuSigned by:  
  
 13AA0BE7E75B451...  
**Chief Executive Officer**  
**Ali Hashem Al Hashemi**

DocuSigned by:  
  
 A6BF0B65FED14B7...  
**Chief Financial Officer**  
**Andrew Francis Cole**

The notes on pages 6 to 16 form part of these condensed consolidated interim financial statements.

The auditor's review report is set out on pages ii to iii.



**Al Yah Satellite Communications Company PJSC**  
**Condensed consolidated interim statement of changes in equity**  
for the three months ended 31 March 2023 (Unaudited)



	Attributable to the Shareholders					Non-controlling interests	Total equity
	Share capital	Hedging reserve	Other Reserves <sup>(1)</sup>	Retained earnings	Total		
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000		
<b>At 1 January 2022</b>	<b>664,334</b>	<b>5,426</b>	<b>(20,120)</b>	<b>191,744</b>	<b>841,384</b>	<b>76,702</b>	<b>918,086</b>
Profit/(loss) for the period	-	-	-	20,092	20,092	(1,542)	18,550
Other comprehensive income:					-		
Currency translation differences	-	-	16,835	-	16,835	32	16,867
Cash flow hedge - effective portion of changes in fair value	-	20,617	-	-	20,617	-	20,617
Cash flow hedge - net loss reclassified to profit or loss	-	941	-	-	941	-	941
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>21,558</b>	<b>16,835</b>	<b>-</b>	<b>38,393</b>	<b>32</b>	<b>38,425</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>21,558</b>	<b>16,835</b>	<b>20,092</b>	<b>58,485</b>	<b>(1,510)</b>	<b>56,975</b>
<b>At 31 March 2022</b>	<b>664,334</b>	<b>26,984</b>	<b>(3,285)</b>	<b>211,836</b>	<b>899,869</b>	<b>75,192</b>	<b>975,061</b>
<b>At 1 January 2023</b>	<b>664,334</b>	<b>48,405</b>	<b>(1,523)</b>	<b>139,919</b>	<b>851,135</b>	<b>71,349</b>	<b>922,484</b>
Profit/(loss) for the period	-	-	-	27,072	27,072	(1,235)	25,837
Other comprehensive income:					-		
Currency translation differences	-	-	1,058	-	1,058	(38)	1,020
Cash flow hedge - effective portion of changes in fair value	-	(1,989)	-	-	(1,989)	-	(1,989)
Cash flow hedge - net gain reclassified to profit or loss	-	(5,051)	-	-	(5,051)	-	(5,051)
Remeasurement of defined benefit obligation	-	-	52	-	52	(24)	28
<b>Other comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(7,040)</b>	<b>1,110</b>	<b>-</b>	<b>(5,930)</b>	<b>(62)</b>	<b>(5,992)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(7,040)</b>	<b>1,110</b>	<b>27,072</b>	<b>21,142</b>	<b>(1,297)</b>	<b>19,845</b>
<b>At 31 March 2023</b>	<b>664,334</b>	<b>41,365</b>	<b>(413)</b>	<b>166,991</b>	<b>872,277</b>	<b>70,052</b>	<b>942,329</b>

<sup>(1)</sup> Other reserves include statutory reserve, translation reserve and remeasurement reserve.

The notes on pages 6 to 16 form part of these condensed consolidated interim financial statements.

The auditor's review report is set out on pages ii to iii.

**Al Yah Satellite Communications Company PJSC**  
**Condensed consolidated interim statement of cash flows**  
for the three months ended 31 March 2023 (Unaudited)



	2023 \$ 000	2022 \$ 000
<b>Operating activities</b>		
Profit before income tax	25,889	18,584
Adjustments for:		
Share of results of equity-accounted investments	2,278	2,898
Depreciation and amortisation	35,668	35,889
Allowance for (reversal of) expected credit losses	197	(398)
Loss allowance for inventories	30	7
Finance income	(5,355)	(575)
Finance costs	2,135	1,317
Write-off of property, plant and equipment	-	18
Current service cost/charge for the period	314	609
<b>Operating profit before working capital changes</b>	<b>61,156</b>	<b>58,349</b>
Working capital changes:		
Trade and other receivables	(23,936)	(14,474)
Inventories	(4,825)	(556)
Trade and other payables	(58,350)	(9,976)
Deferred revenue	60,142	62,111
Employee end of service payments	(632)	(54)
Income tax paid	(120)	(131)
<b>Net cash from operating activities</b>	<b>33,435</b>	<b>95,269</b>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(34,844)	(48,254)
Additions to intangible assets	(78)	(379)
Return of investment in an associate	5,005	-
Acquisition of other investments	(750)	-
Receipt of short-term deposits with original maturity of over three months	40,000	-
Investments in short-term deposits with original maturity of over three months	(123,054)	(20,000)
Interest received	5,355	575
<b>Net cash used in investing activities</b>	<b>(108,366)</b>	<b>(68,058)</b>
<b>Financing activities</b>		
Proceeds from term loans	7,146	34,851
Payment of lease liabilities	(30)	(2,636)
Interest paid	(5,034)	(1,445)
<b>Net cash from financing activities</b>	<b>2,082</b>	<b>30,770</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(72,849)</b>	<b>57,981</b>
Net foreign exchange difference	28	(60)
Cash and cash equivalents at the beginning of the period	213,994	277,738
<b>Cash and cash equivalents as at the end of the period</b>	<b>141,173</b>	<b>335,659</b>

