

Quarter ended 30th September 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 30th 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

12th November 2024

Q3 2024 Headlines

Trading Performance

- > Revenue growth of 7.2% driven by strong growth in Aviation and Government, partially offset by a decline in Maritime.
 - Government revenue increased both in the U.S. from higher services revenue and outside the U.S from strong GX connections and usage.
 - Maritime revenue decreased from a continued decline in FB vessels and lower FB and FX ARPAs, partially offset by a price change benefit on a legacy product.
 - Aviation revenue growth was robust across its diverse services portfolio, with higher installations, more JX aircraft in service, increased usage, and a Take-or-Pay rate change benefit with one customer in AOS.
 - Enterprise revenue was flat following higher GSPS handset sales and M2M subscriber growth, offset by a customer specific revenue provision, lower airtime, and continued pressure on the legacy product base.
- > Direct costs decreased primarily from lower inventory provisions as stock previously accumulated in response to component shortages is unwound, improved debtor collections, a lower terminal & equipment sales mix, and partially offset by higher costs in support of revenue growth.
- > Indirect costs increased mainly from \$12m of foreign exchange losses as the U.S. dollar weakened, higher space insurance premiums, additional costs from the recent London HQ move, lower capitalized labour and other inflationary increases, partially offset by lower employee costs from lower headcount and accelerated transaction-related employee cost accruals in the prior year.
- > Adjusted EBITDA growth of 5.7% driven by strong revenue growth and lower direct costs more than offsetting higher indirect costs, particularly impacted by a weaker U.S. dollar. Excluding the FX adjustment, Adjusted EBITDA would have grown 11.0%.
- > Free cash flow increased by 41.9%, to \$114m, from higher Adjusted EBITDA, lower capital expenditures and favourable changes in working capital, partially offset by higher tax payments

Q3 2024 Headlines

Financing / Subsequent Events

- > In July 2024, the Group repurchased and retired \$101.7 million in aggregate principal amount of Senior Secured Notes due 2026 (“2026 Secured Notes”) in open market transactions for approximately \$99.9 million.
- > On September 25, 2024, the Group issued \$1.975 billion in principal amount of Senior Secured Notes due 2029 (“2029 Secured Notes”) in a private placement with the intention of using the proceeds to redeem the 2026 Secured Notes. The 2029 Secured Notes were issued at face value, bear interest at a fixed rate of 9.0% per annum, and have a five year maturity.
- > Subsequent to quarter end, on October 1, 2024, the net proceeds from the issuance of the 2029 Secured Notes, together with cash on hand, were used to redeem all the outstanding 2026 Secured Notes at a redemption price of 100% of the principal amount plus accrued and unpaid interest thereon.

Group Financial Performance

\$m (unaudited)	Q3 2024 ¹	Q3 2023 ²	Change \$m	Change %
Revenue	426.7	398.0	28.7	7.2%
o/w Government	148.7	141.5	7.2	5.1%
o/w Maritime	122.7	132.9	(10.2)	(7.7)%
o/w Aviation	107.8	92.9	14.9	16.0%
o/w Enterprise	26.4	26.5	(0.1)	(0.4)%
o/w Central Services	21.1	4.2	16.9	402.4%

9M 2024 ¹	9M 2023 ²	Change \$m	Change %
1,285.6	1,199.3	86.3	7.2%
439.1	416.5	22.6	5.4%
372.4	407.2	(34.8)	(8.5)%
330.0	277.1	52.9	19.1%
85.5	87.0	(1.5)	(1.7)%
58.6	11.5	47.1	409.6%

Direct Costs	(62.3)	(64.5)	2.2	3.4%
Gross Margin	364.4	333.5	30.9	9.3%
Indirect Costs	(123.1)	(105.3)	(17.8)	(16.9)%
Adjusted EBITDA	241.3	228.2	13.1	5.7%

(183.0)	(174.3)	(8.7)	(5.0)%
1,102.6	1,025.0	77.6	7.6%
(354.2)	(307.3)	(46.9)	(15.3)%
748.4	717.7	30.7	4.3%

Cash Capital Expenditure	(49.1)	(85.9)	36.8	42.8%
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(200.8)	(306.9)	106.1	34.6%
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1. Q3 2024 adjusted to exclude amounts relating to the Viasat transaction (\$8.3m indirect costs). Ligado is no longer classified within exceptional items and is included in central services. 9M 2024 adjusted to exclude amounts relating to the Viasat transaction (\$16.4m indirect costs).
2. Q3 2023 adjusted to exclude amounts relating to the Viasat transaction (\$15.2m indirect costs). Ligado is no longer classified within exceptional items and is included in Central Services. Q3 2023 has no contributions from Ligado. 9M 2023 adjusted to exclude amounts relating to the Viasat transaction (\$84.3m indirect costs). 9M 2023 revised to include contributions from Ligado (\$4.5m credit to direct costs).

