

# Quarter ended 31<sup>st</sup> December 2024 Results for Connect Bidco Ltd

All information presented herein is related to Inmarsat which is part of the Viasat, Inc. group ("Viasat"), following the acquisition by Viasat on 30<sup>th</sup> May 2023 (the "Viasat Transaction"). All references herein to 'Group' and 'Company' refer to Inmarsat only and not to Viasat or any member of the wider Viasat group.

Refer to legal disclaimer slide for further information.



PUBLIC

12<sup>th</sup> February 2025

# Q4 2024 Headlines

## Trading Performance

- > Revenue growth of 5.3% driven by growth in Aviation and Government, partially offset by a decline in Maritime.
  - Government revenue increased in the U.S. from higher services revenue, partially offset by lower revenue outside the U.S from lower equipment sales and the timing of milestones, GX connections remained strong.
  - Maritime revenue decreased from a continued decline in vessels and ARPU, partially offset by higher terminal sales and a price change benefit on a legacy product.
  - Aviation revenue growth was robust across its diverse services portfolio, with higher installations, more aircraft in service, and increased passenger usage.
  - Enterprise revenue was flat with new business and customer upgrades being offset by lower GSPS handset deliveries and usage.
- > Direct costs increased mainly from a release of a customer provision in prior year upon renegotiation of a contract and higher costs in support of revenue growth, partially offset by a lower terminal & equipment sales mix and lower inventory provisions as stock previously accumulated in response to component shortages is unwound.
- > Indirect costs decreased mainly from \$13m of foreign exchange gains as the U.S. dollar has strengthened, lower employee costs from lower headcount and accelerated transaction-related employee cost accruals in the prior year, partially offset by higher space insurance premiums, higher professional fees, lower capitalized labour, additional restructuring charges, and other inflationary pressure.
- > Adjusted EBITDA growth of 3.9% driven by revenue growth and lower indirect costs, which benefitted from a strong U.S dollar, more than offsetting higher direct costs.
- > Free cash flow was \$3m, an increase of \$23m, mainly from lower capital expenditures, higher Adjusted EBITDA, increased interest income from higher cash balances held, partially offset by unfavourable changes in working capital and higher tax payments.

# Q4 2024 Headlines

## New Business

- > Subsequent to quarter-end, during February 2025, we announced that A.P. Moller - Maersk (Maersk) have signed an agreement to upgrade our satellite communications services across Maersk's global fleet of approximately 340 container ships. The agreement will see bandwidth enhancements rolled out across Maersk's entire fleet of owned container ships between 2025 and 2026.

## Upcoming Fiscal Year-end & GAAP Change

- > During the quarter and to align with the Viasat Group, Connect Bidco Ltd changed its fiscal year end from December 31 to March 31, effective January 1, 2024. This presentation is for the three and twelve-months ended December 31, 2024. Next quarter, this presentation will be for the three and twelve-months ended March 31, 2025. Further details are provided in the accompanying Management Discussion and Analysis.
- > In addition, Connect Bidco has changed its reporting standards from International Financial Reporting Standards ("IFRS") to U.S. Generally Accepted Accounting Principles ("U.S. GAAP"). This will be retrospectively applied and applicable in the next quarter presentation.

# Group Financial Performance

\$m (unaudited)	Q4 2024 <sup>1</sup>	Q4 2023 <sup>2</sup>	Change \$m	Change %
<b>Revenue</b>	<b>442.7</b>	<b>420.5</b>	<b>22.2</b>	<b>5.3%</b>
o/w Government	157.6	155.3	2.3	1.5%
o/w Maritime	120.6	131.2	(10.6)	(8.1)%
o/w Aviation	116.8	103.1	13.7	13.3%
o/w Enterprise	27.9	28.1	(0.2)	(0.7)%
o/w Central Services	19.8	2.8	17.0	607.1%

Direct Costs	(69.2)	(54.2)	(15.0)	(27.7)%
<b>Gross Margin</b>	<b>373.5</b>	<b>366.3</b>	<b>7.2</b>	<b>2.0%</b>
Indirect Costs	(107.3)	(110.1)	2.8	2.5%
<b>Adjusted EBITDA</b>	<b>266.2</b>	<b>256.2</b>	<b>10.0</b>	<b>3.9%</b>

<b>Cash Capital Expenditure</b>	<b>(61.9)</b>	<b>(123.1)</b>	<b>61.2</b>	<b>49.7%</b>
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Jan-Dec 2024 <sup>1</sup>	Jan-Dec 2023 <sup>2</sup>	Change \$m	Change %
<b>1,728.3</b>	<b>1,619.8</b>	<b>108.5</b>	<b>6.7%</b>
596.7	571.8	24.9	4.4%
493.0	538.4	(45.4)	(8.4)%
446.8	380.2	66.6	17.5%
113.4	115.1	(1.7)	(1.5)%
78.4	14.3	64.1	448.3%