The notes on pages 6 to 16 form part of these condensed consolidated interim financial statements.

The auditor's review report is set out on pages ii to iii.

**Al Yah Satellite Communications Company PJSC**  
**Notes to the condensed consolidated interim financial statements**  
 for the three months ended 31 March 2023 (Unaudited)



## 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 Decree-Law No. 32 of 2021 (the "Commercial Companies Law") is applicable to the Company and has come into effect on 2 January 2022.

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.

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.

These 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 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.

## 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.

These condensed consolidated interim financial statements should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2022 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). 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 consolidated interim financial statements as compared with the most recent annual consolidated financial statements, except for new and amended standards applicable from 1 January 2023 as disclosed in note 2.2 below.

#### Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis, except for derivative financial instruments, other investments 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 consolidated 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 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet 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.

#### 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. The amendment did not have a material impact on the Group.

**Al Yah Satellite Communications Company PJSC**  
**Notes to the condensed consolidated interim financial statements**  
for the three months ended 31 March 2023 (Unaudited)



## 2 Significant accounting policies (continued)

### 2.2 New and amended standards and interpretations (continued)

#### **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements**

The amendment refined its definition of material and issued non-mandatory practical guidance on applying the concept of materiality. The amendment is effective for annual periods beginning on or after 1 January 2023. The amendment did not have a material impact on the Group.

#### **Amendments to IAS 8: Definition of Accounting Estimate**

The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The amendment is effective for annual periods beginning on or after 1 January 2023. The amendment did not have a material impact on the Group.

### 2.3 Standards issued but not yet effective

At the date of the condensed consolidated interim financial information, the following standards, amendments and Interpretations have not been effective and have not been early adopted by the Group:

<b>New and amended standards not effective and not yet adopted by the Group</b>	<b>Effective date</b>
<i>Amendments to IAS 1: Classification of Liabilities as Current or Non-current</i>	<i>1 January 2024</i>
<i>Amendments to IFRS 16: Lease Liability in a Sale and Leaseback</i>	<i>1 January 2024</i>
<i>Amendments to IAS 1: Non-current Liabilities with Covenants</i>	<i>1 January 2024</i>
<i>Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between investor and its associate or joint venture</i>	<i>Deferred indefinitely</i>

These new and amended standards are not expected to have a material impact on the Group's condensed consolidated interim financial statements.

**Al Yah Satellite Communications Company PJSC**  
**Notes to the condensed consolidated interim financial statements**  
for the three months ended 31 March 2023 (Unaudited)



### 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 is the Chief Executive Officer. The CODM 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 primarily 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 is 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 segments' Adjusted EBITDA and segments' profit or loss which are measured consistently with profit for the period in the condensed consolidated interim 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, income, costs and other consolidation adjustments, if any, are presented under the column 'Reconciliation'.

Capital expenditure includes additions during the period to property, plant and equipment, 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 three months ended 31 March 2023 is as follows:

	Infrastructure	Managed solutions	Mobility solutions	Data solutions (BCS)	Others	Reconciliation	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
External revenue	59,950	19,551	14,768	6,086	-	-	100,355
Inter-segment revenue	629	100	64	139	-	(932)	-
<b>Total revenue</b>	<b>60,579</b>	<b>19,651</b>	<b>14,832</b>	<b>6,225</b>	<b>-</b>	<b>(932)</b>	<b>100,355</b>
<b>Adjusted EBITDA</b>	<b>44,629</b>	<b>11,540</b>	<b>3,898</b>	<b>548</b>	<b>-</b>	<b>-</b>	<b>60,615</b>
Depreciation and amortisation	(23,033)	(158)	(4,987)	(7,490)	-	-	(35,668)
Finance income	6,199	-	216	1,429	-	(2,489)	5,355
Finance costs	(4,446)	-	(74)	(104)	-	2,489	(2,135)
Share of results - HPE	-	-	-	-	(2,536)	-	(2,536)
Share of results - Al Maisan	-	-	-	-	258	-	258
Income tax expense	-	-	(4)	(48)	-	-	(52)
<b>Profit/(loss) for the period</b>	<b>23,349</b>	<b>11,382</b>	<b>(951)</b>	<b>(5,665)</b>	<b>(2,278)</b>	<b>-</b>	<b>25,837</b>
Losses for the period attributable to non-controlling interests	-	-	(102)	(1,133)	-	-	(1,235)
<b>Profit/(loss) for the period attributable to the Shareholders</b>	<b>23,349</b>	<b>11,382</b>	<b>(849)</b>	<b>(4,532)</b>	<b>(2,278)</b>	<b>-</b>	<b>27,072</b>
Capital expenditure	37,314	-	5,364	380	-	-	43,058