Government Q3 Results

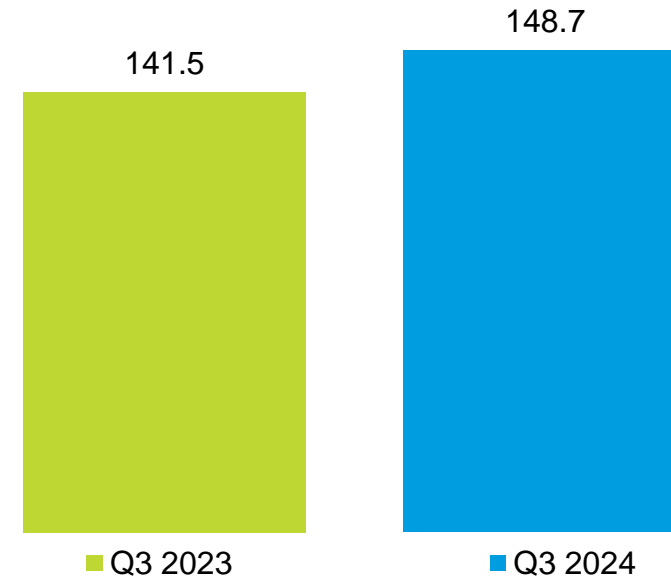


Continued solid U.S. and international growth

Total Government revenue increased 5%, or \$7m, YoY

- > U.S. revenue up 4%, or \$4m, YoY to \$104m
 - Increased services revenue
 - Partially offset by lower equipment sales and GX services
- > Revenue outside the U.S. increased 9%, or \$3m, YoY to \$45m
 - Continued growth in GX connections
 - Increase in usage
 - Increased equipment sales

Q3 2024 Revenue (\$m)



Maritime Q3 Results

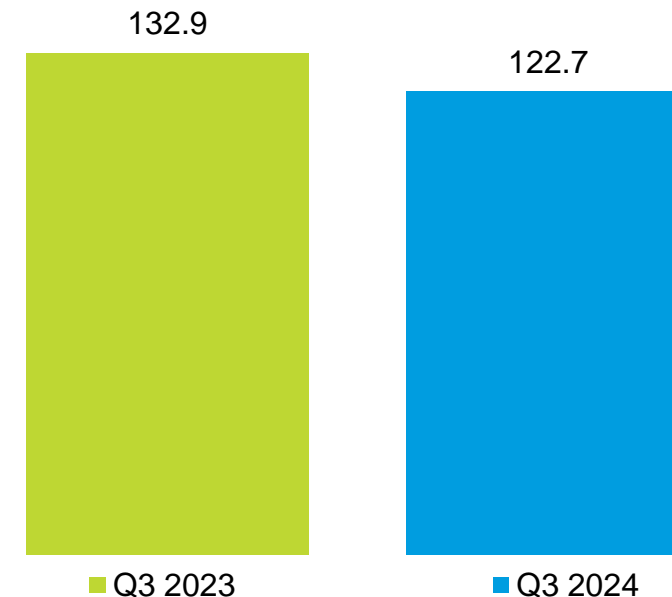


Continued migration from FBB, ARPU pressure

Revenue decreased by 8%, or \$10m, YoY

- > VSAT¹ revenue down 6%, or \$5m, YoY to \$79m
 - Vessels flat at 14.4k, ARPU decreased 6% YoY
 - Lower terminal sales, primarily to one customer
- > FleetBroadband revenue down 24%, or \$7m, YoY to \$22m
 - Continued customer migration to VSAT
 - ARPU 11% lower from migration of higher value customers
- > Legacy revenue increased 7%, or \$2m, YoY to \$22m
 - Price change on one legacy product from Q2 2024
- > Announced global container shipping major Hapag-Lloyd among first to trial NexusWave
 - Strong interest in NexusWave for maritime business; order pipeline encouraging

Q3 2024 Revenue (\$m)



