



MUBADALA

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The International Offering Memorandum is addressed only to certain qualified institutional investors located within certain jurisdictions and is in compliance with the laws and regulations of such jurisdictions. The International Offering Memorandum has not been, and will not be, approved by the Securities and Commodities Authority of the UAE (the “SCA”) and the information contained in the International Offering Memorandum will not form part of any prospectus published in connection with an offering of shares to retail investors in the UAE. The review of the International Offering Memorandum and any related advertisements does not fall under the SCA’s remit or jurisdiction.

Mubadala-owned Yahsat announces the offer price range for its IPO and the opening of the subscription period for its IPO

Abu Dhabi, United Arab Emirates, 27 June 2021: Al Yah Satellite Communications Company PJSC (“Yahsat” or the “Company”) today announces the opening of the subscription period for the initial public offering (the “IPO” or the “Offering”) of part of its existing shares (the “Shares”) on 27th June 2021 which will continue until Tuesday, 6th July 2021 for individuals and other investors in the UAE (as part of the UAE retail offering) and until Thursday, 8th July 2021 for qualified institutional and other investors (as part of the qualified investor offering).

The offer price range has been set at AED 2.55 to AED 3.05 per share.

The final offer price for the Shares is expected to be announced on 9th July 2021.

The Offering creates an opportunity for investors to participate in the potential strategic growth of a leading integrated satellite communication services provider. Mubadala will remain a majority shareholder following the Offering of at least 30% and up to 40% of Yahsat’s issued share capital, all of which is currently held by Mamoura Diversified Global Holding PJSC (the “Selling Shareholder”), a wholly-owned subsidiary of Mubadala Investment Company PJSC (“Mubadala”).

It is expected that the Shares will be admitted to trading on the Abu Dhabi Securities Exchange (ADX) on 14th July 2021, subject to market conditions and obtaining relevant regulatory approvals.

Ali Al Hashemi, Chief Executive Officer of Yahsat, said:

“We believe that we have established a strong and proven operational and financial track record over the years which, coupled with the ever-growing adoption of technological solutions and promising prospects of the space industry in Abu Dhabi and the UAE more broadly, provides a compelling proposition for potential investors. We look forward to their participation in Yahsat’s growth story.”

With operations in more than 150 countries spanning 5 continents, Yahsat is the preferred partner for reliable integrated satellite communication solutions and an industry centre of excellence for both government and commercial customers. The Company was established in the UAE in 2007 to meet the growing demand for satcom services by providing a secure and reliable means of global connectivity, regardless of geographic constraints.

Details of the Offering

It is intended that the Offering will comprise of (i) a public offering to individual and other investors in the UAE (the “**UAE Retail Offering**”) and (ii) an offering to qualified institutional and other investors in the UAE and in a number of other countries (the “**Qualified Investor Offering**”). The offer price per Share will be determined through, and following, a book-building process.

All of the Shares are being offered by the Selling Shareholder which, prior to the Offering, is the sole shareholder of Yahsat.

In connection with the Offering, each of the Company and the Selling Shareholder is expected to agree to lock-up arrangements restricting the disposal of the Company’s securities for a period of time following admission of the Shares to listing.

Details of the Offering are included in an Arabic-language prospectus (the “**Retail Prospectus**”) and public subscription announcement (the “**Public Announcement**”) in respect of the UAE Retail Offering and an English-language international offering memorandum (the “**International Offering Memorandum**”) in respect of the Qualified Investor Offering. The Retail Prospectus and the Public Announcement were published on 21st June 2021 and the International Offering Memorandum will be published today.

First Abu Dhabi Bank PJSC, Merrill Lynch International and Morgan Stanley & Co. International plc have been appointed as Joint Global Coordinators and Abu Dhabi Commercial Bank PJSC, EFG Hermes UAE Limited and HSBC Bank Middle East Limited have been appointed as Joint Bookrunners. First Abu Dhabi Bank PJSC has been appointed as the lead receiving bank and Abu Dhabi Commercial Bank PJSC has been appointed as a Receiving Bank.

The Offering has been declared Sharia compliant by the Internal Sharia Supervision Committee of HSBC Bank Middle East Limited.

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About Mubadala Investment Company (Mubadala)

Mubadala Investment Company is a sovereign investor managing a global portfolio, aimed at generating sustainable financial returns for the Government of Abu Dhabi.

Mubadala's \$243.4 billion (AED 894 billion) portfolio spans six continents with interests in multiple sectors and asset classes. We leverage our deep sectoral expertise and long-standing partnerships to drive sustainable growth and profit, while supporting the continued diversification and global integration of the economy of the United Arab Emirates.

