



INMARSAT
Q3 2022
RESULTS

28 NOVEMBER 2022

Q3 2022 HEADLINES

TRADING PERFORMANCE

- The Group has delivered another solid result in the third quarter, building on the momentum from the first half of the year, with growth in revenue and EBITDA reflecting the strength of its portfolio of diverse businesses.
 - Maritime is clearly moving into growth and delivered its 7th quarter of year-on-year growth¹ as higher FX revenues outpace the decline in FB
 - Government continued to perform well, successfully concluding a number of major contract renewals and wins in the US, and continuing to report high revenue growth outside the US
 - Aviation continued to grow strongly across all segments in line with market recovery
 - Enterprise continues to be impacted by global supply chain issues and is tracking below prior year
- The satellite build programme continues with six satellites in various stages of completion. In addition to this I-6 F1 is in late stages of in-orbit testing and I-6 F2 is due to launch in Q1 2023.

OUTLOOK FOR 2022

- Inmarsat currently expects another year of growth in Revenue and EBITDA in 2022, excluding Viasat transaction costs.

VIASAT TRANSACTION

- The UK's Competition and Markets Authority (CMA) announced that its Phase 1 review identified potential competition issues in the aviation sector. We will continue to make our case in Phase 2.
- Other regulatory processes are progressing as expected and we continue to work through the requirements for UK, US and Europe.

TRADING GROUP FINANCIAL PERFORMANCE*

STRONG REVENUE AND EBITDA GROWTH; POSITIVE FREE CASH GENERATION

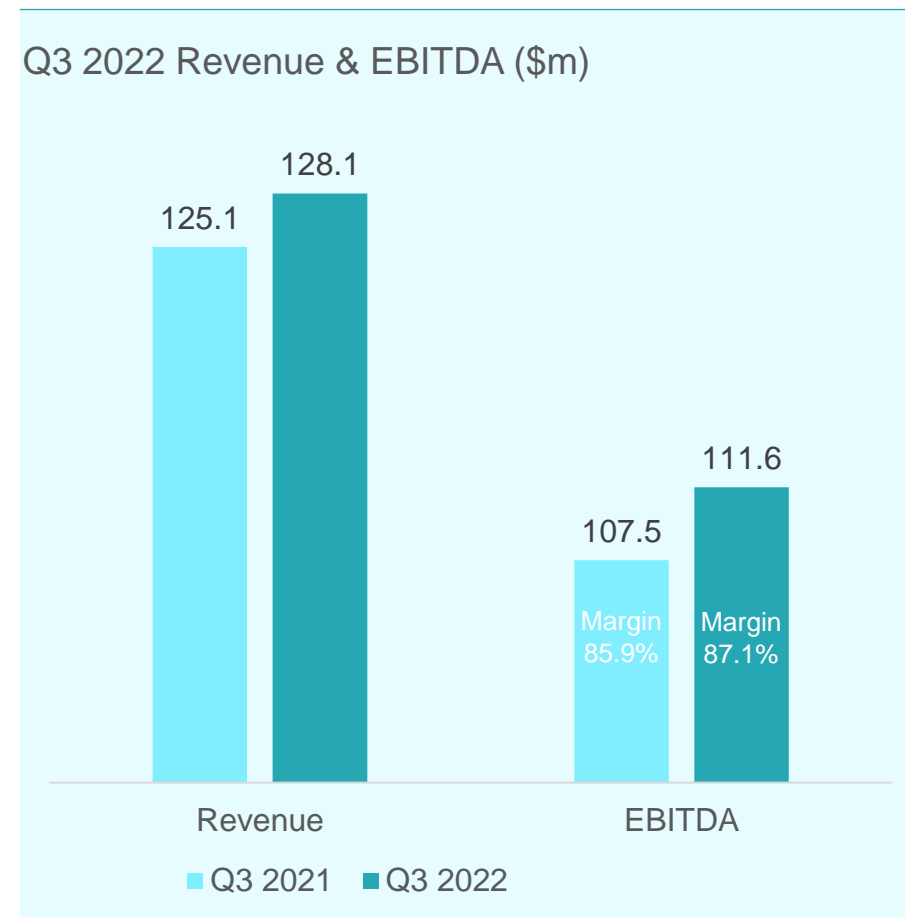
\$m	Q3 2022	Q3 2021	Change \$m	Change %	9M 2022	9M 2021	Change \$m	Change %
Revenue	366.6	342.4	24.2	7.1%	1,078.0	1,010.8	67.2	6.6%
<i>o/w Maritime</i>	<i>128.1</i>	<i>125.1</i>	<i>3.0</i>	<i>2.4%</i>	<i>383.3</i>	<i>380.4</i>	<i>2.9</i>	<i>0.8%</i>
<i>o/w Government</i>	<i>132.1</i>	<i>126.9</i>	<i>5.2</i>	<i>4.1%</i>	<i>385.0</i>	<i>374.9</i>	<i>10.1</i>	<i>2.7%</i>
<i>o/w Aviation</i>	<i>77.7</i>	<i>58.3</i>	<i>19.4</i>	<i>33.2%</i>	<i>225.6</i>	<i>159.2</i>	<i>66.4</i>	<i>41.7%</i>
<i>o/w Enterprise</i>	<i>25.2</i>	<i>29.0</i>	<i>(3.8)</i>	<i>(13.1%)</i>	<i>73.4</i>	<i>86.4</i>	<i>(13.0)</i>	<i>(15.0%)</i>
<i>o/w Central services</i>	<i>3.5</i>	<i>3.1</i>	<i>0.4</i>	<i>12.9%</i>	<i>10.7</i>	<i>9.9</i>	<i>0.8</i>	<i>8.1%</i>
Direct Costs	(44.6)	(39.8)	(4.8)	(12.1%)	(150.3)	(133.2)	(17.1)	(12.8%)
Gross Margin	322.0	302.6	19.4	6.4%	927.7	877.6	50.1	5.7%
Indirect Costs	(93.9)	(108.2)	14.3	13.2%	(293.0)	(310.5)	17.5	5.6%
EBITDA	228.1	194.4	33.7	17.3%	634.7	567.1	67.6	11.9%
Total Cash Capital Expenditure	(77.1)	(61.8)	(15.3)	(24.8%)	(176.0)	(164.9)	(11.1)	(6.7%)
Free Cash Flow	122.4	120.9	1.5	1.2%	235.2	256.9	(21.7)	(8.4%)

