Inmarsat Global Limited
(Registered Number: 03675885)

Annual Report and Financial Statements
For the year ended 31 December 2022

Inmarsat Global Limited
Strategic Report
For the year ended 31 December 2022

Review of business
Inmarsat Global Limited (the 'Company') made a profit after tax for the year of $512.9m (2021: $245.2m) from the supply of global mobile satellite communications services. The Company's revenue increased by 12% to $1,336.7m (2021: $1,194.2m) following growth in the Company's core markets with aviation revenue showing the highest post-covid growth as the airline industry embarked on a process to return to pre-covid operating levels. The Company's maritime and government services businesses also continued to deliver year-on-year market growth.

The Company's net assets were $4,642.9m (2021: $4,126.7m). The increase in net assets in the year has been driven by the profits generated in the period. Profit for the financial year of $512.9m (2021: $245.2m) will be transferred to reserves.

The Directors are of the opinion that the current level of activity and the year-end financial position are satisfactory and will remain so in the foreseeable future.

The ultimate controlling party of the Company during the financial year ended 31 December 2022 was Connect Topco Limited which is an entity based in Guernsey. The results of the Company are consolidated into Connect Topco Limited (the 'Group').

On 30 May 2023, Connect Topco Limited and the Group were acquired by ViaSat Inc., a global communications company listed on the NASDAQ stock exchange.

Our Business Model

Our purpose of providing “connectivity for good” builds on our strong commitment to serving as a positive force in the world.

Our competitive advantage comes from our networks, our innovative technology, the expertise of our people and the strength and breadth of our partnership ecosystem.

Market leading networks

- **Elera (L-band):** Our resilient L-band networks, currently through our Inmarsat-3 and Inmarsat-4 satellite constellations, will continue to support the evolving mobile communications requirements in our key customer segments. It is recognised as the world's most reliable global satellite communications infrastructure deliverying vital connectivity services to millions worldwide.
- **Dual payload:** Our Inmarsat-6 satellites, the second (I-6 F2) of which was launched in February 2023, comprise a dual payload (L-band and Ka-band). I-6 F1 is due enter commercial service later this year. This will support the reorientation of our L-band capabilities towards new growth opportunities, as well as providing additional capacity to our existing GX network.
- **Global Xpress (GX) (Ka-band):** GX, the world's first globally available bandwidth satellite network with five Inmarsat-5 satellites currently in orbit. It is the world's first global, mobile, high bandwidth network designed to support our customers' high bandwidth connectviity requirements. A further five GX payloads will launch into GEO orbit by the end of 2025.
- **S-band:** The integrated S-band satellite and air-to-ground network, the EAN, is a compelling and unique proposition for commercial aviation customers in Europe.
- **ORCHESTRA:** ORCHESTRA is the development of a unified network, utilising the existing and evolving ELERA and GX layers, and seamlessly intergrating future terrestrial mesh and LEO layers. ORCHESTRA is a true network of networks.

Supported by

- **Our technology:** We continue to invest in innovation to deliver market-winning solutions to our customers and differentiate our propositions.
- **Best-in-class partner ecosystem:** Our relationships with our partners, from suppliers to distributors, help us to strengthen our service offering.
- **Highly skilled workforce:** Our people have the skills, competencies and experience to deliver our business objectives and create value. Our culture and values are focused on innovation and performance excellence.
- **Our financial resources:** We use our balance sheet to support the organic and inorganic investment needed to deliver our strategic imperatives.
- **Our market-leading distribution partnerships:** Our products, services and solutions enable our customers to operate safely, securely and efficiently and to deliver innovative communications services to their users across our customer-focused business segments.

Delivering value for our stakeholders

- **Shareholders and Lenders:** we aim to drive profitable growth to help deliver value for our shareholders and lenders.
- **Customers and partners:** We focus on key drivers of value for our partners and customers such as security, reliability and seamless delivery with global coverage and mobility.
- **Employees:** We have a strong culture, underpinned by our values and our commitment to diversify, and we are focused on our employees' career development, making internal promotions where possible.
- **Communities:** We are proud of our public service ethos and the part we play in providing safety services, particularly to mariners and the aviation industry and our long-term support of the charity Télécoms Sans Frontières .

Our Strategy

A leading satellite operator focused on global mobility.

Our strategy will evolve once the integration of Inmarsat and Viasat is complete. The commentary here is in respect of Inmarsat prior to the acquisition.

We are the only operator fully focussed on broadband and narrowband mobility and government services. We have unique global networks solely designed and optimised for mobile satcom services rather than fixed or consumer applications.

Our strong financial performance reinforces our strategy and achievement of our goals and returns on investments. Centred around our market and customer, we have defined four main strategic pillars. Our strategy guides us to generate sustainable value and create growth for the benefit of all our stakeholders.

Strategic priorities:

1. Maintain and grow the core business

   We are focused on our core markets and have built up leading positions. The revenue pools in our core markets are material at a projected revenue Total Addressable Market of c. $9.2bn and are growing at high single digit numbers, due to an increased demand for connectivity and digital applications. We enable our customers to deliver productivity gains and to serve new ecosystems including Internet of Things (IoT) that requires reliable connectivity services. Growing and maintaining our position in our core markets offers further strong growth opportunities.

2. Extend into near adjacent markets

   Our market positions allow us to also serve adjacent markets. This helps us to leverage our deep sector expertise and to bring value added propositions to new customer segments in mobility. The adjacent markets create new opportunities for usto deliver further profitable growth.

3. Drive innovation and differentiation

   Inmarsat's unique satellite operations with narrowband (L-band) and broadband (Ka-band) services with global coverage differentiates Inmarsat from our competitors. Wehave a proven track record of innovation underpinned by our world leading technology capabilities. Our distinctive proposition allows us to bring value to our customers.

4. Sharpen customer and distribution focus

   We work closely in partnership with world-leading customers.We understand our customers' needs, and how we can help them deliver value. We have a balanced model of direct and indirect distribution. Our experienced distribution channel and partnerships provide extensive market access, supportingour global service proposition.

5. Our strategic pillars are underpinned by three core capabilities:

   The first is technology leadership. Inmarsat has a proud heritage in this area and world-class people who make our innovation possible. We have world-class GEO satellites operating in L-band, S-band and Ka-band. And our recently announced ORCHESTRA network will further advance our position as a leading satellite operator.

   Secondly, we are purpose driven with a clear vision and brandthat reflects our ambition. Our purpose and values guide our decisions and how we do business. Our purpose is to serve as a positive force in the world by "providing connectivity for good".

   Thirdly, our high-performance culture supports us to execute our strategy and deliver our growth targets. Our employees are empowered and accountable to make decisions with a key focus on our customers.

Stakeholder Engagement

We are focused on driving long-term sustainable performance for the benefit of our customers, shareholders, and wider stakeholders.

This section provides some insight into how the Board engages with our stakeholders to understand what matters to them and further inform the Board's decision making and the actions taken together with any consequence. You can read more in our formal Section 172 Statement on page 7 which sets out our approach to Section 172 and provides examples of decisions taken by the Board, including how stakeholder views and inputs have been considered in its decision making.

Stakeholders	What matters to them	How we engage at Board level	How we engage across the company	How we delivered
Employees	- Opportunities to reach full potential. - Open and honest environment. - Diverse and inclusive workplace. - Health, safety and wellbeing. - Fair pay and reward.	- The CEO conducted skip level meetings across the organisation as a whole and takes part in a monthly Q&A session and provides feedback at Board meetings. - Culture, talent development and people strategy are discussed at Board meetings. - The Board considers our employee engagement survey results and steps taken to address feedback.	- CEO leads quarterly all staff meetings, with significant time spent on open dialogue and Q&A and structured to have a timezone that works for AsiaPac employees as well as a separate global meeting. - Comprehensive internal communications plan supporting regular two-way information exchange and engagement with employees across multiple channels on strategic direction and progress, Viasat transaction, culture and values and wellbeing. - Executive level regular engagement with formal staff bodies (UK, Netherlands, Australia) and our Global Workforce Advisory Panel (GWAP) global representative group.	- Our employee engagement score increased by 0.2 to 8.1/10 in Dec 2022. - We issued an out of cycle salary increase to address the cost of inflation in response to feedback and input from our employees and representative groups. - Continued focus on Diversity, Equity and Inclusion and launched a new parent and carers network. - Continued delivery of broad portfolio of learning and development opportunities, building professional and leadership capability, and in 2022 specific focus on building commercial capacity through our new sales excellence programme. - Refreshed our core peer to peer recognition programme – our 'Spot Beams' – enhancing value and supporting retention.

Stakeholders	What matters to them	How we engage at Board level	How we engage across the company	How we delivered
Partners and Customers	- Connectivity when it matters most. - Global network coverage with service levels that can be relied upon. - Leading, easy-to-use products and services that meet customer needs. - Dependable customer service around the clock. - Innovation, staying in tune with customer needs and investing in the future.	- An executive level "Customer board" is mobilised to fully understand customer insights and take action, both on central roadmap or process improvements. - The CEO met both partners and customers frequently both at formal dedicated conferences and more regular dedicated sessions to gather feedback and share plans. - Performance to our agreed SLA levels is tracked, reported, and acted on. - The Board are debriefed on customer satisfaction results and contribute to a company wide plan for customer experience. - Our engagement with partners directly shapes our strategy and business plan.	- Launched a new customer insights function to ensure customer needs are reflected in all offers and customer experiences. - Invested in a new central customer experience function to review and design all key touchpoints and execute a strategic improvement programme. - Ran customer research programmes to gauge needs and perceptions. - Negative feedback gathered through surveys is acted upon with follow-up contact. - Audited and reviewed customer experiences from the feedback gathered and plan improvements centrally.	- Our customer satisfaction score increased from 73% in 2021 to 76% in 2022, compared to a 75% target, with improvements seen across 10 out of 12 questions we ask them. - We achieved our targets for customer satisfaction and are on track for our 2023 plan. - Our own market perception research showed leading results for factors such as network quality, industry leadership, customer support and product range. - Sustained network investment has taken place with the introduction of Inmarsat-6 F1 to our constellation, providing improved speed and reliability. - We aligned our culture around our customers, introduction a 'Customer' as a company value, with training, measurement, design, and a Customer Experience roadmap.
Shareholder and Lenders (our investors)	- Strategy and business model. - Financial performance. - Reputation. - ESG performance. - Leadership. - Financial Risk Management.	- Board approves the Annual Report and Accounts.	- The CEO had regular dialogue with shareholders to respond to enquiries.	- 99% full year revenue growth and 15% EBITDA growth. - Carbon reduction targets validated, and net zero targets approved for validation by the SBTi.

Stakeholders	What matters to them	How we engage at Board level	How we engage across the company	How we delivered
Suppliers and Contractors	- Fair engagement and payment to terms. - Projects that succeed which can be used as case studies to win new business. - Responsible end-to-end supply chain.	- Commercial performance and supplier relationships are discussed at Board meetings.	- Regular meetings with our suppliers through the supplier relationship management (SRM) programme and by project managers across the business to ensure both parties deliver. - VP Global Procurement is responsible for the implementation and delivery of progress on sustainability in our supply chain.	- Majority of suppliers paid to time in line with external benchmarks. - SRM programme enhanced to bring extra focus on delivery, quality, agile and closure. - New procurement sustainability strategy implemented with top strategic suppliers to deliver climate targets.
Local Communities	- Operational impact and disruption. - Economic contribution. - Protection of the environment	- Environmental matters are regularly considered by the Board.	- Our people volunteer, when safe to do so, through our volunteering programme, working to improve our community and environment. - STEM partnership continues to remain important.	- Matched employee donations to Disasters and Emergency Committee and the International Red Cross for the crisis in Ukraine. - Continued our 20+ years support of Télécoms Sans Frontières with monetary and hardware support. - 40 days volunteered by staff across our global companies to a variety of charities.

Section 172 statement

Section 172 of the Companies Act 2006 requires the Directors to take into consideration the interests of stakeholders in their decision making and is central to the formulation and execution of our strategy and is critical in achieving our long-term sustainable success. The needs of our different stakeholders as well as the consequences of any decision in the long-term are well considered by the Directors. It is not always possible to provide positive outcomes for all stakeholders and the Directors sometimes have to make decisions based on the competing priorities of stakeholders. Our stakeholder engagement processes enable our Directors to understand what matters to stakeholders, carefully consider all the relevant factors and select the course of action that best leads to the high standards of business conduct and long-term success. The principles underpinning Section 172 are not something that is only considered at Board level, they are part of our culture and are embedded in all that we do as a company. The differing interests of stakeholders are considered in the business decisions we make across the company, at all levels, and are reinforced by our Board. In performing their duties during 2022, the Directors have had regard to the matters set out in Section 172(1) of the Companies Act 2006. We've outlined below, through cross reference, where the Board has considered the Section 172 matters throughout this Annual Report.

Section 172 Matters

(a) <u>The likely consequence of any decision in the long-term</u>

Our strategy	p3
Business model	p2
Environmental performance and strategy	p22

(b) <u>The interests of the Company's employees</u>

Our people	p23
Diversity, equity and inclusion	p24
Employee engagement	p8

(c) <u>The need to foster the Company's business relationships with suppliers, customers and others</u>

Responsible payment practices	p6
Business model	p2

(d) <u>The impact of the company's operations on the Community and the environment</u>

Our purpose	p3
Task Force on Climate-Related Financial Disclosures	p21

(e) <u>The desirability of the company maintaining a reputation for high standards of business</u>

Our strategy	p3
Our purpose	p3

(f) <u>The need to act fairly between members of the company</u>

Stakeholder engagement	p4-7
Section 172 statement	p8

<u>Principal decisions</u>
We consider our 'principal decisions' as decisions and discussions, which are material or strategic to the Company and those that are significant to any of our stakeholder groups. Examples of decisions taken by the Board and how stakeholder views and inputs, as well as other s172 considerations, have been considered in its decision making are set out below:

Off-cycle salary increase to all employees

The Board approved an out of cycle salary increase to all employees following a review of market trends to help support employees with the increased cost of living effective 1 October 2022. An additional average of 3% of total base pay was awarded, with a focus on awarding a higher increase to those people on lower grades.

There was an average of 6% permanent salary increase across the company in 2022 and this will be reviewed again in early 2023 as part of the normal salary review process effective 1 July.

Key stakeholder groups considered: Employees, investors (shareholders and lenders), partners and customers

Employees
We rely on the know-how, creativity and entrepreneurial spirit of all our employees and recognise we need the best teams to be engaged and to collaborate to achieve our purpose together. The Board considered our employees would feel more engaged, appreciated and part of an inclusive culture and this would be for the benefit of the Company in the long-term.