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### 3 Segment information (continued)

The segment information for the three months ended 31 March 2022 is as follows:

	Infrastructure	Managed solutions	Mobility solutions	Data solutions (BCS)	Others	Reconciliation	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
External revenue	59,288	15,191	18,469	5,747	-	-	98,695
Inter-segment revenue	910	199	64	200	-	(1,373)	-
<b>Total revenue</b>	<b>60,198</b>	<b>15,390</b>	<b>18,533</b>	<b>5,947</b>	<b>-</b>	<b>(1,373)</b>	<b>98,695</b>
<b>Adjusted EBITDA</b>	<b>46,232</b>	<b>6,281</b>	<b>5,866</b>	<b>(266)</b>	<b>-</b>	<b>-</b>	<b>58,113</b>
Depreciation and amortisation	(22,738)	(40)	(4,733)	(8,378)	-	-	(35,889)
Finance income	1,185	-	7	501	-	(1,118)	575
Finance costs	(2,232)	-	(185)	(18)	-	1,118	(1,317)
Share of results - HPE	-	-	-	-	(3,588)	-	(3,588)
Share of results - Al Maisan	-	-	-	-	690	-	690
Income tax expense	-	-	-	(34)	-	-	(34)
<b>Profit/(loss) for the period</b>	<b>22,447</b>	<b>6,241</b>	<b>955</b>	<b>(8,195)</b>	<b>(2,898)</b>	<b>-</b>	<b>18,550</b>
Losses (net) for the period attributable to non-controlling interests	-	-	97	(1,639)	-	-	(1,542)
<b>Profit/(loss) for the period attributable to the Shareholders</b>	<b>22,447</b>	<b>6,241</b>	<b>858</b>	<b>(6,556)</b>	<b>(2,898)</b>	<b>-</b>	<b>20,092</b>
Capital expenditure	33,195	13	2,740	874	-	-	36,822

#### 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 14.

	Three months ended 31 March	
	2023	2022
	\$ 000	\$ 000
United Arab Emirates	85,927	83,672
Europe	4,425	4,806
Asia	4,117	4,150
Africa	4,886	4,653
North America	717	1,132
Others	283	282
<b>Revenue</b>	<b>100,355</b>	<b>98,695</b>

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#### 4 Revenue

	Notes	Three months ended 31 March	
		2023 \$ 000	2022 \$ 000
Services rendered		97,942	92,338
Sale of equipment and accessories		2,413	6,357
		<b>100,355</b>	<b>98,695</b>
Revenue from related parties is disclosed in Note 14.			
<b>Revenue includes:</b>			
Revenue from contracts with customers (IFRS 15)		67,401	65,889
Income from operating leases (IFRS 16)		32,954	32,806
		<b>100,355</b>	<b>98,695</b>
<b>Disaggregation of revenue by operating segment:</b>			
Services rendered:			
Infrastructure		59,950	59,288
Managed solutions		19,551	15,191
Data solutions - BCS		5,682	5,572
Mobility solutions		12,759	12,287
Sale of equipment and accessories (recognised at a point in time)			
Data solutions - BCS		404	175
Mobility solutions		2,009	6,182
	3	<b>100,355</b>	<b>98,695</b>
<b>Timing of recognition of revenue from contracts with customers:</b>			
Over time		64,988	59,532
At a point in time		2,413	6,357
		<b>67,401</b>	<b>65,889</b>

Revenue by geography is disclosed in note 3.

	Notes	31 March	31 December
		2023 \$ 000	2022 \$ 000
<b>Contract balances (IFRS 15)</b>			
Trade receivables, net of loss allowance	8	84,409	87,584
Contract assets	8	66,718	55,332
Contract liabilities:			
Advances from customers - related parties		264,828	280,157
Advances from customers - others	10	1,643	1,460
Deferred revenue	12	51,650	24,809

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## 5 Income tax

The taxes mainly relate to the subsidiaries in the Netherlands and South Africa and are not significant.

