

SPACE42 PLC

Report and Condensed Consolidated Interim Financial Statements

31 March 2026

Space42 PLC**Report and Condensed Consolidated Interim Financial Statements**

31 March 2026

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INDEPENDENT AUDITOR’S REVIEW REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF SPACE42 PLC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Space42 PLC (the “Company”), and its subsidiaries (together the “Group”), as at 31 March 2026, and the related statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months then ended, and other explanatory notes, including material accounting policy information. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting (‘IAS 34’). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Deloitte & Touche (M.E.) LLP



Obada AlKowatly
Partner
13 May 2026
Abu Dhabi
United Arab Emirates



Space42 PLC

Condensed consolidated interim statement of profit or loss

for the three months ended 31 March 2026 (unaudited)

	Notes	Three months ended 31 March	
		2026 \$ 000	2025 \$ 000
Revenue	4	115,555	115,066
Cost of revenue - goods and services		(16,521)	(16,043)
Staff costs		(31,082)	(33,524)
Other operating expenses ⁽¹⁾		(15,997)	(12,861)
Other income ⁽²⁾	5	274	6,108
Adjusted EBITDA ⁽³⁾		52,229	58,746
Depreciation and amortisation		(48,672)	(41,003)
Operating profit		3,557	17,743
Finance income		8,916	9,243
Finance costs		(7,207)	(2,507)
Net finance income		1,709	6,736
Share of results of equity-accounted investments	9	(1,517)	(56)
Profit before income tax		3,749	24,423
Income tax charge	6	(535)	(2,288)
Profit for the period		3,214	22,135
Profit (loss) for the period attributable to non-controlling interests		(1,422)	291
Profit for the period attributable to the Owners of Space42 PLC		4,636	21,844
Earnings per share			
Basic and diluted (cents per share)	19	0.097	0.459

⁽¹⁾ Other operating expenses include expected credit losses on trade and other receivables and contract assets of \$660 thousand (three months ended 31 March 2025: net reversal of expected credit losses of \$1,120 thousand).

⁽²⁾ Other income for the three months ended 31 March 2025 includes one-off insurance claim amounting to \$6,070 thousand.

⁽³⁾ Adjusted EBITDA is a non-GAAP measure and refers to earnings before interest, tax, depreciation, amortisation, and share of results of equity-accounted investments.

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The auditor's review report is set out on page i.



Space42 PLC

Condensed consolidated interim statement of comprehensive income

for the three months ended 31 March 2026 (unaudited)

	Three months ended 31 March	
	2026 \$ 000	2025 \$ 000
Profit for the period	3,214	22,135
Other comprehensive income (loss):		
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedge - effective portion of changes in fair value	1,183	(1,887)
Cash flow hedge - gain reclassified to profit or loss	(1,419)	(3,149)
Foreign operations - currency translation differences	694	1,502
	458	(3,534)
Items that may not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit obligation, net of tax	(94)	-
Other comprehensive income (loss) for the period	364	(3,534)
Total comprehensive income for the period	3,578	18,601
Total comprehensive income (loss) attributable to non-controlling interests	(1,460)	319
Total comprehensive income attributable to the Owners of Space42 PLC	5,038	18,282

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The auditor's review report is set out on page i.