(252.2)	(228.4)	(23.8)	(10.4)%
<b>1,476.1</b>	<b>1,391.4</b>	<b>84.7</b>	<b>6.1%</b>
(461.5)	(417.5)	(44.0)	(10.5)%
<b>1,014.6</b>	<b>973.9</b>	<b>40.7</b>	<b>4.2%</b>

<b>(262.7)</b>	<b>(430.0)</b>	<b>167.3</b>	<b>38.9%</b>
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1. Q4 2024 adjusted to exclude amounts relating to the Viasat transaction (\$2.2m indirect costs). Ligado is no longer classified within exceptional items and is included in central services. FY 2024 adjusted to exclude amounts relating to the Viasat transaction (\$18.6m indirect costs).
2. Q4 2023 adjusted to exclude amounts relating to the Viasat transaction (\$11.5m indirect costs). Ligado is no longer classified within exceptional items and is included in Central Services. Q4 2023 has no contributions from Ligado. FY 2023 adjusted to exclude amounts relating to the Viasat transaction (\$95.8m indirect costs). FY 2023 revised to include contributions from Ligado (\$4.5m credit to direct costs).

# Government Q4 Results

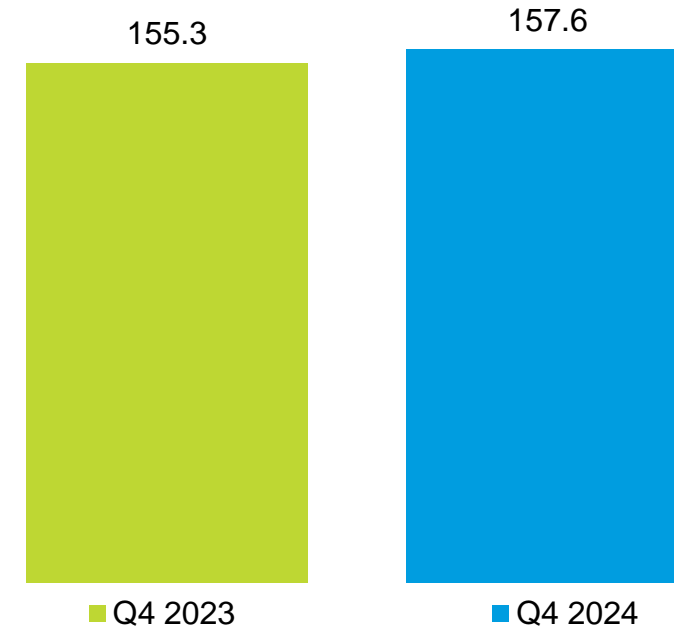


## Robust U.S. growth offsetting international decline

Total Government revenue increased 2% (\$2m) YoY

- > U.S. revenue up 7% (\$8m) YoY to \$112m
  - Increased services revenue
  - Higher managed services
  - Partially offset by lower equipment sales
- > Revenue outside the U.S. decreased 11% (\$6m) YoY to \$46m
  - Lower equipment sales and usage
  - Lower from the timing of milestones from new contracts
  - Partially offset by continued growth in GX connections