Employee feedback was positive – supported by employee engagement scores increasing compared to the prior year.

Investors
The Board carefully considered the need to deliver value for investors and customers. Recognising our employees have the skills, competences, and experience to deliver our business objectives and create value and the value of making this adjustment to maintain employee support.

Customers
An engaged workforce would deliver an improved customer experience and create further opportunities together to increase revenues.

Outcome and impact on the long-term sustainable success of the company
The benefits to the off cycle pay increase can contribute to higher productivity and entrepreneurial spirit, improved employee engagement and a better customer engagement and experience. This in turn would deliver benefits to our investors.

Setting net zero targets

The Board supports the UK Government's net zero commitment and takes its responsibility for setting the climate change and ESG strategy of the company seriously. Following the validation of our near-term science-based targets during 2022, the Board approved the setting of the company's long-term net zero targets which are to reduce emissions by 90% based on a 2019 baseline and 10% neutralisation of residual emissions from 2050.

Key stakeholder groups considered: Employees, investors (shareholders and lenders), suppliers and contractors and local communities

Investors
The Board considered climate risk in the context of investment risk and the correlation between disclosure and capital allocation and reached the decision there would be financial gains both in terms of the cost of capital and return on capital employed.

Employees
The Board considered that the long-term net zero targets, by adopting strong environmental values, would attract and retain employees and encourage employee engagement on sustainability generally.

Suppliers
Sustainable procurement is a key focus area for us to achieve both our near-term science-based targets and our long-term net zero targets due to most of our emissions sitting in the purchased products and services category of Scope 3. We will continue to engage with our suppliers to understand more about their processes, improve the credibility of our data and work collaboratively to achieve our net zero target by 2050.

Outcome and impact on the long-term sustainable success of the company
The impact of the Company's clear and defined pathway to reduce emissions and help prevent the worst impacts of climate change can future proof the business now and going forwards and improve the environment. These considerations were pivotal to the Board's decision.

Risk Management

Risk Framework

Effective risk management is fundamental to our ability to meet both our short-term and longer-term strategic objectives.

Risk comes hand-in-hand with business opportunity. Risk is not something that should be driven out of the business but rather something to be identified, intelligently assessed and managed. The aim is not to eliminate all risks, but to foster a culture supportive of effective risk management by encouraging appropriate risk-taking to achieve our objectives. The Group's approach to risk is bought together in an overarching risk management policy. This policy, together with the risk management framework has been implemented to focus risk management on business objectives and the mitigation of the largest risks and to comply with and support our compliance with the ISO 27001 standard and accreditation. The policy sets out our risk appetite as well as roles and responsibilities of risk team members.

Principal Risks

Principal risk	Risk Movement	Background and impact	How we manage it
Failure of the Viasat transaction Link to Strategy: 1, 2, 3, 4	**Increase** - During the course of 2022, the Consumer & Markets Authority (CMA) referred the transaction for further investigation (Phase 2). This increased the possibility of an adverse opinion from the CMA at the conclusion of its investigation.	- If the Viasat transaction fails then there is a risk that we will be delayed in developing strategic options that will allow us to compete in the rapidly evolving market place. - Following the completion of the Viasat transaction on 30 May 2023, this risk is no longer a risk and a new risk related to integration has been added in the enterprise risk report for Q2 2023.	- Use of specialist third part advisors to advise on the deal. - Internal teams working on Regulatory Approvals with Regulators worldwide to obtain clearance.
Adverse geopolitical & macro-economic factors Link to Strategy: 1, 2, 3, 4	**Increase** - The continuing Ukraine-Russia conflict together with heightening US-China tension increased the geopolitical risk. - Increases in inflation and interest rates increased the macro-economic risk.	- Further deterioration of the political environment causes broad economic disruption and dislocation that could impede our ability to access key growth markets, impacting revenue growth. - Our ability to deliver continued business performance could be significantly affected by the individual or aggregate impact of an increasingly complex set of macroeconomic factors, such as rising inflation, $;£ exchange rate fluctuations and recessionary pressures all of which may combine to generate difficult and unpredictable headwinds.	- Strong relationships with in-country partners across the globe that help to navigate uncertainty. - In-house experts who understand and manage sanctions compliance. - Continuous review and adaptation of our strategy in reaction to developing political or economic situations. - Emerging new risks arising from political decisions that could impact our business are assessed for mitigation.

Principal risk	Risk Movement	Background and impact	How we manage it
Environmental, Social & Governance Link to Strategy: 1, 2, 3, 4	**Unchanged**	- Failure to run our business in a sustainable by assessing the environmental impact of our operations, which may result in damage to our corporate reputation or key stakeholder confidence.	- We have an Environmental Steering Group that sets the business environmental roadmap. - Net Zero science-based targets have been approved by the Board and validated by the Science Based Target initiative. - Working with suppliers to reduce their Scope 3 emissions. - New Land Earth Stations to use 100% renewable electric. - Decarbonising our future buildings by committing to BREEAM certification. - Formal and externally assured approach for reporting on carbon emissions and energy.
Major Security or Cyber Event Link to Strategy: 1, 2, 3, 4	**Unchanged**	- Failure to secure satellites, networks, information, data, systems, processes and services from the major security or cyber event, which could impact business objectives, services to customers, performance and reputation.	- Policies, guidelines and standards consistent with a positive security culture. - Continuous Information Security improvement programme. - In-depth, state-of-the-art counter measures and monitoring. - Dedicated 24/7 Cyber Security Operations centre. - Maturity assessment against the NIST framework. - Maintaining accreditations including ISO 27001 and Cyber Essentials Plus. - Broad cyber security awareness programme, including mandatory training. - Information Security assessments over third parties and internal projects.
Failure to attract & retain talent. Link to Strategy: 1, 2, 3, 4	**Unchanged**	- Failure to invest in the key skills required to maintain competitive advantage in the current business environment, could result in insufficient capacity of capability to deliver the core business plans and establish effective organisational structures.	- A People strategy that identifies key employees, skills and skills gaps. - Succession plans for critical roles. - Development plans for employees with growth potential. - Resource planning for each business unit and function on an annual basis. - Investment in training and development. - Recruitment strategies to support the business with required competencies. - Employee engagement survey. - Diversity & Inclusion survey.

Principal risk	Risk Movement	Background and impact	How we manage it
Major Operational Failure Link to Strategy: 1, 2, 3, 4	**Unchanged**	- If there is a major operational failure affecting our satellites, launches or IT Networks then our reputation or delivery capability may be heavily compromised, with material business impact in the near and long term.	- Infrastructure and satellites are designed, built and maintained with a level of redundancy and resilience. - Space asset operation is in line with manufacturer instructions and industry best practices. - Protection against space weather and debris enhanced through participation in industry and international bodies. - Having a distributed teams, sites and infrastructure. - Operation of a broad regional service and global partner network to mitigate localised disruptions. - Business Continuity and IT Disaster Recovery arrangements are in place.
Supply Chain Dependency Link to Strategy 1, 2, 3, 4	**Unchanged**	- Supply Chain disruption and our reliance on key partners may impact our ability to procure required to either upgrade existing customer's technology or activate new customer accounts and restricted our revenue growth.	- A Supplier Relationship Management framework is in place. - Contractual options with multiple launch vehicle providers are maintained. - Continuously looking to widen the scope and number of terminal manufacturers. - Ensuring competition, wherever possible, to avoid technical or capability lock-in with any particular supplier. - Advanced placing of orders for 2023 to give suppliers best chance of on-time delivery.
Access to long term funding Link to Strategy: 1, 2, 3, 4	**Unchanged**	- Unavailability of working capital and long-term funding necessary to fund the business model could impede our ability to continue to invest for future growth.	- RCF in place for $700m until December 2024. - Natural long term currency hedges are in place to ensure that the majority of revenues, costs, capital expenditure and debt funding are USD denominated. - Working to proactively minimise interest expense. - Positive Credit Agency ratings allows the company to seek new funding if required.
Competition and Market Activity Link to Strategy: 1, 2, 3, 4	**Increased** - Competitor and Market developments continued at pace. In particular competitor LEO offerings and capabilities improved that presented Inmarsat with new market dynamics.	- Rapid, well-funded and widely publicised growth of new Low Earth Orbit or Middle Earth Orbit satellite operators and/or technologies may disrupt and cannibalise our market, driving a rapid deterioration in our relative competitiveness and hence growth prospects.	- ELERA and ORCHESTRA work is underway to enhance our services. - Proactively supporting satellite operators in forums, where appropriate, to defend broader satellite interests from use by terrestrial operators. - Investment in market intelligence to understand longer term pricing dynamics, and prepare our response in advance. - Reinforcing our market focus and customer intimacy through our Business Units. - Continuously looking to increase our operational agility by mobilising our network capacity to leverage cost/bit capabilities.

Principal risk	Risk Movement	Background and impact	How we manage it
Sector Consolidation Link to Strategy: 1, 2, 3, 4	**Increased** - Mergers between competitors were announced. In the face of new market entrants, the logic for further consolidation strengthened in 2022.	- Further sector consolidation (vertical or horizontal) produces stronger competitors. This could enable competitors to offer more compelling solutions forcing existing customers to leave Inmarsat and new would-be customers to opt for the competitor's solutions resulting in loss of revenue/market share.	- Develop commercial strategies to retain customers in response to changes in the marketplace. - Developing new product capabilities or revised commercial offers to satisfy customer requirements. - Broadening of our market presence beyond pure connectivity to capture new value-added services to include empowered connectivity capabilities, managed services and related activities, and digital capabilities and partnerships.
Reliance on Key Channel Partners Link to Strategy: 1, 2, 4	**Unchanged**	- We have a reliance on a number of key channel partners, which exposes us to risks associated with the misalignment of objectives between Inmarsat and the partner, or the financial or reputational failure of a supplier, which could impact the necessary distribution capability needed to grow our market share.	- Reviewing our channel partner community in response to changing market dynamics. - Working dynamically with existing partners to grow their revenues. - Promoting fair play in our distribution channels. - Obtaining in-country market access for our distribution channel in advance, where possible, to make licensing requirements as straightforward as possible for our partners.
Compliance Breach Link to Strategy: 1, 2, 3, 4	**Unchanged**	- If there is a major compliance failure, emergent regulatory constraint or non-compliance with government performance specifications, we may face penalties and reputational damage, including exclusion from government bids that affects business plans resulting in increased costs or a market or sector being closed to Inmarsat.	- Compliance horizon scanning operates to maintain awareness of new legislation. - Introduction of new policies and training into the business when required. - External advisors and in-house experts advise the business and help mitigate compliance risks. - Compliance teams are involved from the outset of any relevant new projects to ensure compliance risk is managed. - Compliance programmes and training in place for anti-bribery and corruption, export controls, sanctions, conflicts of interest and whistleblowing. - We operate a Gifts & Hospitality Register process, which is reviewed by Compliance. - Compliance policies and processes are maintained and updated regularly.

Principal risk	Risk Movement	Background and impact	How we manage it
Spectrum Access Link to Strategy: 1, 2, 3, 4	**Unchanged**	- Failure to maintain adequate spectrum access (orbital slots, orbital planes, frequency licences) that are coordinated for our current and planned requirements could result in loss of competitive advantage, ability to offer service to customers and loss of revenue opportunities.	- Working with in-country partners/regulators to secure licences and market access to allow our services to operate in key countries. - Engaging with and supporting regulators to defend our licences against 5G demands. - Working with regulators globally through ITU forums. - Proactively making ITU filings for orbital slots through several national administrations for our ongoing spectrum and orbital slot requirements. - Working closely with regulators to source network licences in the market and secure licences early wherever possible to grandfather spectrum. - Regularly improving the efficiency of our spectrum usage through innovation and system enhancements. - Updating regulators and governments about the socio-economic contribution of our mobile satellite services.
Failure to Innovate Link to strategy: 1, 2, 3, 4	**Increased** - The pace of technology change in the market place has increased with the arrival of new competitors and their commercial offerings.	- Failure to innovate/develop or delays in delivery of new technologies, secure sufficient capacity in market/sector prioritised locations, introduce new products and services, or develop new propositions could make Inmarsat uncompetitive, unattractive to customers which results in missed revenue opportunities.	- We have an existing broad portfolio of products and services that address customer requirements and opportunities in several markets. - A Technology Roadmap has been developed to guide options for future network capabilities and to address customer requirements. - We have introduced new services with common technologies and develop more competitive pricing strategies. - ELERA (L-band) development is underway including next generation terminal activities. - By monitoring technology, competitor and market developments and adapting accordingly. - Regularly making improvements to the efficiency of our spectrum usage through innovation and system enhancement. - Maximising spectrum opportunities where possible. - Business Units provide pipeline assessment to allow future capacity usage assessments to be performed. - We prioritise investment to focus on new requirements.

Key performance indicators
The Directors of the Group manage the Group's operations on a business sector basis. The development, performance and position of the Group are discussed in the Group's 2022 Annual Report, which can be obtained from the address detailed in note 1 to the accounts.

Financial KPIs

Revenue
Revenue is the Company's revenue generated from operations and increased to $1,336.7m for the financial year 2022 (2021: $1,194.2m).

Why it is important:
Revenue growth validates the Company's business model, by demonstrating our ability to develop our customer base and increase ARPU across our product portfolio.

Link to risks and remuneration
The achievement of these KPIs depends on the successful execution of the Group's strategic priorities and careful management of our risks. Incentive plans include financial metrics and the Group results as performance metrics, so the Company's KPIs will contribute to determining incentive plan payments.

EBITDA
EBITDA is total profit before net financing costs, taxation, depreciation and amortisation, gains/losses on disposals of assets, impairment losses and share of profit of associates.

The Company's EBITDA increased to $675.4m (2021: $562.5m).

Why it is important
EBITDA is a commonly used industry term to help our shareholders understand contributions made by our solutions and services. It reflects how the effect of growing revenues and cost management deliver value to our shareholders.

Link to risks and remuneration
The achievement of these KPIs depends on the successful execution of the Group's strategic priorities and careful management of our risks. Incentive plans include financial metrics and the Group results as performance metrics, so the Company's KPIs will contribute to determining incentive plan payments.

Non-Financial KPIs

Network availability
Ongoing investment in our space and ground infrastructure ensures that customers are supported by an overall 99.9% availability in each of our GX and L-band networks. We meet the maritime safety requirements set by the International Maritime Organization for safety of our L-band services.

Why it is important
Ensuring our network is available and reliable is essential in providing the required quality of service to our customers. This reliability is critical for safety at sea and aviation cockpit services.
Link to risks and remuneration
The risks for this KPI are set out in the principal risks section of this report and this KPI is included within the bonus objectives for relevant staff.