### UAE Corporate Tax

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses ("UAE Corporate Tax Law" or "Law"). The Law became effective on 25 October 2022 and applies to taxable persons for financial years commencing on or after 1 June 2023. The corporate tax rate on the taxable income is set at 9%. Accordingly, the Group's first tax year will commence on 1 January 2024. Until the issue of any specific decision by the UAE Cabinet or Ministry of Finance as regards the application of global minimum tax as proposed under Pillar Two of the Base Erosion and Profit Shifting (BEPS) project of the Organisation for Economic Cooperation and Development (OECD), corporate tax rate of 9% will apply to the Group.

As at 31 December 2022, for the purposes of IAS 12 Income Taxes, the Law was not considered substantively enacted since the threshold of income over which the 9% tax rate would apply and other clarifications were not provided. The Cabinet of Ministers Decision No. 116/2022, which came into effect in January 2023, has confirmed the threshold of income over which the 9% tax rate would apply i.e. on taxable income exceeding AED 375,000. Hence, the Law is now considered to be substantively enacted. Consequently, as required by IAS 12 Income Taxes, the Group is required to assess whether any deferred tax assets and liabilities need to be recorded at the end of the reporting period. In making the assessment the Group considered the provisions of the Law and available guidance, particularly the following key provisions and Cabinet Decisions issued so far. However, due to key elements currently pending clarification through Cabinet Decisions, the below position might change based on the upcoming rules and regulations.

The transition rules of the Law stipulate that a taxable person's opening balance sheet for Corporate Tax purposes (1 January 2024 in the Group's case) shall be the closing balance sheet prepared for financial reporting purposes on the last day of the financial year ending immediately before the commencement of the first tax period (31 December 2023 in the Group's case). The opening balance sheet will be subject to adjustments to reflect transfer pricing, particularly in respect of intercompany transactions.

The tax group provisions of the Law stipulate that the Company (Al Yah Satellite Communications Company PJSC) can apply to form a tax group with two or more tax persons (subsidiaries) subject to certain conditions (ownership interest of at least 95%). This allows the tax group to be treated as a single taxable person. For the purposes of determining the taxable income of the tax group, the Company shall consolidate the financial results of the tax group after eliminating transactions between the Company and other members of the tax group (intercompany transactions). Accordingly, transfer pricing principles are not applicable on such intercompany transactions. On this basis, the infrastructure and managed solutions segments will potentially form part of a tax group, as the legal entities of these segments are all in UAE and owned at least 95% by the Company.

Based on this assessment, the Group has concluded that in applying the transition rules, no temporary differences will arise on the standalone financial statements of the Company and its UAE-based subsidiaries. However, the situations that could potentially result in deferred taxes prior to the effective date include tax groups which have consolidation adjustments that are not reflected in the stand-alone financial statements (i.e. tax base). Based on the Group's analysis, there are no such material adjustments that would give rise to deferred tax in the condensed consolidated interim financial statements of the Group as at, and for the three months ended, 31 March 2023.

## 6 Property, plant and equipment

	31 March 2023 \$ 000	31 December 2022 \$ 000
At the beginning of the period/year	1,144,224	1,131,294
Additions	42,980	146,534
Transfer from investment property	-	1,834
Depreciation	(34,951)	(135,238)
Exchange differences	(209)	(183)
Write-off	-	(17)
<b>At the end of the period/year</b>	<b>1,152,044</b>	<b>1,144,224</b>

Capital work in progress of \$397.8 million (31 December 2022: \$359.8 million) is included in property, plant and equipment as of the end of the reporting period of which \$385.9 million (31 December 2022: \$349.7 million) relates to the Thuraya 4 satellite (T4-NGS) under construction. Additions during the period relating to T4-NGS amounted to \$36.2 million.

Additions to property, plant and equipment during the three months ended 31 March 2022 amounted to \$36.4 million of which additions to T4-NGS amounted to \$32.8 million.



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## 7 Equity-accounted investments

	31 March 2023 \$ 000	31 December 2022 \$ 000
At the beginning of the period/year	64,054	116,203
Return of investment from Al Maisan	(5,005)	(4,225)
Share of results for the period/year	(2,278)	(53,303)
Exchange differences	1,201	5,379
<b>At the end of the period/year</b>	<b>57,972</b>	<b>64,054</b>
of which Investment in HPE	45,461	46,796
of which Investment in Al Maisan	12,511	17,258

Share of results for the three months ended 31 March 2022 was a loss of \$2,898 thousand (also refer to note 3).