*Q3 2022 adjusted to exclude costs relating to the Viasat transaction (\$7.4m indirect costs and \$5.6m cash outflow) and Ligado (\$0.4m revenue and \$0.4m direct costs). 9M 2022 adjusted to exclude costs relating to the Viasat transaction (\$17.1m indirect costs and \$13.8m cash outflow) and Ligado (\$0.4m revenue and \$0.4m direct costs).

MARITIME Q3 RESULTS

CLEARLY MOVING INTO REVENUE GROWTH

- Revenue up 2% (\$3m)
 - Sustained momentum into H2
 - VSAT growth exceeds FleetBroadband decline
- VSAT revenue up \$7m (10%) to \$75m
 - 13,100 FX vessels now installed (Q3 2021: 11,300)
 - ARPU¹ 2% lower at \$1,850 (Q3 2021: \$1,880)
- FleetBroadband revenue down \$6m (14%) to \$34m
 - Continued customer migration to VSAT
 - ARPU 6% lower at \$554 as higher value customers migrate
- Legacy revenue up \$2m (12%) at \$19m
 - Price change on a legacy product
- EBITDA up \$4m (4%)
 - Revenue growth and lower bad debt provisions



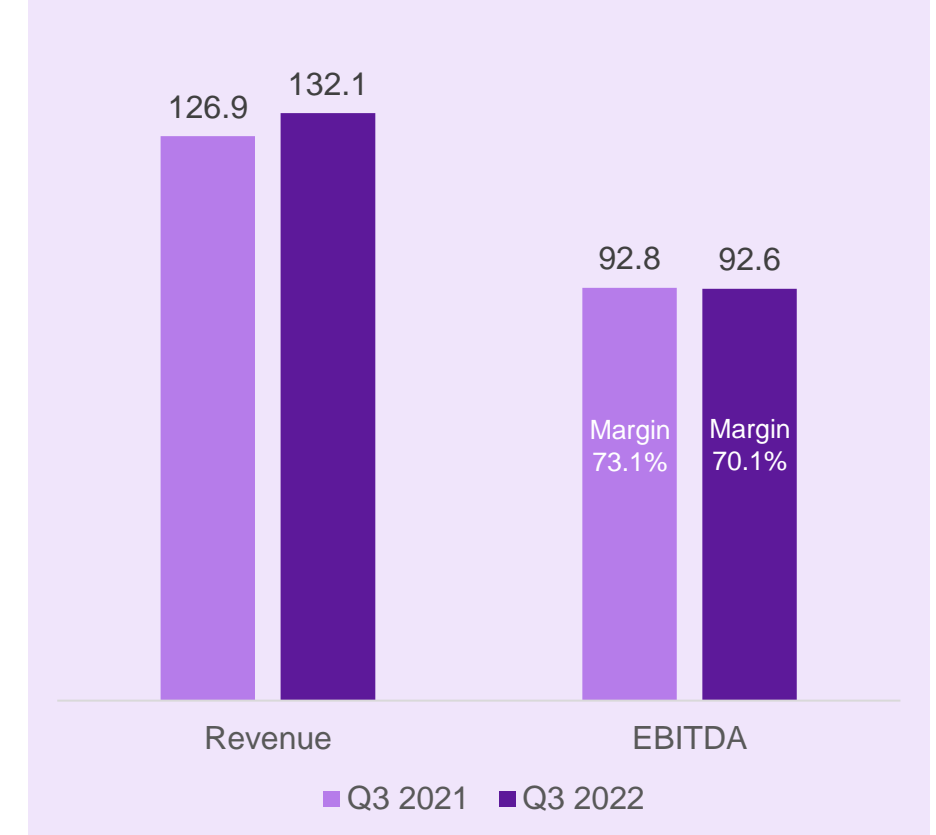
1. FX ARPU restated to reflect a more complete calculation which includes income from value added services. Using the prior methodology, Q3 2022 FX ARPU is \$1,780 vs \$1,800 reported in Q3 2021.

GOVERNMENT Q3 RESULTS

STRENGTH IN THE PORTFOLIO

- Total Government revenue up 4% (\$5m)
- US revenues up \$1m (1%)
 - Material contract wins and renewals secured
 - Timing of contract milestones
 - Lower operational tempo
- Outside the US revenues up \$5m (13%)
 - Continued growth in GX connections
 - High hardware sales to one customer
- EBITDA broadly flat
 - Reflecting change in sales mix

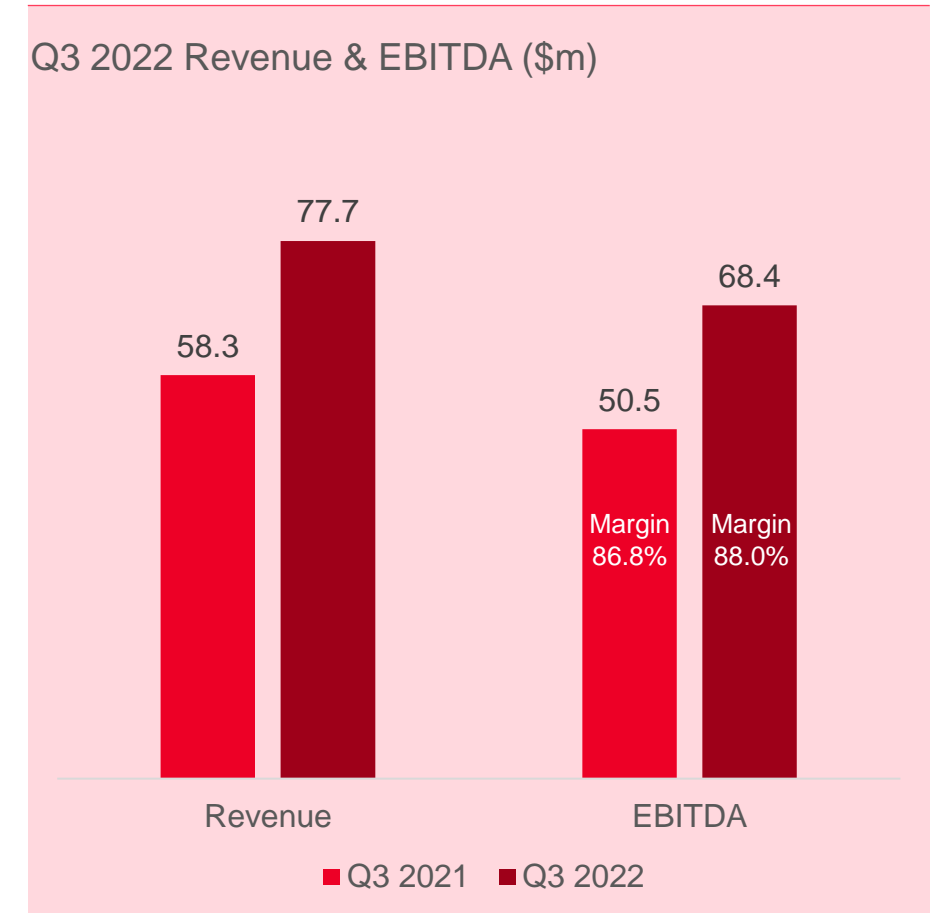
Q3 2022 Revenue & EBITDA (\$m)