Emissions
We track our emissions to check they are in line with the Paris Agreement on Climate Change and to prevent the worst effects of catastrophic climate change by limiting average global temperature increases to well below two degrees Celsius. In 2022, the Group approved long-term net zero science-based targets, which have been validated by the Science Based Targets initiative.

The Group's emissions reduced in 2022 to 88,133 tCO_2e (2021: 92,911 tCo2e).

Further information is available in the Group's 2022 Annual Report, which may be obtained at www.inmarsat.com/en/sustainability/how-we-do-business.

Why it is important
Unless urgent action is taken to limit global temperatures to 1.5 degrees above pre-industrial levels, climate change presents significant and systematic risks.

Link to risks and remuneration
The achievement of this KPI is linked to the Company's corporate responsibility to reduce global greenhouse gas emissions and avoid the worst effects of climate change. This KPI is included within bonus objectives for relevant staff.

Employee engagement
Employee engagement describes an employee's level of commitment and enthusiasm to their work and their company. We measure employee engagement through our Peakon survey, which helps us identify areas where we are performing well and those that need to be improved.

The Group's employee engagement score increased to 8.1/10 (2021: 7.9/10).

Why it is important
It is important as higher levels of employee engagement have been proven to positively impact business performance.

Link to risks and remuneration
The achievement of high levels of employee engagement will contribute to our drive for a high-performance organisation and therefore underpins the delivery of all our strategic priorities. Many of the Company's risks are affected if we do not have engaged staff.

DocuSigned by:
Alison Horrocks
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Alison Horrocks
Company Secretary
29 September 2023

Inmarsat Global Limited
Directors' Report
For the year ended 31 December 2022

Reporting in accordance with our Corporate Governance Policy

This index shows where key content can be found in this report, which our stakeholders can use to evaluate how we applied our Corporate Governance Policy.

Purpose and Board Leadership
The Board determines the long-term strategy. Our business model and our strategic framework embeds our vision, purpose, values and priorities to ensure stakeholder interests are met.

Board Composition
The Board comprises the CFO, Senior Vice President, General Counsel and Secretary, Chief Operations Officer, President of the Maritime Business Unit and an Executive Director who is also the Company Secretary. All members of the Board are part of the Viasat Inc, Executive Management team. The Composition of the Board is determined by our Corporate Governance Policy.

Director Responsibilities
The Board received regular report on business, financial performance, employee and partner engagement as well as key business risks.

Opportunities and Risks
The Board seeks our opportunity while managing risk. The Central Risk Committee and the Executive management team ensure risks are identified and managed appropriately

Stakeholder Relationships and Engagement
Our strategic priorities and values are how we deliver our vision. The table set out in our section 172 statement on page 4-7 sets out some of the engagement that takes place with key stakeholders

The Board considers that the Company has complied fully with its corporate governance policy throughout the year.

Directors' Report

The Directors' Report for the year ended 31 December 2022 comprises pages 17 to 26 of this report, together with sections of the Annual Report incorporated by reference. As permitted by the legislation, some of the matters required to be included in the Directors' Report have instead been included in the Strategic Report as the Board considers them of strategic importance. This includes:

Future business developments	throughout the Strategic Report
Principal risks and uncertainties facing the Group	p9-13
Stakeholder engagement	p4-6

Corporate Governance Statement

The Board of Inmarsat Global Limited is pleased to present its Corporate Governance Statement for the period to 31 December 2022. This statement includes a review of how corporate governance acts as the foundation of our corporate activity and is embedded in our business and the decisions we make. The Board is committed to the creation of long-term sustainable value for the benefit of our shareholders, employees and wider stakeholders.

The Company is committed to the highest standards of governance and during the year continued to follow the Corporate Governance Policy it adopted in 2021. Our Corporate Governance Policy is a combination of both the Wates Principles for Large Private Companies and our own pre-existing governance frameworks which provides detailed governance principles reserved for the Board and its subsidiary boards. These matters are strictly reserved to ensure the Directors can demonstrate sound and competent execution of their statutory duties (including oversight of the management of relationships and engagement with stakeholders on their behalf) in accordance with applicable legislation.

The Board has deemed the Corporate Governance Policy appropriate to use instead of the Wates Principles as it reflects the ownership structure and utilises the pre-existing and overarching corporate governance frameworks that were operational during the time Inmarsat was a listed business in 2019 on the London Stock Exchange. The Board considers these frameworks and delegations to be effective to enable the Board to discharge their statutory and fiduciary duties appropriately. The Corporate Governance Policy created a framework to capture key corporate governance protocols, subsidiary governance protocols and a principal decision process, as set out in the section 172 statement on pages 8 of the Strategic Report.

<u>How the Board operates</u>

The Company has established a Board with a balance of skills, backgrounds, experience and knowledge required to compliment the promotion of the long-term success of the Company and to identify the impacts of the Board's decisions on its stakeholders, and where relevant, the likely consequences of those decisions in the long-term. Individual Directors have sufficient capacity to make a valuable contribution that is aligned to the Company's activities (details of the skills and experience are set out on page 20-21 of this Directors' Report).

The Directors are mindful of corporate governance and demonstrate an understanding of their accountability and statutory responsibilities. The Board understands its primary duties under the Companies Act 2006 and broader regulatory responsibilities e.g. General Data Protection Regulations, Anti-Money Laundering, Corporate Criminal Offence Regulations. Governance policies are in place to support these primary duties and broader regulatory requirements.

<u>Role of the Board</u>

The Board is ultimately responsible for organising and directing the affairs of the Company in a manner most likely to promote the success of the Company for the benefit of its investors and other stakeholders whilst complying with legal and regulatory frameworks.

Our Board is ultimately accountable for:

- The long-term success of the Company, having regard for the interests of all stakeholders.
- Ensuring the effectiveness and reporting on our system of governance, including retaining oversight of its delegated responsibilities.
- The performance and proper conduct of the business and ensuring a positive culture is supported.

Role of the Board (Cont.)

Responsibility for developing and implementing strategy is delegated to the Viasat Inc, Executive Management team. The Executive management team are listed on pages 18-19 and their biographies can be found on our website at www.inmarsat.com/en/about/ who-we-are/leadership-team-and-board and www.viasat.com/about/who-we-are/viasat-leadership.

The Board has responsibility for managing risk and does not delegate overall responsibility for the approval of the risk management policy to management. Following additional work undertaken in 2020 on risk processes with, and by, the Executive Management team, changes to Board reporting were implemented in 2021.

In accordance with the Corporate Governance Policy, principal decisions are delegated to the Executive Management team. In making its decisions, the Executive Management team is required to consider the outcome of any stakeholder impact assessment that has been undertaken to support it making any principal decision (details of the principal decisions made by the Board during the reporting period are set out on pages 7-8. The Executive Management team reports back to the Board as part of the wider risk management and internal controls of the Group, allowing the Board to demonstrate its oversight of the delegated responsibilities

A formal schedule of matters specifically reserved for decision or consideration by the Board as a whole has been agreed by the Directors. This schedule covers areas such as:

- Major capital projects
- Significant capital structure changes
- Investments
- Acquisitions, divestments and M&A activity.

In 2022 we focused on the following key areas:

- Strategy review and development
- Received regular updates on the Viasat acquisition
- Ensuring appropriate financial and operational management
- Implementing governance and ethics and monitoring risk

Executive Management team

The Chief Executive Officer resigned on 30 May 2023 and following completion of the Viasat acquisition the CEO left Inmarsat as the role ceased to exist. The Viasat Inc, Executive Management team now reports to Guru Gowrappan, President of Viasat Inc. All other governance structures remain in place.

The President chairs the Executive Management team which meets on a monthly basis with additional meetings as required. As part of its remit, this team focuses on the Group's strategy, financial reviews and long-range business planning, the competitive landscape, strategic updates from all areas of the business, risk reviews, culture, learning and development and organisational development. The Executive Management team includes:

- Rajeev Suri, CEO (resigned 30 May 2023)
- Guru Gowrappan, President, Viasat Inc. (from 30 May 2023)
- Shawn Duffy, CFO (from 21 August 2023)
- Jimmy Dodd, Senior Vice President and President, Global Enterprise and Mobility (from 21 August 2023)
- Ben Palmer OBE, President, Maritime
- Susan Miller, CEO, Inmarsat Government Inc.
- Evan Dixon, President, Global Fixed Broadband (from 21 August 2023)
- Craig Miller, President, Government Systems (from 21 August 2023)
- Jason Smith, Chief Operations Officer
- Anders Strothman, Chief People Officer ((Acting) from 21 August 2023)
- Kevin Harkenrider, Executive Vice President and Chief Operating Officer (from 21 August 2023)
- Robert Blair, Senior Vice President, General Counsel and Secretary (from 21 August 2023)
- Krishna Nathan, Chief Information Officer
- Keven Lippert, Executive Vice President, Strategic Initiatives and Chief Commercial Officer
- Tony Bates, CFO (until 21 August 2023)

- Jat Brainch, Chief Commercial and Digital Officer (until 21 August 2023)
- Natasha Dillon, Chief People Officer (until 21 August 2023)
- Barry French, Chief Marketing and Communications Officer (until 21 August 2023)
- Fredrik Gustavsson, Chief Strategy Officer (until 21 August 2023)
- Peter Hadinger, Chief Technology Officer (until 21 August 2023)
- Alison Horrocks, Chief Corporate Affairs Officer (until 21 August 2023)
- Todd McDonell, President, Global Government (until 21 August 2023)
- Susan Miller, CEO, Inmarsat Government Inc
- Niels Steenstrup, President, Aviation Business Unit (until 21 August 2023)

Governance and conduct of Board meetings

Our Board meets as often as necessary to effectively conduct its business. During the year the board met eleven times. The attendance at the meetings can be seen in the table below:

	Meeting	Percentage attendance
Tony Bates*	11/11	100%
Alison Horrocks	11/11	100%

*Tony Bates resigned as director on 31 August 2023

Shawn Duffy, Robert Blair, Jason Smith and Ben Palmer OBE were each appointed to the Board with effect from 31 August 2023.

Key roles and responsibilities

Tony Bates was responsible for:
- The leadership and management of the Company according to the strategic direction set by the Board.
- Leading the global finance function and overseas the relationship with the investment community
- Ensures effective reporting procedures and controls are in place.

Shawn Duffy is responsible for:
- Leading the global finance function and oversees the relationship with the investment community.
- Ensures effective reporting procedures and controls are in place.

Alison Horrocks is a Director and the Company Secretary to the Board and is responsible for:
- Ensuring that all Directors have full and timely access to all relevant information.

Robert Blair is responsible for:
- Leading the global legal strategy, including overseeing all legal matters across corporate governance, securities and compliance, antitrust and corruption, employment, intellectual property, privacy and litigation.

Jason Smith is responsible for:
- Leading the global operations and service delivery, assuring the quality of service and customer experience excellence.
- Leading the Company's London headquarters.

Ben Palmer OBE is responsible for:
- Leading the global commercial strategy and execution in merchant maritime, offshore energy, fishing, maritime passenger and leisure markets.

The Board of Directors

Shawn Duffy (Director and CFO)

Background and relevant experience

Shawn serves as Senior Vice President and Chief Financial Officer at Viasat, Inc., and is a member of the Executive Management Team. Shawn leads the Company's global financial operations, overseeing all financial functions from accounting, auditing, corporate development and financial planning/reporting to investor relations, tax and treasury. Shawn has been instrumental in helping Viasat grow into a multinational organisation with $2.3billion in annual revenue, as of fiscal year 2020.

Shawn joined Viasat in 2005. During her tenure with the Company, she has held a number of senior financial positions including Corporate Controller and Chief Accounting Officer before being named Chief Financial Officer in 2014.

Shawn is a certified public accountant in the State of California. She holds a Bachelor of Science degree in Business Administration (Accounting) from Sen Diego State University.

Alison Horrocks (Director and Company Secretary)

Background and relevant experience

Alison joined Inmarsat in 1999 and was responsible for risk, compliance and corporate governance across the Company. She was a member of the Executive Management Team until 21 August 2023 and Chairman of the Trustee Company for the Inmarsat UK pension plans. Alison previously managed our operations in India, China and Russia and the legal and market access regulatory teams.

Following completion of the Viasat acquisition, Alison transitioned to a role in People & Culture supporting group culture and integration of the legacy Viasat and Inmarsat businesses.

Alison was Group Company Secretary of International Public Relations plc, a worldwide public relations company, for 11 years prior to joining Inmarsat. Alison is a Fellow of the Chartered Secretaries and Administrators.

Robert Blair (Director and Senior Vice President, General Counsel and Secretary)

Background and relevant experience

Robert serves as Senior Vice President, General Counsel and Secretary of Viasat, Inc. In this role, he is responsible for the Company's global legal strategy, which includes overseeing all legal matters across corporate governance, securities and compliance, antitrust and competition, employment, intellectual property, privacy and litigation. Robert also serves as Viasat's Corporate Secretary.

Robert joined Viasat in May 2008. He previously held a variety of roles within Viasat's legal organisation, including Assistant General Counsel, Associate General Counsel and Deputy General Counsel until he assumed his current position in May 2017.

Robert holds a JD degree from Stanford University and Bachelor of Art degrees in Broadcast Journalism and Policy Studies from Syracuse University.

Jason Smith (Director and Chief Operations Officer)

Background and relevant experience

Jason is responsible for Inmarsat's global operations and service delivery, including the satellite fleet and ground network, business and IT systems, business transformation programmes, global service delivery and distribution, assuring the quality of service and customer experience excellence.

Prior to joining Inmarsat, Jason was the President Nuclear/COO Nuclear/President Submarines at Rolls-Royce from 2009 to 2015. Before that, Jason was the Deputy Managing Director/Programme and Business Management Director at AWE from 2000 to 2009.

Jason holds an MBA from Edinburgh Napier University and a BSc (Hons) in Mathematics and Physics from the University of Glasgow.

Ben Palmer OBE (Director and President, Maritime Business Unit)
Background and relevant experience
Ben was appointed President of Inmarsat's maritime business in November 2021. He is responsible for the Company's global commercial strategy and execution in merchant maritime, offshore energy, fishing, maritime passenger and leisure markets.

Ben has over 25 years' experience of driving growth, performance improvement and transformation in complex technology-heavy businesses. He has a track record of building high performing teams, is committed to placing the customer at the heart of what we do and enjoys building deep relationships to deliver value.

Prior to joining Inmarsat, Ben was the Managing Director (2019-2021) of Northrop Grumman's Mission Systems Europe division.