## 8 Trade and other receivables

	31 March 2023 \$ 000	31 December 2022 \$ 000
Trade receivables	100,841	103,826
Allowance for expected credit losses	(16,432)	(16,242)
<b>Trade receivables, net of allowance</b>	<b>84,409</b>	<b>87,584</b>
Contract assets - accrued income	66,718	55,332
Prepayments - orbital services	10,000	10,000
Prepayments - others	6,544	1,936
Advances	20,262	13,384
Other receivables, net of allowance	14,440	10,405
<b>Total trade and other receivables</b>	<b>202,373</b>	<b>178,641</b>
of which non-current	10,382	10,382
of which current	191,991	168,259

## 9 Cash and short term deposits

	31 March 2023 \$ 000	31 December 2022 \$ 000
Cash on hand and in banks	70,743	27,222
Cash in banks - related parties	64,431	125,620
Short-term deposits with banks	105,586	125,685
Short-term deposits with related parties	314,172	266,172
<b>Cash and short-term deposits</b>	<b>554,932</b>	<b>544,699</b>
Less: Short-term deposits with original maturities of over three months	(413,759)	(330,705)
<b>Cash and cash equivalents</b>	<b>141,173</b>	<b>213,994</b>

\* During the period, the Group a) placed short term deposits with banks (related parties \$136,169 thousand and others Nil) and b) received maturity proceeds on short term deposits (related parties \$88,169 thousand and others \$20,000 thousand).

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**10 Trade and other payables**

	<b>31 March 2023 \$ 000</b>	<b>31 December 2022 \$ 000</b>
Trade payables	43,863	48,630
Accruals *	29,376	35,699
Advances from customers - related parties	406,838	443,115
Advances from customers - others	1,643	1,460
Other payables	4,343	9,936
<b>Total trade and other payables</b>	<b>486,063</b>	<b>538,840</b>
of which non-current	331,195	367,679
of which current	154,868	171,161

\* During the period, the Group recognized termination benefits cost in the profit or loss amounting to \$2,231 thousand (31 March 2022: nil) out of which \$1,879 thousand remained unpaid and included in accruals as at 31 March 2023 (31 December 2022: nil).

**11 Borrowings**

	<b>31 March 2023 \$ 000</b>	<b>31 December 2022 \$ 000</b>
<b>The carrying amount of borrowings are as follows:</b>		
A) Term loans:		
Principal amounts	546,395	535,208
Unamortised transaction costs	(13,544)	(14,045)
Term loans - net of unamortised transaction costs	<b>532,851</b>	<b>521,163</b>
B) Lease liabilities	7,184	7,165
<b>Total borrowings</b>	<b>540,035</b>	<b>528,328</b>
of which current	121,096	121,077
of which non-current	418,939	407,251

**A) Term loans**

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

	<b>Repayment tenor Years</b>	<b>Principal amount \$ 000</b>	<b>Unamortised transaction costs \$ 000</b>	<b>Carrying amount \$ 000</b>
<b>At 31 March 2023</b>				
Term loan 5	2022-2026	340,000	(2,980)	337,020
Term loan 6	2024-2032	206,395	(10,564)	195,831
		<b>546,395</b>	<b>(13,544)</b>	<b>532,851</b>
<b>At 31 December 2022</b>				
Term loan 5	2022-2026	340,000	(3,210)	336,790
Term loan 6	2024-2032	195,208	(10,835)	184,373
		<b>535,208</b>	<b>(14,045)</b>	<b>521,163</b>

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**11 Borrowings (continued)**

**A) Term loans (continued)**

The table below provides the changes in the term loans arising from financing activities, including both cash and non-cash changes:

	31 March 2023 \$ 000	31 December 2022 \$ 000
<b>The movements in term loans are as follows:</b>		
At the beginning of the period/year	521,163	515,701
Additions (cash)	7,146	61,687
Additions (interest capitalised)	4,041	1,671
Transaction costs	-	969
Amortisation of transaction costs	501	2,104
Payments	-	(60,969)
<b>At the end of the period/year</b>	<b>532,851</b>	<b>521,163</b>

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

	Term loan 5 \$ 000	Term loan 6 \$ 000	Total \$ 000
<b>At 31 March 2023</b>			
Within one year	120,000	-	120,000
1 - 2 years	50,000	12,141	62,141
2 - 5 years	170,000	72,845	242,845
Beyond 5 years	-	121,409	121,409
	<b>340,000</b>	<b>206,395</b>	<b>546,395</b>
<b>At 31 December 2022</b>			
Within one year	120,000	-	120,000
1 - 2 years	50,000	11,483	61,483
2 - 5 years	170,000	68,897	238,897
Beyond 5 years	-	114,828	114,828
	<b>340,000</b>	<b>195,208</b>	<b>535,208</b>

During the period, an amount of \$7.15 million was drawn from the ECA Facility (Term loan 6) and interest amounting to \$4 million was capitalised into the principal amount. As of 31 March 2023, the unutilised facility amounted to \$65.65 million (31 December 2022: \$76.84 million).

During the three months ended 31 March 2022, additions amounting to \$35.3 million were made. However, there were no repayments.