Headquartered in Abu Dhabi, Mubadala has offices in London, Rio de Janeiro, Moscow, New York, San Francisco and Beijing.

For more information about Mubadala Investment Company, please visit: www.mubadala.com

Mubadala Social Media: [LinkedIn](#) [Instagram](#) [Twitter](#) [Facebook](#)

About Yahsat – Company Overview:

- Established in the UAE in 2007, Yahsat is one of the largest providers of multi-mission (government and commercial) satellite communications services in the world in terms of annual revenues as at 31 December 2020, according to management estimates.
 - Offering critical, integrated satellite communication solutions for government and commercial customers across 150+ countries, through a differentiated offering combining both FSS and MSS
- Yahsat and its subsidiaries (the “Group”) are headquartered in the UAE and through the Group’s critical satellite infrastructure provides both government and commercial satellite capacity and solutions, including government networks, enterprise networks, broadband, mobility (voice and narrowband data) and television broadcast, leveraging a fleet currently comprising five geostationary satellites covering Europe, Middle East and Africa (EMEA), Asia-Pacific (APAC) and Brazil.
- The Group is the preferred partner to the UAE Government (rated AA) for essential satellite communication solutions since inception
 - The relationship includes a significant 15-year contract since 2011 which provides cash flow stability and visibility
 - Additionally, through its YGS division, Yahsat is able to offer value added managed solutions services providing its mainly government customers with O&M and turn-key solutions for their satellite communications needs
- The Group has a high-quality satellite fleet that provides services using a wide selection of spectral bands (Ka-band, Ku-band, C-band and L-band). Its first two satellites, Al Yah 1 and Al Yah 2, were launched in April 2011 and April 2012, respectively. The Group’s third satellite, Al Yah 3, was launched in January 2018. The Group also added two satellites, Thuraya-2 and Thuraya-3, to its fleet through the acquisition of approximately 90 per cent of Thuraya Telecommunications Company PJSC (“Thuraya”) in 2018, with these satellites having been launched in June 2003 and January 2008, respectively. The Group expects to launch its new sixth satellite, Thuraya-4 Next

Generation System (T4-NGS), in the second half of 2023, with commercial operations scheduled to commence in the second half of 2024.

- Thuraya is a pioneer MSS operator with respect to the land voice (handheld) segment, with an estimated global market share of over 30%, and over 50 % in the MEA region, and has a diversified portfolio of MSS offerings including maritime, IoT/M2M and aero solutions.
 - It has capitalised on a first-mover advantage with well-established distribution platform for broadband and IP connectivity across several emerging markets and specific sub-sectors including land data and maritime
- Through its Data Solutions segment, Yahsat is able to provide unserved and underserved communities with broadband connectivity capacity for their communication needs
 - Yahsat adopts a differentiated go-to-market model with opportunity to combine in-market differentiation for new technologies using a variety of go-to-market models, including direct-to-market in South Africa, over 90 service partners across Africa, the Middle East and Southwest Asia, virtual network operator agreements in Brazil and Africa and sale of raw capacity in select cases across the coverage area
- Yahsat is a UAE industrial champion and an important component of the country’s National Space Strategy, which aims to diversify economic growth, develop local know-how and attract foreign investment in order to create the jobs of the future.
- The Group displays a highly attractive financial profile underpinned by a strong backlog, and a well-funded balance sheet supporting robust and growing dividend capacity and optionality to tap further growth pockets
 - Strong historical financial performance achieving 2020 revenues of \$408m with high contribution from secured long-term UAE Government contracts
 - Continued Normalised Adjusted EBITDA growth to \$233m in 2020 (approximately +5% 2018-2020 CAGR) and attractive Normalised Adjusted EBITDA Margin of 57% in 2020, reflecting the Company’s differentiated product offering with exceptional operational capabilities
 - High cash conversion, at over 90% (in terms of Normalised Adjusted EBITDA minus PPE related capex, excluding capital work in progress), driven by capex efficiency, and well capitalized balance sheet provide financial flexibility and dividend sustainability
 - Recently secured USD 700.5 million in financing at highly competitive rates, in the form of a new term loan agreement and an export credit agency (ECA) facility to support future growth
 - Well-identified growth opportunities spanning government managed solutions, data solutions (broadband in Africa and Brazil), mobility solutions (aero, maritime) and IoT
 - Sustainable dividend policy based on \$105m dividend for 2021 with a 2% growth factor per annum afterwards
- The Group’s highly experienced management team is composed of industry experts with a strong track record in senior roles within the communications industry.