Ben holds an MSc(Sloan) in Leadership, Strategy and Business Transformation from London Business School and a BA(Hons) in Philosophy, Politics and Economics from the University of Oxford.

No Director had during the year or at the end of the year any material interest in any contract of significance to the Company's business.

Principal activities

The principal activity of the Company is the supply of global mobile satellite communications services ('MSS'), providing data and voice connectivity to end-users worldwide.

Results and Dividends

The Company's results for the financial year are shown in the Income Statement on page 29. No final dividend for the year ended 31 December 2022 has been declared or paid.

Future developments

The Company intends to continue operating in the areas of provision of global mobile satellite communications services including data and voice connectivity to end users.

Financial risk management

The Company's activities expose it to a number of financial risks.

Liquidity risk

The Company is required to maintain liquidity and ensure that sufficient funds are available for ongoing operations. Prudent liquidity risk management implies maintaining sufficient cash and short-term deposits and the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk is managed by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk

There is a risk that a counterparty will default on its contractual obligations with the Company, resulting in financial loss to the Group. A debt will therefore be deemed uncollectable and be written-off based on one or more of the following criteria:

- Insolvency (formal or just ceased trading)
- Debtor cannot be located
- Debt uneconomical to pursue

For any write-offs, a standard procedure is followed with authorisations obtained in-line with the Group's framework. The credit risk on liquid funds (cash and cash equivalents and short-term deposits), trade receivables, other receivables, accrued income and derivative financial instruments is limited because the Company's counterparties are highly rated financial institutions.

The amounts presented in the statement of financial position are net of expected credit losses. The Company has no significant concentration of credit risk, with exposure spread over a diverse customer base.

Foreign Exchange risk

The functional currency of the Company and its principal subsidiaries is the U.S. Dollar however the Group operates internationally and therefore has a small exposure foreign exchange risk.

Inflation risk

The Company faces inflationary risks which cause an increase in costs across the business. The Group has partially mitigated this risk through tight cost control and targeted price increases.

Research and development

The Company continues to invest in new services and technology necessary to support its activities through research and development programmes.

Events since the balance sheet date

Details of events since the balance sheet date are given in note 29 to the financial statements.

Conflicts of interests

The Company has in place procedures for managing conflicts of interests and is aware of any potential conflict through annual review of other commitments of its Directors.

Branches

The Company has activities through branches in Qatar and Italy.

2022 ESG Report

Our 2022 Environmental, Social and Governance (ESG) Report is available on our inmarsat.com website and contains additional information on our non-financial risk management. Taking account of our responsibilities socially and environmentally is important in the way we operate and interact with all our stakeholders. This way of working creates value for all our stakeholders.

In 2021, we began an in-depth review to align our business processes with the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD). We identified risks and conducted preliminary qualitative scenario analysis. Since then, we commenced integration of climate-related risk into risk management, governance structures and routines. In 2022, we submitted near and long-term science-based targets to the SBTi for verification, progressed climate-related risk management and started work on activities to realise these goals. Our near-term targets were validated in October 2022. Further information can be found in our 2022 CDP Climate Change Response as well as our 2022 ESG report available on our website.

The Company is consolidated in the financial statements of its divisional holding company, Inmarsat Group Holdings Limited which may be obtained at www.inmarsat.com/en/sustainability/how-we-do-business/subsidiary-reporting. The Company is therefore permitted to claim exemption from presenting streamlined energy and carbon reporting disclosures.

We recognise the impact that out products and services may have on climate change and are working to review how we can reduce our environmental impacts and our carbon footprint. As an example, across the broader satellite industry, satellite launch companies are reviewing how they become more accountable for carbon generation through innovative new satellite launch techniques. We continue to work together with our industry partners, including our launch providers to see how we can improve techniques for our future launches and reduce the footprint of our products.

Our environmental impacts include the use of natural resources, the consumption of energy and water, the production of a variety of waste, as well as staff and visitor travel. We have provided further details of our objectives for how we manage our environmental activities in our 2022 ESG report which can be found on our website.

Our People

2022 was a year of strong business growth momentum and sustained internal transformation with continued focus on strategic alignment, operating model effectiveness and cultural evolution. This, alongside the refining our ways of working and ongoing comprehensive communications and engagement resulted in an improvement of our engagement score from 7.9 to 8.1/10 and a fall in voluntary attrition from 10.5% to 7.8% in December 2022.

Strategic alignment

Importantly, we rolled out a new strategic plan to the business, supported by a comprehensive communications and engagement to help frame our work throughout the year, ensure strategic alignment and drive growth. This was well received and will be further evolved for 2023.

Viasat transaction

One of the key challenges for the year from a people perspective was leading our employees through uncertainty regarding the Viasat transaction as the regulatory process progressed across the globe. This required an extensive communications and engagement plan to keep people informed and engaged, including an introduction to Viasat via an All Staff meeting with Mark Dankberg, Executive Chairman at Viasat.

Internal transformation

We continued to transform by improving and simplifying key processes and ways of working, and increased our focus on becoming a more commercial and customer focussed organisation, including delivering our sales excellence development programme for front line sales people, and adding 'customer' to our company values.

Evolving the way we work

2022 was a year of cultural evolution as we returned to the office and started refining our ways of working, retaining flexibility and introducing new flexibly working practices. This enabled us to continue to encourage work-life balance and ensure Inmarsat is considered by employees as a great place to work whilst also driving business performance.

Reward and recognition

In response to inflationary pressure we implemented an off-cycle salary increase in October 2022 to help our employees with the increased cost of living. In addition, we increased our focus on recognition, enhancing our SpotBeam employee recognition programme (resulting in almost 1,000 SpotBeam awards being made throughout the year) and rolling out a Recognition Toolkit to our people managers.

Learning and development

We continued to support our people to fulfil their potential via the provision of a broad portfolio of learning and development opportunities, building professional and leadership capability (e.g. MBAs, 360 feedback at Senior leader level that was extended out to all people managers), and a specific focus on building commercial capability through our new Sales Excellence programme. In addition, we continued to offer extensive employee development, including our 'Drive YOUR Career' toolkit and a broad online learning offer via our digital hub called Nebula.

Communications and engagement

Throughout the year there was ongoing focus on communications and engagement to retain and engage our people, including the introduction of a new CEO skip level programme targeting employees below the Executive Management level to foster open dialogue, as well as regular, open and honest communications on strategic priorities and progress, culture and values and wellbeing. We also continued to transform our employees' digital experience with the implementation of a new intranet as the central plank of a portfolio of digital communications channels and tools.

Diversity Equity and Inclusion (DE&I)

We continued our DE&I journey with a review of the strategy, delivery of another employee survey, the introduction of our parent and carers and military networks and roll out of inclusive leadership training.

Wellbeing

2022 saw the introduction of a number of new wellbeing initiatives across all four wellbeing pillars (financial, social, mental and physical) including the launch of our global Employee Assistance Programme, our 'March in April' philanthropic physical fitness campaign which raised money for charities in support of Ukraine and a range of wellbeing tools and resources shared via a monthly newsletter. We also increased the focus on giving back in response to employee sentiment, by setting up a donation matching scheme to support nominated charities (Disasters Emergency Committee and the International Red Cross) to support those in need in Ukraine.

Our working environment

Finally, working environments are becoming increasingly important for employees and are an important factor in encouraging people back into the physical workspace. 2022 saw significant progress in fitting out our new headquarters building in London, which will become our new London headquarters in 2024.

Environmental, Health and Safety Management

The Group is committed and continues to aim to maintain the highest environmental, wellbeing, health and safety management standards for its employees, customers, visitors, contractors and anyone affected by its business activities.

This is reflected in the latest Environmental, Health and Safety policy statement of intent and its arrangements. During 2022, we remained focussed on improving and developing the environment, health and safety management system and reviewing existing arrangements. Rajeev Suri, our CEO, was the Director designated for health and safety matters at the Board level with employees having roles and responsibilities whose objectives are to ensure that environmental, health and safety are managed across the company.

We apply a range of tools to improve environmental, health and safety, bringing together different interventions to achieve impact. We influence and engage stakeholders, create knowledge and awareness of health and safety risks, and encourage behaviour change through assessments and direct interventions including inspections and investigations.

We promote a broad variety of transparent and maturing wellbeing programmes, including fitness challenges, flexible working, nutrition, and occupational health checks. We understand that good mental and physical health contributes to better decision-making, greater productivity, and higher levels of employee satisfaction.

Our aim continues to encourage strong leadership in championing the importance of meeting our moral, legal and other requirements for good environmental, health and safety management in the workplace and to raise awareness throughout.

Disabled employees

When recruiting, we value diversity in its broadest definition and work to provide opportunities for all, including for disabled employees by reviewing the requirements of their working environment to accommodate practical changes as far as possible to allow them to continue in their daily work routine. If such changes were unrealistic to implement we

would review alternative employment options for the individual within the Group. We do not tolerate discrimination in any form – race, gender, age, culture, nationality and disability – against our employees, either from other employees or third parties.

Directors' indemnity

Each of the Directors benefit from an indemnity given by the Company under its Articles of Association. This indemnity is in respect of liabilities incurred by the Director in the execution and discharge of his or her duties.

Going concern

In order to confirm that the business should adopt the going concern basis in preparing the consolidated financial statements for 2022, the Board has considered all the factors likely to affect its future development, performance and its financial position including the matters disclosed in the Strategic and Directors' Report.

During 2021 the Connect Topco shareholders accepted an offer from Viasat Inc. to purchase the Group for approximately $7.3bn. The Viasat Inc acquisition completed on 30 May 2023. Refer note 29 for further information on this transaction. The going concern assessment has been performed using the Inmarsat financial performance and position.

The Company is part of the Connect Bidco Limited Group ('Bidco'), which was ultimately owned by Connect Topco Limited until 30 May 2023. With effective from 30 May 2023, Bidco is ultimately owned by Viasat Inc. The going concern review completed at the date of signing the Bidco accounts is set out within the Connect Bidco Limited 2022 annual report. The going concern of the Company is reliant on Bidco's financing facilities and has therefore obtained a letter of support from Bidco. There is no immediate impact from the completed Viasat transaction on the going concern assessment, and we currently expect that the Company will continue to be able to rely on funding From Bidco (without reliance on Viasat, Inc.) during the going concern period.

In order to confirm that the Bidco business should adopt the going concern basis in preparing the consolidated financial statements for 2022, the Board and Management of Bidco have considered compliance with banking covenants, ability to generate future profits and positive cash flows, business risks and the acquisition by Viasat, Inc. The Group has a robust and resilient business model, positive free cash flow generation, and is compliant with all banking covenants. The Board has considered a number of possible scenarios and their impact on future revenues, EBITDA and liquidity. These scenarios consider the latest market information for each business unit and the impact of actions that have been and can be taken to improve financial performance. The evaluation uses the most recently approved budget and long-range business plan and considers the maturity profile of the existing debt facilities. Under all scenarios there continues to be sufficient headroom to the Financial Performance Covenant under the debt agreements. As at 31 December 2022, Bidco has $1,042.9m of liquid resources (Cash: $233.8m, short-term deposits: $109.1m, undrawn RCF: $700.0m) and a continued expectation that Bidco will generate positive free cash flow and reduce leverage over the medium to long term.

At the date of signing of these financial statements the Directors have considered all the factors impacting the Company's and Bidco's business. The Directors have a reasonable expectation that Bidco shall continue to operate as a going concern for the foreseeable future. Consequently, the Directors have a reasonable expectation that the Company will continue in operational existence for a period of at least twelve months from the date of approval of the financial statements and therefore the Company continues to adopt the going concern basis in preparing the 2022 financial statements.

Inmarsat Global Limited
Directors' Report
For the year ended 31 December 2022

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') issued by the Financial Reporting Council (FRC). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in FRS 101 are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the firm's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

As far as each of the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware and the Directors have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditor

Deloitte LLP are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

The Company is not required to hold Annual General Meetings. Subject to the receipt of any objections as provided under Part 13, sections 281 to 361 of the Companies Act 2006, Deloitte are deemed re-appointed in accordance with section 485 Companies Act 2006.

Approved by the Board and signed on its behalf by:

DocuSigned by:

Alison Horrocks

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Alison Horrocks
Company Secretary
29 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMARSAT GLOBAL LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Inmarsat Global Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Agreeing the level of committed, undrawn facilities of $700 million to the signed facility agreement and evaluating the other financing facilities in place including the repayment terms and covenants in place;
- Assessing the historical accuracy of forecasts prepared by management;
- Testing the clerical accuracy of the model used to prepare the forecasts;
- Recalculating the EBITDA headroom within the forecasts for covenant compliance and assessing the sensitivities run by the directors on the EBITDA headroom;
- Assessing the significant cash outflows in the going concern period;
- Assessing the appropriateness of going concern disclosures in the financial statements including the directors' considerations of the Viasat acquisition

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Report on the audit of the financial statements

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address it are described below:

- Accounting for capital expenditure on assets under construction ("AUC"), which was deemed a fraud risk due to the judgement involved in assessing assets for impairment:
  - Obtaining an understanding of, and testing, relevant controls over the additions to AUC and the annual impairment review process;
  - Discussing material capital projects within the year with the respective project managers in order to understand the nature of the costs capitalised, inquiring as to the reasons for any significant deviations from budget, corroborating the movements in the year to supporting evidence and assessing the indicators of impairment;

  - Agreeing a sample of capitalised expenditure, including internally capitalised costs, to supporting evidence and assessed whether it is appropriate to capitalise the expenditure in accordance with IAS 16;
  - Testing the integrity of AUC ageing reports and comparing the profile of capitalised expenditure during the period to previous periods, in order to identify projects that may be at risk of being abandoned.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:
- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
James Isherwood
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James Isherwood ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
29 September 2023

Inmarsat Global Limited
Income Statement
For the year ended 31 December 2022

($ in millions)	Notes	2022	2021
Revenue	4	**1,336.7**	**1,194.2**
Employee benefit costs	6	(177.8)	(173.2)
Network and satellite operations costs		(47.1)	(44.2)
Other net operating costs	5	(473.6)	(439.5)
Own work capitalised		37.2	25.2
Total net operating costs		(661.3)	(631.7)
EBITDA		**675.4**	**562.5**
Depreciation and amortisation	5	(269.3)	(290.7)
Loss on disposals of assets		-	(0.2)
Impairment of assets	5	(0.7)	0.3
Operating profit		**405.4**	**271.9**
Financing income	7	283.2	192.1
Financing cost	7	(35.8)	(28.2)
Net financing income	7	**247.4**	**163.9**
Profit before income tax		**652.8**	**435.8**
Income tax expense	8	(139.9)	(190.6)
Profit for the year		**512.9**	**245.2**

Statement of Comprehensive Income
For the year ended 31 December 2022

($ in millions)	Notes	2022	2021
Profit for the year		**512.9**	**245.2**
Other comprehensive income			
Remeasurement of the defined benefit asset and post-employment benefits	24	4.2	(1.1)
Tax charged directly to equity	8	(0.9)	0.3
Other comprehensive loss for the year, net of tax		**3.3**	**(0.8)**
Total comprehensive income for the year, net of tax		**516.2**	**244.4**

The accompanying notes are an integral part of the financial statements.