### Q4 2024 Revenue (\$m)



# Maritime Q4 Results

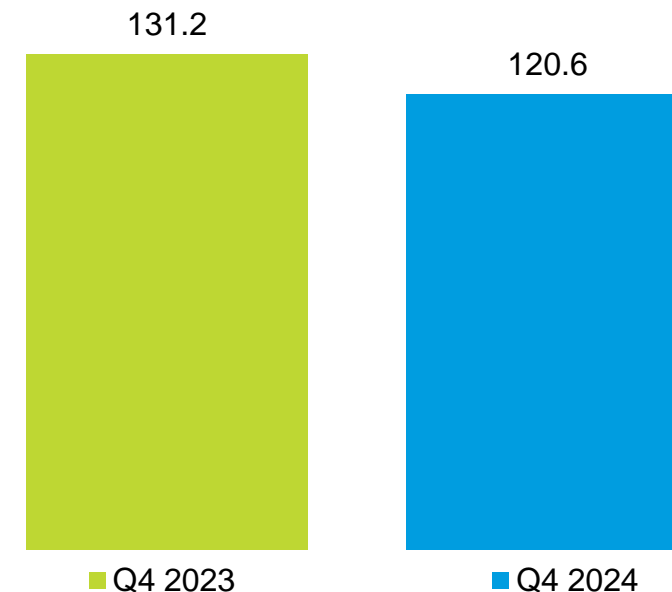


## Continued migration from FBB & ARPU pressure

Revenue decreased by 8% (\$11m) YoY

- > VSAT<sup>1</sup> revenue down 9% (\$7m) YoY to \$77m
  - Lower installed vessels, ARPU decreased 9% YoY
  - Partially offset by higher terminal sales
- > FleetBroadband revenue down 21% (\$6m) YoY to \$21m
  - Continued customer migration to VSAT
  - ARPU 11% lower from migration of higher value customers and lower other services
- > Legacy revenue increased 13% (\$2m) YoY to \$23m
  - Price change on one legacy product from Q2 2024
- > NexusWave progressing well with strong customer interest
  - Scaling installations in the coming quarter

Q4 2024 Revenue (\$m)



# Aviation Q4 Results

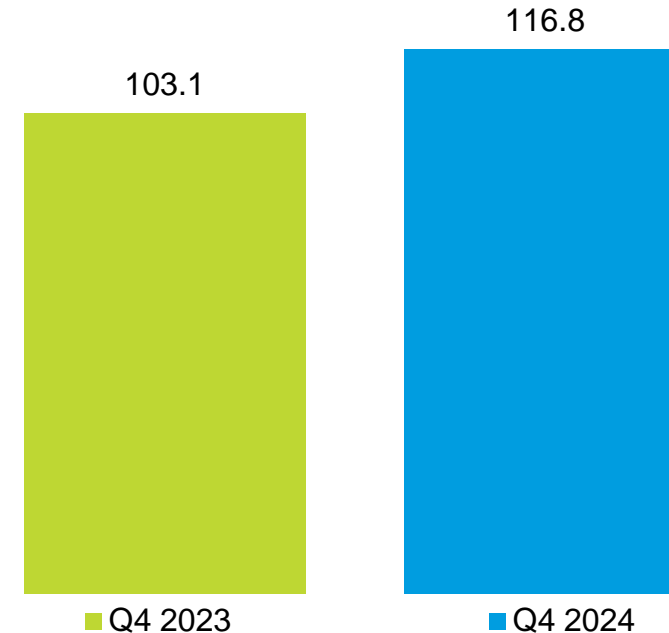


## Robust growth across a diverse services portfolio

Revenue increased by 13% (\$14m) YoY

- > Core revenue up 11% (\$9m) YoY to \$83m
  - BGA up 14%
    - > Continued growth in activations
    - > JX aircraft grew 13% YoY with 6% higher ARPA from rate plan upgrades
  - AOS revenue up 2%
    - > Higher usage
- > ComAir<sup>1</sup> revenue up 18% (\$5m) to \$34m
  - Higher terminal sales
  - Higher YoY active aircraft install base
  - Rising passenger usage

## Q4 2024 Revenue (\$m)



# Enterprise Q4 Results

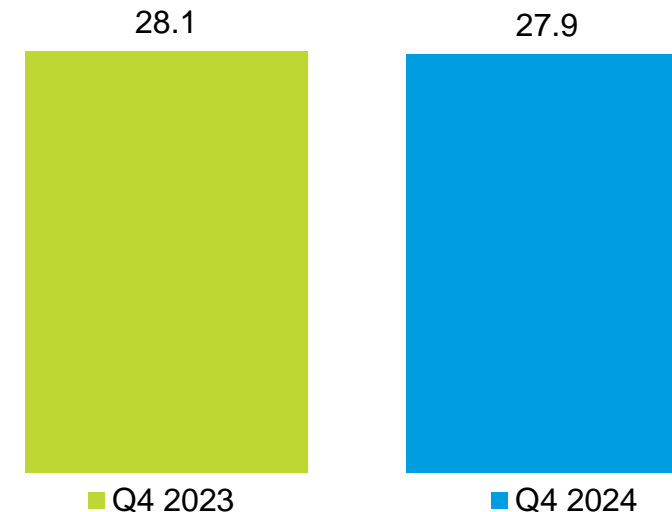
New business offset by lower handset deliveries

Revenue flat YoY at \$28m

- > Satellite phone revenue down 8% (\$1m) YoY to \$10m
  - Lower handset deliveries
  - Lower usage
- > M2M and lease revenue up 8% (\$1m) YoY to \$11m
  - New business and customer upgrades
- > Legacy Enterprise product revenue flat YoY at \$7m
  - Reduced usage
  - Offset by price change on one legacy product