**B) Lease liabilities**

	31 March 2023 \$ 000	31 December 2022 \$ 000
<b>The movements in lease liabilities are as follows:</b>		
At the beginning of the period/year	7,165	16,536
Additions	-	5,886
Accretion of interest	57	836
Termination	-	(11,258)
Payments	(30)	(4,824)
Exchange differences	(8)	(11)
<b>At the end of the period/year</b>	<b>7,184</b>	<b>7,165</b>

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## 12 Deferred revenue

	31 March 2023 \$ 000	31 December 2022 \$ 000
Deferred revenue relating to a capacity services contract with a related party*	59,567	-
Unutilized airtime balances from prepaid scratch cards (IFRS 15)	13,461	14,149
Others (IFRS 15)	11,923	10,660
<b>Total deferred revenue</b>	<b>84,951</b>	<b>24,809</b>

\*As of 31 March 2023, contract liabilities (IFRS 15) included within the deferred revenue relating to a capacity services contract with a related party amounted to \$26,266 thousand (31 December 2022: Nil). The remaining amount relates to leases (IFRS 16).

## 13 Capital commitments and contingent liabilities

	31 March 2023 \$ 000	31 December 2022 \$ 000
Capital commitments - committed and contracted	168,108	157,836
Contingent liabilities - performance bonds provided by banks in the normal course of business	30,726	36,439

Capital commitments mainly relate to T4-NGS project.

## 14 Related party transactions

	Three months ended 31 March	
	2023 \$ 000	2022 \$ 000
<b>Transaction with related parties</b>		
<b>Revenue</b>		
Entities under common control*	76,292	71,538
Associate	383	366
Total	<b>76,675</b>	<b>71,904</b>
<b>Interest income on short term deposits</b>		
Entities under common control	3,753	57
<b>Interest expense on terms loans, net of hedges</b>		
Entities under common control	(3,626)	1,289
<b>Interest on contract liability</b>		
Entities under common control	1,131	-
<b>Outsourced expenses, office lease rent, systems support</b>		
Entities under common control	225	301
<b>Cost of sales</b>		
Entities under common control	33	33
Associate	346	231
Total	<b>379</b>	<b>264</b>
<b>Key management personnel compensation</b>		
Short term employment benefits	1,088	1,173
Post-employment benefits	84	96

Board of directors and committee fees charged to profit or loss during the period were \$436 thousand (three months ended 31 March 2022: \$1,158 thousand).

\* Revenue from entities under common control includes \$74.7 million (three months ended 31 March 2022: \$67.3 million) from a single customer. Revenue from such customer is recorded under infrastructure, managed solutions and mobility solutions segments.

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

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### 15 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 is no significant change in the fair value of investment property since the last evaluation carried out at 31 December 2022.

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.

### 16 Dividends

On 27 February 2023, the Board of Directors proposed a final dividend of \$53.5 million representing 2.19 cents (8.06 fils) per share for the second half of the financial year 2022 bringing the total dividends per share to 4.39 cents (16.12 fils) per share for the year ended 31 December 2022. The proposed dividend was approved by the shareholders at the annual general assembly held on 5 April 2023 and paid on 3 May 2023.

The Company did not distribute any dividend during the three months ended 31 March 2022.

### 17 Earnings per share

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
Profit for the period attributable to the Shareholders (in \$'000)	27,072	20,092
Weighted average number of ordinary shares outstanding ('000)	2,439,770	2,439,770
Basic and diluted earnings per share (cents)	1.11	0.82
Basic and diluted earnings per share (fils)	4.08	3.02

### 18 Seasonality and cyclicity of interim operations

There are no items of seasonal or cyclical nature in the interim operations during the three months ended 31 March 2023 and 2022.

### 19 Events after the reporting period

On 3 April 2023, the Board of Directors approved the sale of Thuraya's property located in Dubai, setting a minimum sale price and appointed a committee to manage the sale process. The majority of the property is classified as an investment property (accounted at fair value), with the remaining part occupied for its own use by Thuraya (accounted as property, plant and equipment at historical cost depreciated over the remaining useful life). Effective the date of Board approval, the property meets the criteria for classification as a non-current asset held for sale, as per the requirements of IFRS-5 'Non-current Assets Held for Sale and Discontinued Operations'.