All results relate to continuing operations.

Inmarsat Global Limited
Balance Sheet
As at 31 December 2022

($ in millions)	**Notes**	**As at 31 December 2022**	**As at 31 December 2021**
Assets			
Non-current assets			
Property, plant and equipment	11	2,723.9	2,711.5
Intangible assets	12	331.5	322.1
Investments	13	16.8	16.8
Other receivables	16	4,872.4	3,200.7
Right of use assets	14	14.5	21.0
		7,959.1	**6,272.1**
Current assets			
Cash and cash equivalents	15	224.1	346.1
Short-term deposits		109.1	30.0
Trade and other receivables	16	2,482.2	3,246.3
Inventories	17	13.4	11.8
		2,828.8	**3,634.2**
Total assets		**10,787.9**	**9,906.3**
Liabilities			
Current liabilities			
Borrowings	18	418.5	452.4
Trade and other payables	19	3,486.3	3,166.3
Provisions	20	2.9	4.0
Current income tax liabilities	21	210.5	148.1
Lease obligations	14	7.3	7.9
		4,125.5	**3,778.7**
Non-current liabilities			
Borrowings (non-current)	18	1,439.5	1,500.1
Other payables (non-current)	19	64.4	11.5
Provisions (non-current)	20	2.2	5.5
Deferred income tax liabilities	21	499.9	460.7
Lease obligations (non-current)	14	13.5	23.1
		2,019.5	**2,000.9**
Total liabilities		**6,145.0**	**5,779.6**
Net assets		**4,642.9**	**4,126.7**
Shareholders' equity			
Ordinary shares	22	760.6	760.6
Share premium		1,211.2	1,211.2
Other reserves		1.6	1.6
Retained earnings		2,669.5	2,153.3
Total shareholders' equity		**4,642.9**	**4,126.7**

The accompanying notes are an integral part of the financial statements.

The financial statements of Inmarsat Global Limited, registered number 03675885, were approved by the Board of Directors on 29 September 2023 and signed on its behalf by:

DocuSigned by:
Alison Horrocks
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Alison Horrocks
Director

Inmarsat Global Limited
Statement of Changes in Equity
For the year ended 31 December 2022

($ in millions)	Ordinary share capital	Share premium	Capital contribution reserve	Revaluation reserve	Cash flow hedge reserve[1]	Retained earnings	Total
Balance at 31 January 2021	**760.6**	**1,211.2**	**1.6**	**0.1**	**(0.1)**	**1,908.9**	**3,882.3**
Profit for the period	-	-	-	-	-	245.2	**245.2**
Losses on cash flow hedges capitalised on tangible assets	-	-	-	-	0.1	(0.1)	**-**
Comprehensive Income:							
Other comprehensive (loss) before tax	-	-	-	-	-	(1.1)	**(1.1)**
Other comprehensive loss – tax	-	-	-	-	-	0.3	**0.3**
Balance at 31 December 2021	**760.6**	**1,211.2**	**1.6**	**0.1**	**-**	**2,153.2**	**4,126.7**
Profit for the period	-	-	-	-	-	512.9	**512.9**
Comprehensive Income:							
Other comprehensive (loss) before tax	-	-	-	-	-	4.2	**4.2**
Other comprehensive loss – tax	-	-	-	-	-	(0.9)	**(0.9)**
Balance at 31 December 2022	**760.6**	**1,211.2**	**1.6**	**0.1**	**-**	**2,669.4**	**4,642.9**

1 Refer to note 23 for a reconciliation of this account.

1. General Information

The principal activity of the Company is the supply of global mobile satellite communications services ('MSS'), providing data and voice connectivity to end-users worldwide. It is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and domiciled in England and Wales. The address of its registered office is 99 City Road, London, EC1Y 1AX.

On 30 May 2023, Viasat, Inc. completed the acquisition of Connect Topco Limited ('Group') which resulted in Viasat Inc. acquiring control of the Group. See note 29 for further details.

Until 30 May 2023, the ultimate controlling party of the Company was Connect Topco Limited which is an entity based in Guernsey. From completion of the transaction on 30 May 2023, the ultimate controlling party and parent of the Group is Viasat, Inc., which is an entity based in the United States.

The Group accounts of Connect Topco Ltd can be obtained from the Company's registered address, 99 City Road, London, EC1Y 1AX.

These financial statements reflect the activities of the Company, Inmarsat Global Limited (Qatar Branch) being the Company's branch office in Qatar, and Inmarsat Global Limited (Fucino Branch) being the Company's branch office in Italy.

2. Principal accounting policies

The principal accounting policies adapted in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced disclosure Framework' (FRS 101). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of IFRS. The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. The financial statements have, therefore, been prepared in accordance with FRS 101.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, financial risk & capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets, related party transactions, share based payments and financial instruments. Where required, equivalent disclosures have been given in the Group accounts of Inmarsat Group Holdings Limited.

In accordance with paragraph 4(a) of IFRS 10 and Section 400 of the Companies Act, the Company has elected not to prepare consolidated financial statements and has presented separate Company financial statements. Investments are held at cost less any impairments to date.

The financial statements have been prepared under the historical cost convention, modified for certain items carried at fair value, as stated in the accounting policies. A summary of the more significant accounting policies is set out below. These policies have been applied consistently for all the years presented unless otherwise stated.

2. Principal accounting policies (continued)

Going Concern
In determining whether the Company's financial statements can be prepared on a going concern basis, the Directors' have considered all the factors likely to affect its future development, performance and its financial position, including the matters disclosed in the Strategic and Directors' Report. The Company is part of the Connect Bidco Limited Group ('Bidco'), ultimately owned by Connect Topco Limited – which forms part of Viasat Inc. The going concern review completed at the date of signing the Bidco accounts is set out within the Connect Bidco Limited 2022 annual report.

In order to confirm that the Bidco business should adopt the going concern basis in preparing the consolidated financial statements for 2022, the Board and Management of Bidco have considered a number of possible scenarios and their impact on future revenues, EBITDA and liquidity. These scenarios consider the latest market information for each business unit and the impact of actions that have been and can be taken to improve financial performance. The evaluation uses the most recently approved budget and long-range business plan and considers the maturity profile of the existing debt facilities and the $USD700 million undrawn revolving credit facility as discussed in note 20 of Connect Bidco's annual report for 2022. Under all scenarios there continues to be sufficient headroom to the Financial Performance Covenant under the debt agreements. As at 31 December 2022, Bidco has $USD1,042.9m of liquid resources (Cash: $USD233.8m, short-term deposits: $USD109.1m, undrawn RCF: $USD700.0m) and a continued expectation that Bidco will generate positive free cash flow and reduce leverage over the medium to long term. On 8 November 2021 the Connect Topco shareholders accepted an offer from Viasat Inc. to purchase the Group for approximately $7.3 billion. On 30 May 2023 Viasat, Inc. completed the acquisition of the Company which resulted in Viasat, Inc. acquiring control of the Group. See note 35 of Connect Bidco 2022 annual report for further details.

The Board and Management have also considered a number of possible scenarios and their impact on future revenues, EBITDA and liquidity. Under all scenarios there continues to be sufficient headroom to the Financial Performance Covenant under the debt agreements. The Group has assessed the future compliance through most recently approved budget, which has considered the maturity profile of the existing debt facilities and the $700 million undrawn revolving credit facility as discussed in note 20 of Connect Bidco 2022 annual report.

At the date of signing these financial statements the Directors of Inmarsat Global Ltd have considered all the factors impacting the Company and Bidco's business, including downside sensitivities. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Based on the above, the Company continues to adopt the going concern basis in preparing the 2022 financial statements.

Basis of accounting
The preparation of the financial statements in conformity with FRS 101 requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the Balance Sheet dates and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best estimate of the amounts, events or actions, the actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

New accounting policies
In the current financial period, the Company adopted the new or amended IFRS standards that are mandatory for application. Changes to the company's accounting policies have been made as required.

The adoption of these new or amended standards did not result in substantial changes to the company's accounting policies and had no material effect on the amounts reported for the current financial period.

Foreign currency translation
The functional and presentation currency of the Company is the US dollar, as the majority of operational transactions are denominated in US dollars.

Foreign exchange gains and losses resulting from the settlement of transactions and the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are recognised in the income statement line which most appropriately reflects the nature of the item or transactions.

2. Principal accounting policies (continued)

Revenue
The Company applies the 5 step-model as required by IFRS 15 in recognising its revenues. A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue when, or as, the performance obligation is satisfied.

Mobile satellite communications service revenues result from utilisation charges that are recognised as revenue over the minimum contract period. The selection of the method to measure progress towards completion requires judgement and is based on the nature of the products or services to be provided. Because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation. Deferred income attributable to mobile satellite communications services or subscription fees represents the unearned balances remaining from amounts received from customers pursuant to prepaid contracts.

The Company enters into minimum spend contracts with customers, known as 'take-or-pay' contracts, whereby customers agree to purchase a minimum value of mobile satellite communications services over a fixed period. Any unused portion of the prepaid contracts or the take-or-pay contracts ('breakage') that is deemed highly probable to occur by the expiry date is estimated at contract inception and recognised over the contract period in line with the pattern of actual usage of units by the customer.

Revenue from the sale of prepaid credit is deferred until such time as the customer uses the airtime and subsequently recognised over time. Breakage from prepaid credit deferrals which is considered highly probable is estimated and recognised from contract inception. Mobile satellite communications service revenues from capacity sold are recognised on a straight-line basis over the term of the contract concerned, which is typically between one and 12 months, unless another systematic basis is deemed more appropriate.

Revenue from spectrum coordination agreements (such as Ligado Networks), is recognised at a point in time based on standalone selling prices.

Revenue from service contracts is recognised as the service is provided over time based on the contract period.

Revenue of terminals and other communication equipment sold are recognised at the point in time when control is transferred to the customer. Installation revenues relating to this are also recognised at a point in time. Revenue from installation of terminals and other communication equipment owned by Inmarsat and used in the delivery of the service to the customer is however recognised over the contract term.

The Company offers certain products and services as part of multiple deliverable arrangements. Consistent with all other contracts, the Company will assess whether the performance obligations are distinct by considering whether 1) the customer can benefit from good or service on its own; or together with other readily available resources 2) the good or service is distinct in the context of the contract. The transaction price is allocated to each performance obligation based on its stand-alone selling price relative to the total of all performance obligations' stand-alone selling prices under the contract.

The nature of the contracts within the Company may give rise to variable consideration. This is estimated as the most likely amount based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available and is included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not occur.

Where a contract contains a significant financing component, the Company adjusts the transaction price to a present value where the effect of discounting is deemed to be material. The Company has adopted the practical expedient whereby it is not required to adjust the transaction price for the effects of a significant financing component if, at contract inception, the period between customer payment and the transfer of goods or services is expected to be one year or less. For contracts with an overall duration greater than one year, the practical expedient also applies if the period between performance and payment for that performance is one year or less.

A contract asset or a contract liability will arise when the performance of either party exceeds the performance of the other. Contract assets are rights to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditional on something other than the passage of time. Contract liabilities are obligations

2. Principal accounting policies (continued)

to transfer goods or services to a customer for which the entity has received consideration, or for which an amount of consideration is due to the customer. These are referred to as deferred income within the Company.

Contract costs to obtain a contract and fulfil a contract are capitalised and amortised on a systematic basis, consistent with the pattern of transfer of the goods or services to which the capitalised cost relates. As a practical expedient, a cost to obtain contract with a customer will be immediately expensed if it has an amortisation period of one year or less.

Financing income and financing cost
Financing income comprises interest receivable on funds invested and the net interest on the net defined benefit asset and post-employment liability. Financing costs comprise interest payable on borrowings including bank overdraft, amortisation of deferred financing costs and the unwind of the discount on deferred satellite liabilities.

Financial assets
Trade and other receivables
Trade and other receivables, including prepaid and accrued income, are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other receivables, including prepaid and accrued income are classified as financial assets at amortised cost under IFRS 9. The Company stratifies trade debtors based on internal credit ratings. The Company calculates the loss allowance for trade receivables and contract assets based on lifetime expected credit losses under the IFRS 9 simplified approach.

Cash and cash equivalents
Cash and cash equivalents, measured at fair value, comprise cash balances, deposits held on call with banks, money market funds and other short-term, highly liquid investments with maturities of three months or less. Cash and cash equivalents are classified as financial assets at fair value through profit and loss under IFRS 9. Bank overdrafts are shown as current liabilities within borrowings on the Balance Sheet.

Short term deposits
Short term deposits, measured at fair value, comprises deposits held with banks, money market funds and other short-term, highly liquid investments with an original maturity of four to twelve months

Financial liabilities and equity
Trade and other payables
Trade and other payables are recorded initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings, comprising interest-bearing intercompany loans and bank overdrafts, are initially recognised at fair value which equates to the proceeds received, net of direct transaction and arrangement costs. They are subsequently measured at amortised cost.

Borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least 12 months after the Balance Sheet date.

Derivative financial instruments
In accordance with its treasury policy, the Company does not hold or issue derivative financial instruments for trading or speculative purposes. Derivatives are initially recognised at fair value on the date the contract is entered into and subsequently measured at fair value. The gain or loss on remeasurement is recognised in the income statement, except where the derivative is used to hedge against risks such as fluctuations in interest rates or foreign exchange rates. The accounting policy for hedging follows below.

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income and accumulated in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the income statement within financing costs.

2. Principal accounting policies (continued)

Where there is a material contract with a foreign currency exposure, a specific hedge to match the specific risk will be evaluated. At present the Company only hedges certain foreign currency milestone payments to Airbus and Thales for the construction of the I-6 and GX-5 satellites.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised, or when a forecast sale occurs. When the hedged item is the future purchase of a non-financial asset or non-financial liability, the amount recognised as other comprehensive income is transferred to the initial carrying amount of the non-financial asset or liability.

Employee benefits
Wages, salaries, social security contributions, accumulating annual leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are performed by the employees of the Company.

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it has demonstrably committed to either terminate the employment of current employees or to provide termination benefits, as a result of an offer made to encourage voluntary redundancy.