Q4 2024 Revenue (\$m)



# Liquidity, Net Debt and Adjusted EBITDA

\$m (unaudited)	Q4 2024	Q4 2023
Total cash, cash equivalents and short-term deposits	659.8	315.2
Undrawn RCF	550.0	700.0
<b>Total available liquidity</b>	<b>1,209.8</b>	<b>1,015.2</b>
Gross debt <sup>1</sup>	3,565.2	3,759.4
Total cash, cash equivalents and short-term deposits <sup>2</sup>	(659.8)	(315.2)
<b>Net debt</b>	<b>2,905.4</b>	<b>3,444.2</b>
Adjusted EBITDA (Last twelve-months) <sup>3</sup>	<b>1,014.6</b>	<b>973.9</b>

1. Gross debt is gross of deferred finance costs.

2. A reconciliation between Adjusted EBITDA and the most comparable IFRS financial information is set forth in the accompanying Management Discussion and Analysis.

# Questions & Answers

# Legal Disclaimer

All information in this presentation is related to Connect Bidco Limited (together with its subsidiaries, “Inmarsat”), which is part of the Viasat, Inc. group (“Viasat”) following the acquisition by Viasat of Connect Topco Limited, the parent company of Inmarsat, on May 30, 2023 (the “Viasat Transaction”). All references herein to “we”, “us”, “our”, “Group” and “Company” refer to Inmarsat only and not to Viasat or any member of the wider Viasat group.

## > Financial Information

This presentation is being provided in connection with the reporting requirements set out in our debt agreements and should be read alongside the Management Discussion and Analysis and accompanying financial statements of the Group. The financial information set forth herein is unaudited and 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 (“SEC”), International Financial Reporting Standards (“IFRS”), or other generally accepted accounting principles. The accompanying financial statements have been prepared in accordance with IFRS, whereas Viasat’s consolidated financial information is prepared in accordance with US GAAP, which differs from IFRS in a number of significant respects. Information presented may vary from the results for Inmarsat presented by Viasat, or included in the consolidated financial statements for Viasat because (i) of the differences between IFRS and US GAAP and associated audit standards, (ii) Purchase Price Accounting (“PPA”) adjustments reflected in Viasat’s consolidated financial statements as a result of the Viasat Transaction, and (iii) the accompanying financial statements and associated disclosures contained herein are prepared at the level of Connect Bidco Limited, whereas results for Inmarsat, presented by Viasat, are prepared at the Connect Topco Limited level. Information presented should not be considered to be a substitute for or supplement to Viasat’s consolidated financial statements for the Viasat Group prepared in accordance with US GAAP or the disclosures set forth in Viasat’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q or other filings with the US Securities and Exchange Commission (the “SEC”).

This presentation includes non-IFRS financial measures such as EBITDA and Adjusted EBITDA, to supplement consolidated financial information presented on an IFRS basis. We believe these measures are appropriate to enhance an overall understanding of our past financial performance and prospects for the future. However, the presentation of this additional information is not meant to be considered in isolation or as a substitute for measures of financial performance prepared in accordance with IFRS. Moreover, Viasat and Inmarsat calculate EBTIDA and Adjusted EBITDA differently and therefore the two measures may not be comparable. A reconciliation between the non-IFRS financial information and the most comparable IFRS financial information is set forth in the accompanying Management Discussion and Analysis. Neither the assumptions underlying the adjustments nor the resulting 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.

# Legal Disclaimer

## > Forward-Looking Statements

This presentation contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the US Securities Act of 1933 and the US Securities Exchange Act of 1934. These statements are based on current expectations, estimates, forecasts and projections about the industries in which we and the wider Viasat group operate and the beliefs and assumptions of management. We use words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “project,” “seek,” “should,” “target,” “will,” “would,” variations of such words and similar expressions to identify forward-looking statements. In addition, statements regarding our anticipated operations, financial position, liquidity, performance, prospects or growth and scale opportunities; projections of earnings, revenue, costs or other financial items; anticipated growth and trends in our business or key markets; future economic conditions and performance; the development, customer acceptance and anticipated performance of technologies, products or services; satellite construction and launch activities; completion of in-orbit placement and in-orbit testing and commencement of commercial service of our satellites; the performance and anticipated benefits of our satellites; the expected completion, capacity, coverage, service speeds and other features of our satellites, and the timing, cost, economics and other benefits associated therewith; plans, objectives and strategies for future operations; and other characterizations of future events or circumstances, are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. Factors that could cause actual results to differ materially include the factors identified in Viasat’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Viasat’s other filings with the SEC. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.



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Thank you