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**Supplemental information to the condensed consolidated interim financial statements**  
for the three months ended 31 March 2023

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**

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>AED 000</b>	<b>AED 000</b>
<b>Revenue</b>	368,554	362,457
Cost of revenue	(25,381)	(36,942)
Staff costs	(82,782)	(77,306)
Other operating expenses <sup>(1)</sup>	(40,647)	(36,754)
Other income	2,865	1,965
<b>Adjusted EBITDA</b>	<b>222,609</b>	<b>213,420</b>
Depreciation and amortisation	(130,991)	(131,802)
<b>Operating profit</b>	<b>91,618</b>	<b>81,618</b>
Finance income	19,666	2,112
Finance costs	(7,841)	(4,837)
<b>Net finance income (costs)</b>	<b>11,825</b>	<b>(2,725)</b>
Share of results of equity-accounted investments	(8,366)	(10,643)
<b>Profit before income tax</b>	<b>95,077</b>	<b>68,250</b>
Income tax expense	(191)	(125)
<b>Profit for the period</b>	<b>94,886</b>	<b>68,125</b>
Loss for the period attributable to non-controlling interests	(4,536)	(5,663)
<b>Profit for the period attributable to the Shareholders</b>	<b>99,422</b>	<b>73,788</b>
<b>Earnings per share</b>		
Basic and diluted (fils per share)	4.08	3.02

<sup>(1)</sup> Other operating expenses include expected credit losses on trade receivables and contract assets. For the three months ended 31 March 2023, there was a net charge of AED 723 thousand. For the three months ended 31 March 2022, there was a net reversal of expected credit losses of AED 1,462 thousand.

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**ii) Condensed consolidated interim statement of comprehensive income**

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>AED 000</b>	<b>AED 000</b>
<b>Profit for the period</b>	<b>94,886</b>	<b>68,125</b>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified to profit or loss in subsequent periods:</b>		
Cash flow hedge - effective portion of changes in fair value	(7,305)	75,716
Cash flow hedge - (gain)/loss reclassified to profit or loss	(18,550)	3,456
Foreign operations - currency translation differences	3,746	61,944
	<b>(22,109)</b>	<b>141,116</b>
<b>Item that may not be reclassified to profit or loss in subsequent periods:</b>		
Remeasurement of defined benefit obligation	<b>103</b>	-
<b>Other comprehensive (loss)/income for the period</b>	<b>(22,006)</b>	<b>141,116</b>
<b>Total comprehensive income for the period</b>	<b>72,880</b>	<b>209,241</b>
Total comprehensive loss attributable to non-controlling interests	(4,764)	(5,546)
<b>Total comprehensive income attributable to the Shareholders</b>	<b>77,644</b>	<b>214,787</b>

**AI Yah Satellite Communications Company PJSC****Supplemental information to the condensed consolidated interim financial statements**

for the three months ended 31 March 2023

**iii) Condensed consolidated interim statement of financial position**

	<b>31 March 2023 AED 000</b>	<b>31 December 2022 AED 000</b>
<b>Assets</b>		
Property, plant and equipment	4,230,882	4,202,163
Investment property	73,380	73,380
Right-of-use assets	20,852	21,491
Intangible assets	24,764	26,479
Equity-accounted investments	212,902	235,238
Trade and other receivables	38,128	38,128
Derivative financial instruments	112,088	118,306
Other investments	13,588	10,834
Deferred income tax assets	521	485
<b>Total non-current assets</b>	<b>4,727,105</b>	<b>4,726,504</b>
Inventories	44,169	26,560
Trade and other receivables	705,087	617,931
Derivative financial instruments	62,087	63,174
Income tax assets	668	668
Cash and short-term deposits*	2,037,988	2,000,407
<b>Total current assets</b>	<b>2,849,999</b>	<b>2,708,740</b>
<b>Total assets</b>	<b>7,577,104</b>	<b>7,435,244</b>
<b>Liabilities</b>		
Trade and other payables	568,754	628,590
Borrowings	444,725	444,655
Deferred revenue	311,983	91,111
Income tax liabilities	577	790
<b>Total current liabilities</b>	<b>1,326,039</b>	<b>1,165,146</b>
Trade and other payables	1,216,313	1,350,301
Borrowings	1,538,553	1,495,629
Defined benefit obligations	35,498	36,347
<b>Total non-current liabilities</b>	<b>2,790,364</b>	<b>2,882,277</b>
<b>Total liabilities</b>	<b>4,116,403</b>	<b>4,047,423</b>
<b>Net assets</b>	<b>3,460,701</b>	<b>3,387,821</b>
<b>Equity</b>		
Share capital	2,439,770	2,439,770
Hedging reserve	151,912	177,767
Statutory reserve	76,862	76,862
Translation reserve	(85,554)	(89,440)
Remeasurement reserve	7,171	6,980
Retained earnings	613,275	513,853
<b>Equity attributable to the Shareholders</b>	<b>3,203,436</b>	<b>3,125,792</b>
Non-controlling interests	257,265	262,029
<b>Total equity</b>	<b>3,460,701</b>	<b>3,387,821</b>

\*Cash and short term deposits include cash and cash equivalents of AED 518,458 thousand (31 December 2022: AED 785,893 thousand).