The Company recognises liabilities relating to defined benefit pension plans and post-employment benefits in respect of employees. The Company's net obligations in respect of defined benefit pension plans and post-employment benefits are calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The calculations are performed by qualified actuaries using the projected unit credit method.

All actuarial gains and losses that arise in calculating the present value of the defined benefit obligation and the fair value of plan assets are immediately recognised in the Statement of Comprehensive Income.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement as it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax
Deferred tax is provided on temporary differences arising between assets and liabilities' tax bases and their carrying amounts (the balance sheet method). Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary deductible differences or tax loss carry forwards can be utilised.

Deferred tax liabilities are provided on all taxable temporary differences except on those:

- arising from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit.

- associated with investments in subsidiaries and associates, but only to the extent that the Company controls the timing of the reversal of the differences, and it is probable that the reversal will not occur in the foreseeable future.

2. Principal accounting policies (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set them off, when they relate to income taxes levied by the same taxation authority and if the Company intends to settle its current tax assets and liabilities on a net basis.

Investment in subsidiaries
Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Research and development costs
Research expenditure is expensed when incurred. Development expenditure is expensed when incurred unless it meets criteria for capitalisation. Development costs are only capitalised once the technical feasibility and commercial viability of a business case has been demonstrated and they can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of expected future benefit. Amortisation is recorded in the Income Statement.

Property, plant and equipment
Space segment assets
Space segment assets comprise satellite construction, launch and other associated costs, including ground infrastructure. Expenditure charged to space segment projects includes invoiced progress payments, amounts accrued appropriate to the stage of completion of contract milestones, external consultancy costs and direct internal costs. Internal costs, comprising primarily staff costs, are only capitalised when they are directly attributable to the construction of an asset. Progress payments are determined on milestones achieved to date together with agreed cost escalation indices.

Deferred satellite payments represent the net present value of future payments dependent on the future performance of each satellite and are recognised in space segment assets when the satellite becomes operational. The associated liability is stated at its net present value and included within borrowings. These space segment assets are depreciated over the life of the satellites from the date they become operational and are placed into service.

Assets in the course of construction
These assets will be transferred to space segment assets and depreciated over the life of the satellites or services once they become operational and placed into service. No depreciation has yet been charged on these assets.

Capitalised borrowing costs
The Company incurs borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale and capitalises these borrowing costs as part of the cost of the asset. Capitalisation commences when the Company begins to incur the borrowing costs and related expenditures for the asset, and when it undertakes the activities that are necessary to prepare the asset for its intended use or sale. Capitalisation of borrowing costs ceases when substantially all of the activities necessary to prepare the asset for its intended use or sale are complete.

Other fixed assets
Other fixed assets are stated at historical cost less accumulated depreciation.

Depreciation
Depreciation is calculated to write-off the historical cost less residual values, if any, of fixed assets, except land, on a straight-line basis over the expected useful lives of the assets concerned. The Company selects its depreciation rates and residual values carefully and reviews them annually to take account of any changes in circumstances. When setting useful economic lives, the principal factors the Company takes into account are the expected rate of technological developments, expected market requirements for the equipment and the intensity at which the assets are expected to be used.

2. Principal accounting policies (continued)

Derecognition
A fixed asset is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the Income Statement.

Intangible assets
Intangible assets comprise patents, trademarks, software, terminal development and network access costs, spectrum rights, orbital slots and licences, customer relationships, unallocated launch slots and intellectual property.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is recognised in profit or loss in the period in which the expenditure is incurred. Development costs directly relating to the development of new services are capitalised as intangible assets once a business case has been demonstrated as to technical feasibility and commercial viability.

Intangible assets with a finite useful life are amortised on a straight-line basis over the life of the asset and the amortisation period and method are reviewed each financial year. Intangible assets with an indefinite useful life are reviewed annually for impairment.

Leases
Contracts which convey the right to control the use of an identified asset for a period of time in exchange for consideration are accounted for as leases by the Company. At the commencement date, the Company, as lessee, recognises a right of-use asset and a lease liability. The lease liability is measured at the present value of the lease payments that are not paid at that date, discounted using the rate implicit in the lease, unless such a rate is not readily determinable, in which case the incremental borrowing rate is used.

The right-of use asset comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs incurred by the Company. Lease term is determined as the non-cancellable period of a lease adjusted for any reasonably certain extension or termination option. After commencement date, the right-of use asset is depreciated on a straight-

line basis to the end of the lease term. The lease liability is accounted for by reducing the carrying amount to reflect the lease payments made, and increasing the carrying amount to reflect the interest on the lease liability.

Impairment reviews
All assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Indicators of impairment may include changes in technology and business performance. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable and independent cash flows, these are known as cash generating units. An impairment loss is recognised in the Income Statement whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Principal accounting policies (continued)

Inventories

Inventories are stated at the lower of cost (determined by the weighted average cost method) and net realisable value. Allowances for obsolescence are recognised in other operating costs when there is objective evidence that inventory is obsolete.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Income Statement.

3. Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Revenue in respect of the Ligado Networks

In December 2007, Inmarsat and Ligado Networks LLP (formerly LightSquared LP and LightSquared Inc.), and Ligado Networks (Canada) Inc. (formerly Skyterra (Canada) Inc.) entered into a 100 year Cooperation Agreement for the efficient use of L-band spectrum over North America. The Cooperation Agreement has been modified a number of times, and this has been assessed against IFRS 15 as to whether the modification is treated as a new contract or an amendment to an earlier contract. In 2020 amendment 5 & 6 were signed under which Ligado paid $700m. The amendments also reduced all future quarterly payments by 60% and deferred Q2 2020 to Q4 2022 quarterly payments as well as all previously deferred amounts to 1 January 2023, at which date a payment of $395m, including interest, falls due. Additionally there is a call option available until 15 October 2025 for Ligado to buy out all remaining lease payment obligations to 2107 for a cash payment ranging between $825m - $968m. Amendment 7 was signed on 23 December 2022 and Ligado subsequently paid Inmarsat $30.0m. This is a payment on the $395m due 1 January 2023 and provides a deferral of the remaining $365m due, to 1 April 2023. After interest, $373m will be payable from Ligado on 1 April 2023.

Amendment 7 provides no further amendment to existing obligations and Ligado has retained spectrum rights during this period. Given the level of uncertainty around the collection of future monies, the Group ceased to apply the IFRS 15 five-step model from Q2 2020 to Amendments 5 & 6. Based on the continued level of uncertainty, no change to this assessment has arisen from Amendment 7 and no revenue has been recognised in relation to spectrum and deferrals.

The $30m receipt has been applied against the existing receivable.

At 31 December 2022, deferred income of $906.1m (2021: $906.5m) was recorded on the balance sheet. $206.1m (2021: $206.5m) represents services not yet performed relating to issues including interference resolution for which payment has already been received from Ligado. $0.4m of costs were incurred in relation to interference resolution in 2022 and a corresponding amount of revenue was released (2021: nil). $700m (2021: $700m) represents the upfront payment received pursuant to Amendment 5 & 6.

3. Critical accounting estimates and key judgements (continued)

At 31 December 2022 a $3.9m (2021: $17.2m) receivable relating to deferrals, net of ECL provision, and a $0.4m (2021: $2.0m) interest receivable, net of ECL provision, is recorded on the balance sheet . A 51% impairment has been recognised in order to comply with IFRS 9 and align with our conclusion that uncertainty remains around the collection of future monies. The reduction in receivable is directly linked to the $30.0m received from Ligado in accordance with Amendment 7. If Ligado failed to make remaining payments as they fall due, this default would release Inmarsat from its remaining obligations, which would trigger the recognition in the income statement of the remaining deferred income resulting in a net gain to the Group.

Critical judgements in applying the Company's accounting policies
In the process of applying the Company's accounting policies, the following judgements have been made, which have the most significant effect on the amounts recognised in the financial statements:

(b) Capitalisation of space segment assets and associated borrowing costs

The net book value of space segment assets is currently $1,253.0m (2021: $1,413.3m). There have been additions and transfers from assets in the course of construction of $5.5m (2021: $15.3m) in the year and disposals of $0.6m (2021: nil). The key judgements involved in the capitalisation of space segment assets and associated borrowings costs are:

- Whether the capitalisation criteria of the underlying IAS have been met.
- Whether an asset is ready for use and as a result further capitalisation of costs should cease and depreciation should commence.
- Whether an asset is deemed to be substantially complete and as a result capitalisation of borrowing costs should cease

4. Revenue

Revenue, which is stated net of value added tax, represents amounts received and receivable from the Company's continuing principal activity. During the year ended 31 December 2022, 95.6% (2021: 95.1%) of the Company's revenue was to markets outside the United Kingdom.

5. Profit before income tax

Costs are presented by the nature of the expense to the Company. Network and satellite operations costs comprise costs to third parties for network service contracts, operating lease rentals and services. A further breakdown of employee benefit costs is given in note 6.

Profit before income tax is stated after charging the following items:

($ in millions)	**Notes**	**2022**	**2021**
Depreciation of property, plant and equipment	11	185.8	197.2
Amortisation of intangible assets	12	77.0	86.3
Depreciation of right-of-use assets	14	6.5	7.3
Gains on the impairment reversal		-	(0.6)
Impairment[1]	11,12	0.7	0.3

1 In 2022 the $0.7m impairment expense relates to property, plant and equipment and intangible asset impairment.

($ in millions)	**2022**	**2021**
Cost of inventories recognised as an expense	14.3	24.3
Research costs expensed	9.1	10.1
Intercompany management charges	370.9	316.2
Professional Fees	40.0	37.0
Other operating costs	39.4	51.8
Total other net operating costs	**473.6**	**439.5**

The analysis of the Auditor's remuneration is as follows:

($ in millions)	**2022**	**2021**
Fees payable to the Company's Auditor for the audit of the Company's annual accounts	0.1	0.1
Total Auditor's remuneration	**0.1**	**0.1**

6. Employee benefit costs

($ in millions)	2022	2021
Wages and salaries	146.9	143.1
Social security costs	18.0	17.1
Share options charge (including employers' National Insurance contribution)	3.9	3.9
Defined contribution pension plan costs	9.0	9.1
Total employee benefit costs	**177.8**	**173.2**

None of the Directors received any remuneration from the Company during the year (2021: nil).

Employee numbers

The average monthly number of people (including the Executive Directors) employed during the year by category of employment:	2022	2021
Operations	395.0	382.5
Sales and marketing	161.0	155.5
Development and engineering	132.0	151.0
Administration	220.0	213.8
Total	**908.0**	**902.8**

7. Financing income

($ in millions)	2022	2021
Intercompany interest payable	105.6	85.5
Other interest	6.2	9.3
Financing costs	**111.8**	**94.8**
Less: Amounts included in the cost of qualifying assets(a)	(76.0)	(66.6)
Total financing costs	**35.8**	**28.2**
Intercompany interest receivable	278.1	188.3
Bank interest receivable and other interest	5.1	2.0
Dividend Revenue from Group undertakings	-	1.8
Total financing income	**283.2**	**192.1**
Net financing income	**247.4**	**163.9**

(a) Borrowing costs included in the cost of qualifying assets during the year are calculated by applying a capitalisation rate to expenditure on such assets. The average interest capitalisation rate for the year was 7.3% (2021: 6.5%).

8. Taxation

Tax charge recognised in the Income Statement:

($ in millions)	2022	2021
Current tax:		
Current year	(81.2)	(38.9)
Adjustments in respect of prior periods	(20.3)	(23.8)
Total current tax charge	**(101.5)**	**(62.7)**
Deferred tax:		
Origination and reversal of temporary differences	(55.8)	(34.8)
Adjustments due to changes in corporation tax rates	-	(105.6)
Adjustments in respect of prior periods	17.4	12.5
Total deferred tax charge	**(38.4)**	**(127.9)**
Total income tax charge	**(139.9)**	**(190.6)**

($ in millions)	2022	2021
Profit before tax	**652.8**	**435.8**
Income tax at 19.0% (2021: 19.0%)	(124.0)	(82.8)
Differences in overseas tax rates	(2.4)	0.8
Adjustments in respect of prior periods	(2.9)	(11.3)
Adjustments due to changes in corporation tax rates	-	(105.7)
Impact of fixed asset disposals and impairments	(0.1)	0.1
Impact of UK patent box regime	2.4	5.8
Deferred tax rate difference	(13.4)	-
Other non-deductible expenses / non-taxable income	0.5	2.5
Total income tax charge	**(139.9)**	**(190.6)**

Tax charged to equity:

($ in millions)	2022	2021
Deferred tax charge on share based payments	-	-
Total tax credited to equity	**-**	**-**

Tax charged to OCI:

($ in millions)	2022	2021
Deferred tax credit on actuarial gains and losses from pension and post- employment benefits	(0.9)	0.3
Total tax credited to equity	**(0.9)**	**0.3**

9. Net foreign exchange gains

($ in millions)	2022	2021
Other foreign exchange gains	7.2	0.5
Total foreign exchange gains	**7.2**	**0.5**

10. Dividends

The Company declared no dividends and paid no existing dividends payable during the year ended 31 December 2022 (2021: $nil).

11. Property, plant and equipment

($ in millions)	Services equipment, fixtures and fittings	Space segment	Assets in the course of construction	Total
Cost at 1 January 2022	**325.7**	**3,966.8**	**1,202.3**	**5,494.8**
Additions	-	-	215.6	**215.7**
Transfers from assets in the course of construction	3.2	3.2	(6.4)	**-**
Transfers	-	2.3	(19.8)	**(17.5)**
Disposals	(23.7)	(0.6)	-	**(24.3)**
Cost at 31 December 2022	**305.1**	**3,971.8**	**1,391.8**	**5,668.7**
Accumulated depreciation at 1 January 2022	**(220.9)**	**(2,553.5)**	**(8.9)**	**(2,783.3)**
Charge for the year	(19.9)	(165.8)	-	**(185.8)**
Disposals	23.7	0.6	-	**24.3**
Accumulated depreciation at 31 December 2022	**(217.1)**	**(2,718.8)**	**(8.9)**	**(2,944.8)**
Net book amount at 31 December 2021	**104.8**	**1,413.3**	**1,193.4**	**2,711.5**
Net book amount at 31 December 2022	**88.0**	**1,253.0**	**1,382.9**	**2,723.9**

The lives assigned to significant tangible fixed assets are:

Space segment assets:

- Satellites	13–15 years
- Other space segment assets, including ground infrastructure	5–12 years
- Fixtures and fittings, and services-related equipment	3–15 years

12. Intangible Assets

($ in millions)	Terminal development and network access costs	Spectrum rights, orbital slots and licenses	Customer relationships	Software	Trademarks	Total
Cost:						
Cost at 1 January 2022	**254.0**	**108.2**	**13.6**	**471.9**	**0.1**	**847.8**
Additions	4.4	28.4	-	56.3	-	**89.2**
Disposals	(4.3)	-	-	(15.8)	-	**(20.1)**
Impairments	(0.2)	-	-	(0.5)	-	**(0.7)**
Transfers	-	-	-	(2.0)	-	**(2.0)**
Cost at 31 December 2022	**254.0**	**136.6**	**13.6**	**509.9**	**0.1**	**914.1**
Accumulated amortisation:						
Accumulated amortisation at 1 January 2022	**(215.7)**	**(47.0)**	**(13.6)**	**(249.5)**	**-**	**(525.7)**
Charge for the year	(13.9)	(6.3)	-	(56.8)	-	**(77.0)**
Disposals	4.3	-	-	15.8	-	**20.1**
Accumulated amortisation at 31 December 2022	**(225.4)**	**(53.2)**	**(13.6)**	**(290.5)**	**-**	**(582.6)**
Net book amount at 31 December 2021	**38.3**	**61.2**	**-**	**222.4**	**0.1**	**322.1**
Net book amount at 31 December 2022	**28.6**	**83.4**	**-**	**219.4**	**0.1**	**331.5**

The Company capitalises costs associated with the development and enhancement of user terminals and associated network access costs as intangible assets and amortizes these over the estimated sales life of the related services, which range from five to ten years.