Space42 PLC


Condensed consolidated interim statement of financial position


at 31 March 2026

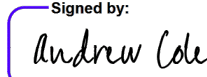
	Notes	(Unaudited) 31 March 2026 \$ 000	(Audited) 31 December 2025 \$ 000
Assets			
Property, plant and equipment	7	1,491,584	1,499,705
Right-of-use assets		23,266	24,504
Intangible assets and goodwill	8	684,365	693,187
Equity-accounted investments	9	24,581	25,233
Trade and other receivables	10	2,567	5,374
Derivative financial instruments		9,910	9,071
Contract costs		2,378	2,378
Deferred income tax assets		6,908	7,493
Total non-current assets		2,245,559	2,266,945
Inventories		17,436	18,420
Trade and other receivables	10	166,920	163,415
Contract assets	10	158,487	205,505
Contract costs		2,847	2,837
Derivative financial instruments		4,551	4,207
Income tax assets		154	72
Cash and short-term deposits *	11	1,024,238	995,017
Total current assets		1,374,633	1,389,473
Total assets		3,620,192	3,656,418
Liabilities			
Trade and other payables	12	311,736	365,250
Contract liabilities	13	100,187	52,767
Borrowings	14	88,283	88,004
Lease liabilities		6,273	6,255
Income tax liabilities		706	191
Total current liabilities		507,185	512,467
Trade and other payables	12	378,991	393,684
Contract liabilities	13	703,633	721,682
Borrowings	14	171,512	171,229
Lease liabilities		19,534	20,233
Defined benefit obligations		10,292	11,125
Deferred income tax liabilities		44,616	45,147
Total non-current liabilities		1,328,578	1,363,100
Total liabilities		1,835,763	1,875,567
Net assets		1,784,429	1,780,851
Equity			
Share capital	15	129,664	129,664
Share premium	15	1,514,253	1,514,253
Hedging reserve		(4,619)	(4,383)
Other reserve		13,687	13,687
Translation reserve		460	(270)
Remeasurement reserve		(1,942)	(1,850)
Retained earnings		95,337	90,701
Equity attributable to the Owners of Space42 PLC		1,746,840	1,741,802
Non-controlling interests		37,589	39,049
Total equity		1,784,429	1,780,851

* Cash and short term deposits include cash and cash equivalents of \$1,024,238 thousand (31 December 2025: \$995,017 thousand).

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on 13 May 2026 and approved on their behalf by:

Signed by:

 06CAB59FD7D6442...
H.E. Mansoor Al Mansoori
 Chairman of the Board

Signed by:

 A3B87D46144843A...
Karim Michel Sabbagh
 Managing Director

Signed by:

 AB968BCF46384E8...
Andrew Francis Cole
 Chief Financial Officer

The accompanying notes form an integral part of these condensed consolidated interim financial statements.
 The auditor's review report is set out on page i.



Space42 PLC

Condensed consolidated interim statement of changes in equity

for the three months ended 31 March 2026 (unaudited)

	Attributable to the Owners of Space42 PLC						
	Share capital	Share premium	Other reserves ⁽¹⁾	Retained earnings	Total	Non-controlling interests	Total equity
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
At 1 January 2025 (audited)	129,664	1,514,253	13,936	182,335	1,840,188	33,267	1,873,455
Profit for the period	-	-	-	21,844	21,844	291	22,135
Other comprehensive income (loss):							
Cash flow hedge - effective portion of changes in fair value	-	-	(1,887)	-	(1,887)	-	(1,887)
Cash flow hedge - gain reclassified to profit or loss	-	-	(3,149)	-	(3,149)	-	(3,149)
Currency translation differences	-	-	1,474	-	1,474	28	1,502
Other comprehensive income (loss) for the period	-	-	(3,562)	-	(3,562)	28	(3,534)
Total comprehensive income (loss) for the period	-	-	(3,562)	21,844	18,282	319	18,601
At 31 March 2025 (unaudited)	129,664	1,514,253	10,374	204,179	1,858,470	33,586	1,892,056
At 1 January 2026 (audited)	129,664	1,514,253	7,184	90,701	1,741,802	39,049	1,780,851
Profit (loss) for the period	-	-	-	4,636	4,636	(1,422)	3,214
Other comprehensive income (loss):							
Cash flow hedge - effective portion of changes in fair value	-	-	1,183	-	1,183	-	1,183
Cash flow hedge - gain reclassified to profit or loss	-	-	(1,419)	-	(1,419)	-	(1,419)
Currency translation differences	-	-	730	-	730	(36)	694
Remeasurement of defined benefit obligations	-	-	(92)	-	(92)	(2)	(94)
Other comprehensive income (loss) for the period	-	-	402	-	402	(38)	364
Total comprehensive income (loss) for the period	-	-	402	4,636	5,038	(1,460)	3,578
At 31 March 2026 (unaudited)	129,664	1,514,253	7,586	95,337	1,746,840	37,589	1,784,429

⁽¹⁾ Other reserves include hedging reserve, statutory reserve relating to subsidiaries, translation reserve and actuarial remeasurement reserve.