**Al Yah Satellite Communications Company PJSC**  
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**iv) Condensed consolidated interim statement of changes in equity**

	Attributable to the Shareholders					Non-controlling interests AED 000	Total equity AED 000
	Share capital	Hedging reserve	Other Reserves	Retained earnings	Total		
	AED 000	AED 000	AED 000	AED 000	AED 000		
<b>At 1 January 2022</b>	<b>2,439,770</b>	<b>19,927</b>	<b>(73,894)</b>	<b>704,180</b>	<b>3,089,983</b>	<b>281,688</b>	<b>3,371,671</b>
Profit/(loss) for the period	-	-	-	73,788	73,788	(5,663)	68,125
Other comprehensive income:							
Currency translation differences	-	-	61,827	-	61,827	117	61,944
Cash flow hedge - effective portion of changes in fair value	-	75,716	-	-	75,716	-	75,716
Cash flow hedge - net loss reclassified to profit or loss	-	3,456	-	-	3,456	-	3,456
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>79,172</b>	<b>61,827</b>	<b>-</b>	<b>140,999</b>	<b>117</b>	<b>141,116</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>79,172</b>	<b>61,827</b>	<b>73,788</b>	<b>214,787</b>	<b>(5,546)</b>	<b>209,241</b>
<b>At 31 March 2022</b>	<b>2,439,770</b>	<b>99,099</b>	<b>(12,067)</b>	<b>777,968</b>	<b>3,304,770</b>	<b>276,142</b>	<b>3,580,912</b>
<b>At 1 January 2023</b>	<b>2,439,770</b>	<b>177,767</b>	<b>(5,598)</b>	<b>513,853</b>	<b>3,125,792</b>	<b>262,029</b>	<b>3,387,821</b>
Profit/(loss) for the period	-	-	-	99,422	99,422	(4,536)	94,886
Other comprehensive income:							
Currency translation differences	-	-	3,886	-	3,886	(140)	3,746
Cash flow hedge - effective portion of changes in fair value	-	(7,305)	-	-	(7,305)	-	(7,305)
Cash flow hedge - net gain reclassified to profit or loss	-	(18,550)	-	-	(18,550)	-	(18,550)
Remeasurement of defined benefit obligation	-	-	191	-	191	(88)	103
<b>Other comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(25,855)</b>	<b>4,077</b>	<b>-</b>	<b>(21,778)</b>	<b>(228)</b>	<b>(22,006)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(25,855)</b>	<b>4,077</b>	<b>99,422</b>	<b>77,644</b>	<b>(4,764)</b>	<b>72,880</b>
<b>At 31 March 2023</b>	<b>2,439,770</b>	<b>151,912</b>	<b>(1,521)</b>	<b>613,275</b>	<b>3,203,436</b>	<b>257,265</b>	<b>3,460,701</b>

<sup>(1)</sup> Other reserves include statutory reserve, translation reserve and remeasurement reserve.

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**v) Condensed consolidated interim statement of cash flows**

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>AED 000</b>	<b>AED 000</b>
<b>Operating activities</b>		
Profit before income tax	95,077	68,250
Adjustments for:		
Share of results of equity-accounted investments	8,366	10,643
Depreciation and amortisation	130,991	131,802
Allowance for (reversal of) expected credit losses	723	(1,462)
Loss allowance for inventories	110	26
Finance income	(19,666)	(2,112)
Finance costs	7,841	4,837
Write-off of property, plant and equipment	-	66
Current service cost/charge for the period	1,153	2,237
<b>Operating profit before working capital changes</b>	<b>224,595</b>	<b>214,287</b>
Working capital changes:		
Trade and other receivables	(87,905)	(53,156)
Inventories	(17,720)	(2,042)
Trade and other payables	(214,290)	(36,637)
Deferred revenue	220,871	228,103
Employee end of service payments	(2,321)	(198)
Income tax paid	(441)	(481)
<b>Net cash from operating activities</b>	<b>122,789</b>	<b>349,876</b>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(127,965)	(177,213)
Additions to intangible assets	(286)	(1,392)
Return of investment in an associate	18,381	-
Acquisition of other investments	(2,754)	-
Receipt of short-term deposits with original maturity of over three months	146,900	-
Investments in short-term deposits with original maturity of over three months	(451,916)	(73,450)
Interest received	19,666	2,112
<b>Net cash used in investing activities</b>	<b>(397,974)</b>	<b>(249,943)</b>
<b>Financing activities</b>		
Proceeds from term loans	26,244	127,990
Payment of lease liabilities	(110)	(9,681)
Interest paid	(18,487)	(5,307)
<b>Net cash from financing activities</b>	<b>7,647</b>	<b>113,002</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(267,538)</b>	<b>212,935</b>
Net foreign exchange difference	103	(220)
Cash and cash equivalents at the beginning of the period	785,893	1,019,993
<b>Cash and cash equivalents as at the end of the period</b>	<b>518,458</b>	<b>1,232,708</b>