AVIATION Q3 RESULTS

CONTINUED RECOVERY IN THE MARKET

- Revenue up 33% (\$19m)
- Core revenues up \$16m (36%) at \$62m
 - BGA up 45%
 - 1,255 JX aircraft now installed (Q3 2021: 1,043)
 - Post Covid-19 recovery
 - Lower distributor incentives
 - AOS up 12% : increased usage and post Covid-19 recovery
- IFC revenue up \$3m (25%) at \$16m
 - Aircraft returning to service and rising passenger usage
 - 892 aircraft installed (Q3 2021: 849)
- EBITDA up \$18m (35%)
 - Higher revenue and usage related direct costs



ENTERPRISE Q3 RESULTS

PERFORMANCE IMPACTED BY SUPPLY CHAIN CHALLENGES

- Revenue down \$4m (13%)
- Satellite phone revenues down \$2m (17%) at \$10m
 - Lower handset sales
- Legacy product revenues down \$1m (9%) at \$9m
 - Small decreases across the portfolio
- M2M and lease revenues down \$1m (11%) at \$6m
 - Due to a change in requirements of one leasing customer
- EBITDA down \$1m (7%)
 - Reflects lower revenues and sales mix



GROUP LIQUIDITY, LEVERAGE AND OUTLOOK

SIGNIFICANT LIQUIDITY AND COVENANT HEADROOM

\$m	Q3 2022	Q3 2021
Total cash, cash equivalents and short-term deposits	305.1	462.1
Undrawn RCF	700.0	700.0
Total available liquidity	1,005.1	1,162.1
Gross debt ¹	3,781.2	3,798.7
Cash and cash equivalents and short-term deposits	(305.1)	(462.1)
Net financial debt	3,476.1	3,336.6
Pro forma adjusted EBITDA (LTM)	861.1	777.4
Pro forma adjusted net leverage²	4.0x	4.3x

Outlook:

1. Capex is currently expected to be below \$350m in 2022, primarily reflecting continued slippage.
2. Inmarsat currently expects another year of growth in Revenue and EBITDA in 2022, excluding Viasat transaction costs.

1. Format has been revised. Gross debt is gross of deferred finance costs and gain on term loan repricing, following repricing of the term loan during 2021.

2. Calculation used to test the Financial Performance Covenant under the debt agreements

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Q&A



BASIS OF PREPARATION

Inmarsat's Q3 2022 Results Presentation should be read alongside the Management Discussion and Analysis which is provided in accordance with the reporting requirements set out in our debt agreements. The financial information has not been prepared in accordance with the requirements of Regulation S-X of the Securities Act of 1933, other requirements of the Securities Exchange Commission, International Financial Reporting Standards ("IFRS"), or other generally accepted accounting principles. Neither the assumptions underlying the pro forma adjustments nor the resulting pro forma non-IFRS measures have been audited or reviewed in accordance with any generally accepted auditing standards. You should not consider such items as an alternative to the historical financial position or results, or other indicators of our position or performance based on IFRS measures.

EBITDA, pro-forma adjusted EBITDA, Direct & Indirect costs, cash capital expenditure, and free cash flow are non-IFRS performance measures which should not be considered in isolation or as substitutes for IFRS performance measures. The Management Discussion and Analysis provides reconciliations of these measures to comparable IFRS performance measures.

In addition, the results presented could vary from those presented in other materials, particularly those that are related to the acquisition of Inmarsat by Viasat, given differences in international and US accounting and audit standards and the corporate entity (Viasat is acquiring Connect Topco, whereas the reported results are for Connect Bidco).



THANK YOU