Media Contacts

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This announcement does not constitute a prospectus, nor an offer or invitation to sell or issue, or a solicitation of an offer or invitation to purchase or subscribe for, any securities in the Company, in any jurisdiction, including in the United States, Australia, Canada, Japan or in any jurisdiction in which such offer or solicitation is unlawful.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

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In the European Economic Area (the “**EEA**”), this announcement is only addressed to and directed at persons in member states of the EEA who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as amended) (“**Qualified Investors**”). In the United Kingdom, this announcement is only addressed to and directed at persons who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as amended), which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, who are also: (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are other persons to whom it may otherwise lawfully be communicated (all such persons referred to in (i), (ii) and (iii) together being

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This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America, Australia, Canada, Japan or South Africa. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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This announcement has not been reviewed, verified, approved and/or licensed by the Central Bank of the UAE, the Securities and Commodities Authority of the UAE, the Abu Dhabi Securities Exchange and/or any other relevant licensing authority in the UAE including any licensing authority incorporated under the laws and regulations of any of the free zones established and operating in the territory of the UAE.

Exempt offer statement (DIFC): This announcement relates to a potential Exempt Offer which may be made in the Dubai International Financial Centre (the "**DIFC**") in accordance with the Dubai Financial Services Authority's ("**DFSA**") Rulebook. It is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this announcement nor taken steps to verify the information set out in it and has no responsibility for it. The securities to which this announcement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers and subscribers of the securities referred to herein should conduct their own due diligence on the securities. If you do not understand the contents of this announcement, you should consult an authorised financial adviser.

Exempt Offer Statement (ADGM): This announcement relates to a potential Exempt Offer which may be made in accordance with the Market Rules of the Abu Dhabi Global Market ("**ADGM**") Financial Services Regulatory Authority. This announcement is intended for distribution only to persons of a type specified



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The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities referred to herein should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "**manufacturer**" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Shares to be issued in the Offering have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "**distributors**" should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares to be issued in the Offering offer no guaranteed income and no capital protection; and an investment in the Shares to be issued in the Offering is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the FCA Handbook

Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

This announcement may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "plan", "project", "will", "can have", "likely", "should", "would", "could" and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and its investments, including, among other things, the development of its business, trends in its operating environment, and future capital expenditures and acquisitions. The forward-looking statements in this announcement speak only as at the date of this announcement. These statements reflect the beliefs of the directors of the Company (including based on their expectations arising from pursuit of the Company's strategy) as well as assumptions made by the directors of the Company and information currently available to the Company.

Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and none of the Company, Mamoura Diversified Global Holding PJSC (the "**Selling Shareholder**"), Mubadala Investment Company PJSC ("**Mubadala**"), the Banks nor any member of the Group, nor any of such person's affiliates or their respective directors, officers, employees, agents and/or advisors, nor any other person(s) accepts any responsibility for the accuracy or fairness of the opinions expressed in this announcement or the underlying assumptions and expressly disclaim any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise. Actual events or conditions are unlikely to be consistent with, and may differ significantly from, those assumed. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No representation or warranty is made that any forward-looking statement will come to pass. No one undertakes to update, supplement, amend or revise any forward-looking statements. You are therefore cautioned not to place any undue reliance on forward-looking statements.

Any subscription or purchase of Shares in the potential Offering should be made solely on the basis of information contained in the international offering memorandum ("**IOM**") issued by the Company in connection with the Offering. The information in this announcement is subject to change. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks set out in the IOM. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to acquire, whether by subscription or purchase, any securities, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

The Company may decide not to go ahead with the potential Offering and there is therefore no guarantee the Offering will be made or listing on the Abu Dhabi Securities Exchange will occur. Potential investors

should not base their financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the potential Offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the potential Offering for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you.

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In connection with the withdrawal of the United Kingdom from the European Union, the Banks may, at their discretion, undertake their obligations in connection with the potential Offering by any of their affiliates based in the EEA.

In connection with the potential Offering, each of the Banks and any of their respective affiliates may take up a portion of the Shares in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such securities and any other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the IOM, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt with should be read as including any issue, offer, subscription, acquisition, dealing or placing by the Banks and any of their affiliates acting in such capacity. In addition, certain of the Banks or their respective affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which such Banks (or their respective affiliates) may from time to time acquire, hold or dispose of Shares. None of the Banks nor any of their respective affiliates intends to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

For the avoidance of doubt, the contents of the Company's website, including the websites of the Company's or the Group's business units, are not incorporated by reference into, and do not form part of, this announcement.