Aviation Q3 Results

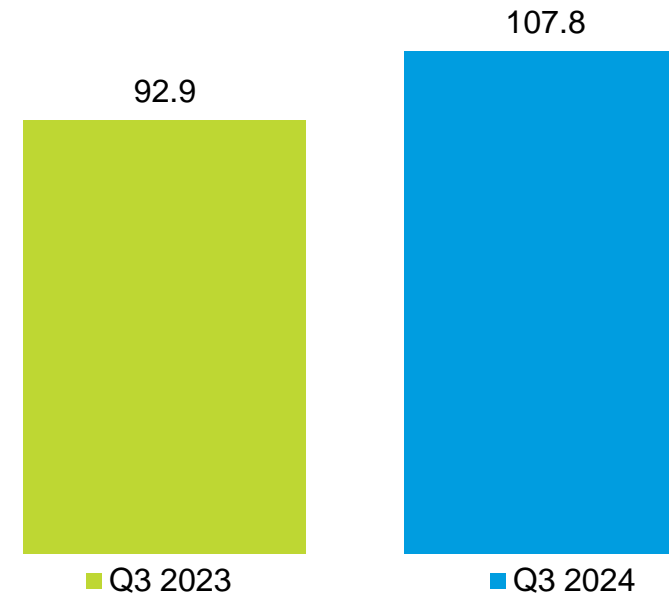


Strong growth across a diverse services portfolio

Revenue increased by 16%, or \$15m, YoY

- > Core revenue up 15%, or \$10m, YoY to \$78m
 - BGA up 13%
 - › Continued growth in activations
 - › JX aircraft grew 18% YoY with 1% lower ARPA from rate plan changes
 - AOS revenue up 25%
 - › Take-or-Pay rate change with one customer
 - › Higher usage
- > ComAir¹ revenue up 20%, or \$5m, to \$30m
 - Higher YoY active aircraft install base
 - Rising passenger usage

Q3 2024 Revenue (\$m)



Enterprise Q3 Results

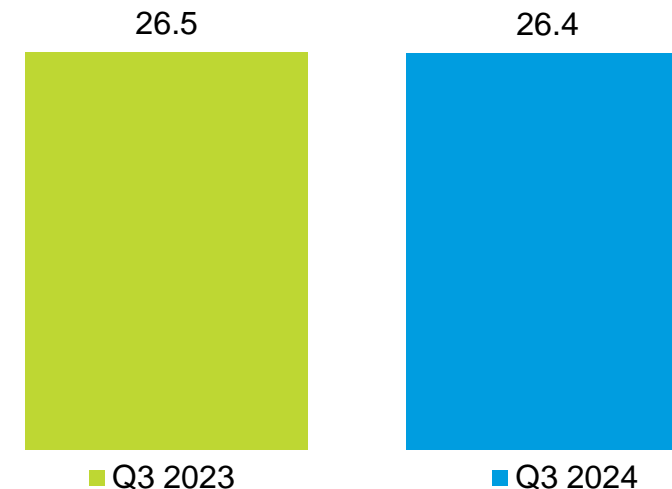
Subscriber and handset growth

Revenue flat YoY at \$26m

- > Satellite phone revenue down 10% YoY to \$9m
 - One-time customer specific provision
 - Lower airtime
 - Partially offset by higher handset deliveries
- > M2M and lease revenue up 14% YoY to \$10m
 - M2M subscriber growth
- > Legacy Enterprise product revenue down 5% YoY to \$7m
 - Reduced usage



Q3 2024 Revenue (\$m)



Liquidity, Net Debt and Net Leverage

During the quarter, the Group repurchased and retired approximately \$101.7m of principal of 2026 Secured Notes by paying approximately \$99.9m in cash. The Group also issued \$1,975m of 2029 Secured Notes due September 25, 2029. Subsequent to the quarter and on October 1, 2024, the Group redeemed \$1,973m of the remaining principal of 2026 Secured Notes at par.

\$m (unaudited)	Q3 2024	Q3 2023
Total cash, cash equivalents and short-term deposits ¹	2,641.6	338.8
Undrawn RCF	550.0	700.0
Total available liquidity	3,191.6	1,038.8
Gross debt ²	5,541.8	3,763.7
Total cash, cash equivalents and short-term deposits ¹	(2,641.6)	(338.8)
Net debt	2,900.2	3,424.9
Adjusted EBITDA (Last twelve-months) ³	1,004.6	955.2
Net leverage ratio	2.9x	3.6x

1. Includes \$1,973m that was used to redeem the 2026 Secured Notes, subsequent to quarter end.

2. Gross debt is gross of deferred finance costs and includes \$1,973m of 2026 Secured Notes 2026 that was redeemed subsequent to quarter end.

3. 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