Other consists of orbital slots, licences, spectrum rights and unallocated launch slots. Orbital slots and licences relate to the Company's satellite programmes, and each individual asset is reviewed to determine whether it has a finite or indefinite useful life. Orbital slots are amortised over the useful life of the satellite occupying them. Amortisation of the GX programme finite life assets commenced when the Inmarsat-5 satellites went operational in December 2015. Unallocated launch slots are not amortised until allocated to a satellite asset where they are re-classed to Property, Plant and Equipment and depreciated in-line with Company policy discussed in note 2.

Customer relationships represent the consideration paid by the Company in relation to its appointment as the exclusive wholesaler of existing ACeS services. This has now been fully amortised.

Software includes the Company's billing system and other internally developed operational systems and purchased software, which are being amortised on a straight-line basis over its estimated useful life of three to eight years.
The Company capitalises costs associated with the development and enhancement of user terminals and associated network access costs as intangible assets and amortises these over the estimated sales life of the related services, which range from five to ten years.

13. Investments

($ in millions)	As at 31 December 2022	As at 31 December 2021
Investment in Inmarsat New Zealand Limited	16.8	16.8
Total investments	**16.8**	**16.8**

Refer to note 27 for a list of registered addresses of the Company's investments.

14. Leases

Right of use assets

The right of use assets for the Company's property and vehicle leases are presented in the table below.

($ in millions)	**2022**	**2021**
Net carrying amount:		
1 January	21.0	28.3
Charge for the year	(6.5)	(7.3)
Total at 31 December	**14.5**	**21.0**

The Company does not hold options to purchase any leased assets for a nominal amount at the end of the lease term. The Company expenses short-term leases and low-value assets as incurred which is in accordance with the recognition exemption in IFRS 16.

Lease liabilities

Lease liabilities are calculated at the present value of the lease payments that are not paid at the commencement date. The company's lease liabilities as of 31 December 2022 comprise only the transition of existing contracts. The maturity of lease liabilities is shown on the balance sheet. No other lease liabilities are held.

The remaining lease term of the Company's property lease is 1.9 years. The maturity profile of the company's leases is shown in the table below.

($ in millions)	**2022**	**2021**
Within one year	7.3	7.9
Between two to five years	13.5	23.1
Greater than five years	-	-
Total at 31 December	**20.8**	**31.0**

For the year ended 31 December 2022, the discount rate applied to property leases was 3.4% (2021: 3.4%). Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The total cash flow relating to all lease obligations in 2022 was $8.1m (2021: $9.0m) with lease obligations denominated predominantly in Sterling. Total lease interest paid was $0.9m (2021: $1.2m). The Company does not face a significant liquidity risk with regard to its lease liabilities. The Company’s obligations are secured by the lessors’ title to the leased assets for such leases.

15. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks, other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the Balance Sheet. At 31 December 2022, the Group has $109.1m of cash held in short-term deposits with an original maturity of between four to twelve months (2021: $30m).

($ in millions)	**As at 31 December 2022**	**As at 31 December 2021**
Cash at bank and in hand	224.1	346.1
Cash and cash equivalents	**224.1**	**346.1**

16. Trade and other receivables

($ in millions)	As at 31 December 2022	As at 31 December 2021
Current:		
Trade receivables	134.2	111.7
Other receivables	6.3	9.1
Amounts due from Group undertakings	2,287.8	3,074.6
Prepayments and accrued income	53.9	50.9
	2,482.2	**3,246.3**

($ in millions)	Effective Interest %	As at 31 December 2022	As at 31 December 2021
Non-current:			
Loans due from Group undertakings	3m USD Libor	3,848.2	3,200.7
Other long term debtors		0.1	-
Amounts due from Group undertakings		1,024.1	-
		4,872.4	**3,200.7**

The Directors consider the carrying value of trade and other receivables to approximate to their fair value. Amounts due from Group undertakings are all repayable on demand. In the year ended 31 December 2021, it was managements intention to repay amounts across the group, and therefore their view that all amounts due from Group undertakings were due within 12 months, and as a result were appropriately classified as a current asset. At 31 December 2022, this was re-assessed following developments in the business, and certain receivables due are no longer expected to be settled within 12 months, and therefore are classified as non-current for the year ended 31

17. Inventories

($ in millions)	As at 31 December 2022	As at 31 December 2021
Finished goods	13.4	11.8
Total inventories	**13.4**	**11.8**

18. Borrowings

($ in millions)	Effective Interest %	As at 31 December 2022	As at 31 December 2021
Current:			
Borrowings from Group undertakings	1.9%	418.5	452.4
Total current borrowings		**418.5**	**452.4**
Non-Current:			
Borrowings from Group undertakings	Libor +4.7%	1,439.5	1,500.1
Total non-current borrowings		**1,439.5**	**1,500.1**
Total borrowings		**1,858.0**	**1,952.5**

18. Borrowings (continued)

The maturity of borrowings is as follows:

($ in millions)	As at 31 December 2022	As at 31 December 2021
Within one year	418.5	452.4
Between two and five years	-	-
Greater than five years	1,439.5	1,500.1
	1,858.0	**1,952.5**

The borrowings which fall due after five years are due December 2026 and incurring interest Libor+4.7%. The Directors consider the carrying value of borrowings to approximate to their fair value.

19. Trade and other payables

($ in millions)	As at 31 December 2022	As at 31 December 2021
Current:		
Trade payables	83.3	41.3
Other taxation and social security payables	3.8	3.3
Other creditors	19.6	9.4
Amounts due to Group undertakings	2,289.5	2,043.5
Accruals	106.8	85.7
Deferred income	983.3	983.1
	3,486.3	**3,166.3**
Non-current:		
Amounts due to Group undertakings	54.9	-
Defined benefit pension and post employment liability	9.5	11.5
	64.4	**11.5**

The Directors consider the carrying value of trade and other payables to approximate to their fair value. In the year ended 31 December 2021, it was managements intention to repay amounts across the group, and therefore their view that all amounts due to Group undertakings were due within 12 months, and as a result were appropriately classified as a current liability. At 31 December 2022, this was re-assessed following developments in the business, and certain payables due are no longer expected to be settled within 12 months, and therefore are classified as non-current for the year ended 31 December 2022.

20. Provisions

($ in millions)	Restructuring	Contract Obligation	Deferred salary	Total
As at 31 December 2021	**1.5**	**7.4**	**0.5**	**9.5**
Charged in respect of current year	1.8	-	-	1.8
Utilised in current year	(1.5)	(3.4)	-	(4.9)
Reversal in the year	-	(1.2)	-	(1.2)
As at 31 December 2022	**1.8**	**2.8**	**0.5**	**5.1**
Non-current	-	1.7	0.5	2.2
Current	1.8	1.1	-	2.9
As at 31 December 2022	**1.8**	**2.8**	**0.5**	**5.1**

20. Provisions (continued)

A. Restructuring

The restructuring provision relates to an organisational development review which began in 2020, in response to the Covid-19 pandemic. As part of that review, a number of roles came under consultation, ultimately resulting in employee's exiting the business. The provision is calculated based on the estimated costs from the terms of relevant employee contracts. The remaining provision is expected to be utilised within 1 year.

B. Contract Obligation

Contract obligation provisions relate to various contracts within the Aviation business unit, which are expected to result in an outflow of economic benefit as a result of the contract terms. The provisions are calculated using various best estimate methods including weighted probability of a range of potential outcome. The costs do not include future operating costs.

C. Deferred Salaries

Deferred salary payments is a regulatory provision in Italy that is paid upon the termination of the employment relationship. The provision is calculated based on the estimated costs based on the terms of the relevant contracts and the number of years worked.

21. Current and deferred income tax assets and liabilities

The current income tax liability of $210.5m (2021: $148.1m) represents the income tax payable in respect of current and prior periods less amounts paid.

Recognised deferred income tax assets and liabilities

The movements in deferred income tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12) during the period are shown below.

	As at 31 December 2022			**As at 31 December 2021**		
($ in millions)	**Assets**	**Liabilities**	**Net**	**Assets**	**Liabilities**	**Net**
Property, plant and equipment and intangible	-	413.1	413.1	-	391.8	391.8
Borrowing costs capitalised in the cost of qualifying assets	-	94.5	94.5	-	73.2	73.2
Other	(4.0)	-	(4.0)	(1.1)	-	(1.1)
Pension and post employment benefits	(3.7)	-	(3.7)	(3.2)	-	(3.2)
Net deferred income tax liabilities	**(7.7)**	**507.6**	**499.9**	**(4.3)**	**465.0**	**460.7**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The value of deferred income tax assets and liabilities included in the net deferred income tax balance is shown below:

($ in millions)	**2022**	**2021**
Deferred tax asset	(7.7)	(4.3)
Deferred tax liability	507.6	465.0
	499.9	**460.7**

21. Current and deferred income tax assets and liabilities (continued)

Movement in temporary differences during the year:

($ in millions)	As at 1 January 2022	Recognised in income statement	Recognised in OCI/equity	As at 31 December 2022
Property, plant and equipment and intangible assets	391.8	21.3	-	413.1
Borrowing costs capitalised in the cost of qualifying assets	73.2	21.3	-	94.5
Other	(1.1)	(2.9)	-	(4.0)
Pension and post employment benefits	(3.2)	(1.4)	0.9	(3.7)
Total	**460.7**	**38.3**	**0.9**	**499.9**

($ in millions)	As at 1 January 2021	Recognised in income statement	Recognised in OCI/equity	As at 31 December 2021
Property, plant and equipment and intangible assets	289.6	102.2	-	391.8
Borrowing costs capitalised in the cost of qualifying assets	46.2	27.0	-	73.2
Other	(0.8)	(0.3)	-	(1.1)
Pension and post employment benefits	(2.1)	(0.8)	(0.3)	(3.2)
Total	**332.9**	**128.1**	**(0.3)**	**460.7**

The Budget announced by the Chancellor on 3 March 2021, included changes to the main rate of corporation tax for UK companies. The standard rate of corporation tax remains at 19% for the financial year commencing 1 April 2021, however this will be increased to 25% from 1 April 2023. UK deferred tax has been recognised in the accounts at a rate of 25% on the basis that this is the substantively enacted rate at 31 December 2022.

22. Ordinary share capital

($ in millions)	As at 31 December 2022	As at 31 December 2021
Allotted, issued and fully paid:		
473,935,801 ordinary shares of £1 each (2021: 473,935,801)	760.6	760.6

During the year ended 31 December 2022 no new shares were issued by the Company (2021: no new shares were issued).

23. Reserves

Cash flow hedge reserve:

($ in millions)	**2022**	**2021**
Balance as at 1 January	-	(0.1)
Gain/(loss) recognised on cash flow hedges:		
Forward exchange contracts	-	0.1
Balance as at 31 December	**-**	**-**

There are no gains and losses reclassified from equity included within the income statement for the period ended 31 December 2022 (2021: nil). Gains and losses relating to the effective portion of cash flow hedges are recognised in other comprehensive income and accumulated in the cash flow hedge reserve. When a hedged item is recognised in the income statement the cumulative deferred gain or loss accumulated in other comprehensive income and the cash flow hedge reserve is reclassified to the income statement. When a hedged item is recognised as a non financial asset or liability in the balance sheet the accumulated gain or loss is removed from the cash flow hedge reserve and included directly in the initial cost of the assets or liability.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses. The profit and loss reserve represents cumulative profits and losses, net of dividends paid and other adjustments. The capital contribution, made in 2019, relates to a cash compensation payment made to employees for the early termination of SAYE schemes upon acquisition.

24. Pension arrangements and post-employment benefits

The Company operates pension schemes in each of its principal locations. The Company's pension plans are provided through both defined benefit schemes and defined contribution arrangements.

The Company operated defined benefit pension schemes in the United Kingdom, regulated by the Pensions Regulator. The Company's principal defined benefit pension plan was the Inmarsat Global scheme, which underwent a 'buy-in' during 2020 and has since undergone a buy-out during 2022 which is explained below.

During October 2020, the Trustee of the Inmarsat Global defined benefits scheme entered into a bulk annuity insurance contract with Aviva Life & Pensions UK Limited (Aviva), a UK insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority in respect of the liabilities of the scheme. This is known as a 'buy-in'. Under this policy Aviva undertakes, via the Plan, to pay the Plan's benefit obligations as they fall due. The Trustee retain the legal obligation for the benefits provided under the scheme. During 2022 the scheme underwent a buy-out, whereby the legal obligation for the benefits provided under the scheme moved to Aviva. As at 31 December 2022 the value of the defined benefit obligation and corresponding buy-in insurance asset are nil. No further obligations for the Group or Trustee exist under the Inmarsat Global defined benefits scheme. The Company held the liability obligations under the Inmarsat Global defined benefit plan during 2022 up until buy-out. The disclosures below show the change in these liability obligations and final settlement of the obligations at buy-out. This has been valued using the projected unit credit method with the valuation undertaken by professionally qualified and independent actuaries as at 31 December 2022. The results of the valuation, which have been updated for any material transactions and material changes in circumstances (including changes in market prices and interest rates) up to buy-out, are set out below. There are no guaranteed minimum pension (GMP) benefits held under the scheme.

24. Pension arrangements and post-employment benefits (continued)

The Company also provides post-employment benefits for some of its employees. The Company's principal scheme is the Inmarsat Global post-retirement healthcare benefit scheme, which is the provision of healthcare to retired employees (and their dependants) who were employed before 1 January 1998. Employees who have 10 years of service at the age of 58 and retire are eligible to participate in the post-retirement healthcare benefit plans. Membership of this plan is multinational, although most staff are currently employed in the UK. The plans are self-funded and there are no plan assets from which the costs are paid. The cost of providing these benefits is actuarially determined and accrued over the service period of the active employee groups. The Company's post-retirement medical liability is capped at CPI +1%.

There have been no pension plan amendments, curtailments or settlements since the previous year end, other than the buy1out disclosure above. Schemes denominated in local currencies are subject to fluctuations in the exchange rate between U.S. Dollars and local currencies.

The principal actuarial assumptions used to calculate the Company's pension and post-employment benefits liabilities under IAS 19 are:

	As at 31 December 2022	**As at 31 December 2021**
Weighted average actuarial assumptions:		
Discount rate	5.2%	1.8%
Future salary increases	7.0%	5.2%
Medical price inflation	3.3%	3.3%
Future pension increases (a)	0.0%	3.3%

(a) nil in 2022 due to buy-out of the Inmarsat

Mortality assumptions have been updated to reflect experience and expected changes in life expectancy. The average life expectancy assumptions for the Company's pension and post-employment benefits liabilities are as follows:

	Life expectancy 2022	**Life expectancy 2021**
Male current age 65	88.5	88.4
Female current age 65	89.7	89.6

Mortality assumptions used are consistent with those recommended by the individual scheme actuaries and reflect the latest available tables, adjusted for the experience of the Company where appropriate. For the Inmarsat Global defined benefit pension scheme and the Inmarsat Global post-retirement healthcare benefits for 2022, mortality has been assumed to follow the S2PA tables with -1 year age rating for males and CMI 2017 improvement with a long-term trend of 1.75% pa.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, mortality and healthcare cost trend rates. The sensitivity analysis below is for the Group's principal post-employment benefits scheme and has been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period assuming that all other assumptions are held constant. No sensitivities are relevant for the Inmarsat Global defined benefit pension scheme following the buy-out in 2022.

24. Pension arrangements and post-employment benefits (continued)

Inmarsat Global post-retirement healthcare benefit scheme:

Change in assumption ($ in millions)	**Impact on benefit obligation increase/ (decrease)**	**Impact on service cost increase/ (decrease)**
Increase in discount factor of 0.5%	(0.6)	-
Increase in inflation of 0.5%	0.6	-
Increase in medical price inflation trend rate of 1%	1.4	0.1
Decrease in medical price inflation trend rate of 1%	(1.1)	(0.1)

In reality, there is an expectation of inter-relationships between the assumptions, for example, between discount rate and inflation. The above analysis does not take the effect of these inter-relationships into account.

Amounts recognised in the balance sheet are:

($ in millions)	**At 31 December 2022**	**At 31 December 2021**
Present value of funded defined benefit obligations (pension)	-	(124.1)
Present value of unfunded defined benefit obligations (post-employment benefits)	(9.5)	(11.5)
Fair value of defined benefit assets	-	124.1
Net defined benefit (liability) / asset recognised in the balance sheet	**(9.5)**	**(11.5)**

The above net liability is recognised in the balance sheet as follows:

($ in millions)	**Notes**	**At 31 December 2022**	**At 31 December 2021**
Defined benefit pension and post-employment liability	19	(9.5)	(11.5)

24. Pension arrangements and post-employment benefits (continued)

Analysis of the movement in the present value of the defined benefit obligations is as follows:

($ in millions)	Defined benefit pension plan	Post-employment benefits
At 1 January 2021	**122.8**	**10.9**
Current service cost	-	0.1
Interest cost	1.8	0.2
Remeasurement gains:		
Actuarial gains arising from changes in financial assumptions	3.0	0.2
Change in in demographic assumptions	-	0.6
Foreign exchange gain	(1.4)	(0.2)
Benefits paid	(2.1)	(0.3)
Contributions by pension participants	-	-
At 31 December 2021	**124.1**	**11.5**
Current service cost	-	0.2
Interest cost	2.0	0.2
Transfer from Inmarsat Employment Company Ltd	-	3.5
Remeasurement gains:		
Actuarial gains arising from changes in financial assumptions	(43.7)	(5.6)
Change in in experience assumptions	-	1.8
Foreign exchange gain	(13.3)	(1.7)
Benefits paid	(0.7)	(0.4)
Settlement of Defined Benefit Plan	(68.4)	-
At 31 December 2022	**-**	**9.5**

Analysis of the movement in the fair value of the assets of the defined benefit pension plans is as follows:

($ in millions)	2022	2021
At 1 January	**124.1**	**126.3**
Interest income	2.0	1.9
Remeasurement (losses) / gains:		
Experience return on plan asset (excluding interest income)	(43.7)	2.6
Contributions by employer	-	(2.6)
Benefits paid	(0.1)	(2.1)
Expenses paid (included in service cost)	(0.6)	(0.6)
Foreign exchange (loss) / gain	(13.3)	(1.4)
Assets Distributed on Settlement	(68.4)	-
At 31 December	**-**	**124.1**

Amounts recognised in the income statement in respect of the plans are as follows:

	2022		2021	
($ in millions)	Defined benefit pension plan	Post-employment benefits	Defined benefit pension plan	Post-employment benefits
Current service cost	0.6	0.2	0.6	0.1
Net interest (income) / expense	-	0.2	(0.1)	0.2
Foreign exchange (gain) / loss	-	(1.3)	-	(0.2)
	0.6	**(0.9)**	**0.5**	**0.1**

24. Pension arrangements and post-employment benefits (continued)

Current service cost is included within employee benefit costs (note 6). The financing costs together with foreign exchange gains and losses are included within interest payable (note 7).

Amounts recognised in the statement of comprehensive income in respect of the plans are as follows:

($ in millions)	2022 Defined benefit pension plan	2022 Post-employment benefits	2021 Defined benefit pension plan	2021 Post-employment benefits
Actuarial gains arising from changes in financial assumptions	(43.7)	(4.3)	3.0	0.2
Return on plan asset (excluding interest income)	43.7	-	(2.6)	-
Actuarial gain arising from changes in experience adjustment	-	1.4	-	0.6
Re-measurement of the net defined benefit asset and liability	**-**	**(2.9)**	**0.4**	**0.8**

The assets held in respect of the company's defined benefit schemes were as follows:

	At 31 December 2022 Value ($ in millions)	At 31 December 2022 Percentage of total plan assets	At 31 December 2021 Value ($ in millions)	At 31 December 2021 Percentage of total plan assets
Cash	-	0.0%	-	0.0%
Assets held by insurance company	-	0.0%	124.1	100.0%
Other	-	0.0%	-	0.0%
Fair value of scheme assets	**-**	**100.0%**	**124.1**	**100.0%**

Previously the Plan's main asset was the buy-in policy with Aviva, the value of which was set equal to the corresponding value of the IAS-19 liability it covers. Following buy-out, this asset is released.

The duration of the defined benefit liabilities within the Inmarsat Global defined benefit plan is approximately 20 years. Given the buy-out of this plan, a split by member is not provided. The average age of the deferred and pensioner members at the date of the last statutory funding valuation for the Inmarsat Global defined benefit plan (at 31 December 2017) was 56 years and 69 years, respectively

Given the buy-out in 2022, the estimated contributions expected to be paid into the Inmarsat Global defined benefit pension plan during 2023 are $nil. In 2022 actual contributions under this plan were $nil (2021: $2.6m)

25. Capital risk management

The following table summarises the capital of the Company:

($ in millions)	As at 31 December 2022	As at 31 December 2021
As per Balance Sheet		
Cash and cash equivalents	(224.1)	(346.1)
Short-term deposits greater than three months at inception	(109.1)	(30.0)
Borrowings	1,858.0	1,952.5
Net debt	**1,524.8**	**1,576.4**
Shareholder's equity	4,642.9	4,126.7
Capital	**6,167.7**	**5,703.1**

The Company's objective when managing its capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company continually evaluates sources of capital and may repurchase, refinance, exchange or retire current or future borrowings and/or debt securities from time to time in private or open market transactions, or by any other means permitted by the terms and conditions of borrowing facilities and debt securities.

No changes were made in the Company's objectives, policies or processes for managing capital in the years ended 31 December 2022 and 2021.

26. Capital commitments

The Company had authorised and contracted but not provided for capital commitments as at 31 December 2022 of $408.9m (2021: $465.8m). These amounts primarily represent commitments in respect of the Company's I6 satellites and other future satellite projects. The Company has not reported the split between tangible and intangible assets for these capital commitments in line with prior periods.

27. Subsidiary undertakings

At 31 December 2022, the Company had investments in the following subsidiaries:

($ Millions)	Principal activity	Country of incorporation and operation	Interest in issued ordinary share capital	As at 31 December 2022
Inmarsat Leasing (Two) Limited	Satellite leasing	England and Wales/A	100%	-
Inmarsat New Zealand Limited	Operating company	New Zealand/B	64%	16.8
Inmarsat Brasil Satélites LTDA	Dormant	Brazil/C	100%	-
ISAT Global Xpress LLC	Operating company	Russia/D	0%	-
Flysurfer Ecuador S.A.	Operating company	Ecuador/E	0%	-
Inmarsat Satellite Services S.R.L	Operating company	Romania/F	0%	-
Total Investments				**16.8**

The Company utlilises the disclosure exemption of related party transactions entered between two or more members of the Group, provided that any subsidiary which is a party to the transaction is wholly owned. During the year the Company received $1.3m (2021: $nil) in revenue from Inmarsat New Zealand Limited, and purchased services worth $9.0m (2021: $5.7m).

27. Subsidiary undertakings (continued)

Registered address key

A - 99 City Road, London, EC1Y 1AX

B - 24 Unity Drive North, North Harbour, Auckland, New Zealand

C - Av Brig Faria Lima, 3477, Andar 16 Torre Sul Sala 47, Itaim Bibi, Sao Paulo, Brazil

D - Bld. 5, 13 Kasatkina Street, 129301, Moscow, Russian Federation

E - Republica de El Salvador N35-146 y Suecia, Edif. Prisma Norte, Piso 11, Quito, C.P.170505, Ecuador

F - 22 Tudor Vladimirescu Biv, Building Green Gate Office, Bucharest. 5th Floor 573 Campus 07, sector, Bucharest,

28. Contingent assets and liabilities

In the ordinary course of business, the Company is subject to contingencies pursuant to requirements that it complies with relevant laws, regulations and standards failure to comply could result in restrictions in operations, damages, fines, increased tax , increased cost of compliance, interest charges, reputational damage and other sanctions. These matters are inherently difficult to quantify.

In cases where the Company has an obligation as a result of a past event existing at the balance sheet date, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated, a provision will be recognised based on best estimates and management judgement.

A contingent liability is disclosed where the existence of the obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. At 31 December 2022, the Company had no material contingent liabilities.

29. Events after the balance sheet date

Viasat acquisition

On 8 November 2021 Viasat Inc and Inmarsat announced a definitive agreement under which Viasat will acquire Inmarsat in a transaction then valued at $7.3 billion, comprised of $850 million in cash (reduced to $551 million, post prior distribution to shareholders) approximately 46.36 million shares of Viasat common stock valued at $3.1 billion based on the closing price on Friday November 5, 2021, and the assumption of $3.4 billion of net debt.

On 30 May 2023, the transaction was completed and Viasat, Inc. acquired Connect Topco Limited (Group). Under the terms of the purchase agreement, at the closing of the transaction, Group's shareholders received an aggregate of $551 million in cash, subject to adjustments, and approximately 46.36 million shares of common stock. The cash portion of the purchase price was reduced from $850 million to $551 million after the Group paid a $299 million special dividend to its shareholders in April 2022. The shares issued to Group's shareholders at the closing represent an aggregate of approximately 37.6% of the total shares of Viasat common stock on a fully diluted basis, with no Group shareholder receiving shares representing 10% or more.

HMRC Launch Cost Case

The Company's 1999 claim for a tax deduction for satellite launch costs was heard at the Court of Appeal which ruled in favour of HMRC in July 2022. The Company subsequently appealed for the case to be heard at the Supreme Court and this was rejected on 5 January 2023. This is treated as a non-adjusting post balance sheet date event per IAS 10. The Company has provided fully for the expected cost of c. $128m at historic exchange rates in accordance with IAS 12, comprising current and deferred tax ($100m) and interest ($28m). Given the affected tax computations span over 20 years, the exact amount of tax and interest has yet to be agreed with HMRC. To manage ongoing late payment interest and currency risk, during Q1 2023 the Company has paid £57.2m Income tax ($69.1m) and £17.4m interest ($20.9m) resulting in a foreign exchange gain of c.$27.6m.

29. Events after the balance sheet date (continued)

Inmarsat-6 F2 Satellite Anomalies

The Inmarsat-6 F2 (“I-6 F2”) satellite, which was launched on February 18, 2023, suffered a power subsystem anomaly during its orbit raising phase. At this stage, Viasat and Airbus, the satellite’s manufacturer, are working to determine the root cause of the anomaly and assess whether the satellite will be able to perform its mission. Airbus has advised that this anomaly is an unprecedented event; none of its geostationary telecommunication satellites have ever suffered a failure in orbit. The I-6 F2 anomaly does not impact ongoing customer services. The manufacturing and launch costs of the I-6 F2 satellite were insured. The twin Inmarat-6 F1 satellite (“I-6 F1”), which was launched in December 2021, is operational and continues to perform as expected.

Ligado

On March 31, 2023, the Company and Ligado signed an amendment to the Ligado Cooperation Agreement pursuant to which the Company granted Ligado a further 90 days to pay the deferred amounts subject to making a $30 million part payment, which was made on April 3, 2023. On June 15, 2023, the Company and Ligado signed a further amendment pursuant to which the Company agreed to defer the $350 million payment due from Ligado on July 1, 2023 as well as the $15 million March, 2023 quarterly payment due on June 30, 2023 (as agreed in the preceding amendment) and the $15 million quarterly payment due on June 30, 2023 until the earlier of (1) September 30, 2023, and (2) 45 days following notice from the Company in writing, such notice to be given no earlier than June 30, 2023. On September 21, 2023, the Company and Ligado signed a further amendment pursuant to which the Company agreed to defer the $350m payment due on July 1, 2023, as well as the March, June and September, 2023, quarterly payments until October 20, 2023.

There have been no other significant events which would require disclosure in the 31 December 2022 financial statements.