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The auditor's review report is set out on page i.



Space42 PLC

Condensed consolidated interim statement of cash flows

for the three months ended 31 March 2026 (unaudited)

	Notes	Three months ended 31 March	
		2026 \$ 000	2025 \$ 000
Operating activities			
Profit before income tax		3,749	24,423
Adjustments for:			
Share of results of equity-accounted investments	9	1,517	56
Depreciation and amortisation		48,672	41,003
Allowance (reversal) for expected credit losses		660	(1,120)
Allowance for inventories		1,067	41
Write-off of property, plant and equipment		167	-
Finance income		(8,916)	(9,243)
Finance costs		7,207	2,507
Current service cost		440	498
Operating profit before working capital changes		54,563	58,165
Working capital changes:			
Trade and other receivables		1,521	(9,416)
Contract assets		47,572	14,011
Contract costs		(10)	2,673
Inventories		(83)	(249)
Trade and other payables		(60,675)	(43,603)
Contract liabilities		29,371	30,181
Cash generated from operations		72,259	51,762
Payments for defined benefit obligations		(1,524)	(1,668)
Income tax paid		(62)	(150)
Net cash from operating activities		70,673	49,944
Investing activities			
Purchases of property, plant and equipment		(45,191)	(70,683)
Additions to intangible assets		-	(189)
Receipt of government grant towards purchase of software	8	164	-
Proceeds of term deposits with original maturities more than three months		-	224,881
Term deposits placed with original maturities more than three months		-	(175,000)
Interest received		5,532	7,878
Net cash used in investing activities		(39,495)	(13,113)
Financing activities			
Repayment of term loans		-	(250,000)
Payment of lease liabilities		(1,000)	(1,205)
Interest paid including derivative settlements		(773)	(3,462)
Net cash used in financing activities		(1,773)	(254,667)
Net increase (decrease) in cash and cash equivalents		29,405	(217,836)
Net foreign exchange difference		(184)	111
Cash and cash equivalents at the beginning of the period		995,017	732,545
Cash and cash equivalents as the end of the period		1,024,238	514,820

The accompanying notes form an integral part of these condensed consolidated interim financial statements.
The auditor's review report is set out on page i.

Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

1 Corporate information

Space42 PLC (the "Company") is registered in Abu Dhabi Global Market (ADGM) under license number 000008474 as a Public Company Limited by Shares. The Company was incorporated on 28 September 2022 (the "inception date"). The registered address of the Company is Al Sarab Tower, ADGM Square, Al Maryah Island, Abu Dhabi, United Arab Emirates. The Company's ordinary shares are listed on the Abu Dhabi Stock Exchange (ADX).

The Group's parent company and controlling party is Group 42 Holding Ltd (the "Parent Company"), a private company registered in Abu Dhabi Global Market and the Ultimate Parent Entity is Fount Trust.

These condensed consolidated interim financial statements include the financial performance and position of the Company, its subsidiaries (collectively referred to as the "Group") and the Group's interest in its equity-accounted investees.

The Group is organized into two business units and its principal activities are:

- 1) Space Services (SPA): The Space Services business provides robust, secure satellite communication solutions for government and mission-critical applications; reliable mobility and communication solutions; and high-speed data connectivity solutions.
- 2) Smart Solutions (SOL): The Smart Solutions business provides earth observation, geospatial solutions and industry-specific solutions using Space42's AI-driven multi-intelligence platform, GIQ, which integrates data from space and ground assets to assist with decision-making, enhance situational awareness, and improve operational efficiency.

2 Material accounting policy information

2.1 Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting and comply where appropriate, with the Articles of Association of the Company and applicable requirements of Abu Dhabi Global Market ("ADGM") Companies Regulations 2020 (as amended), Companies Regulations (International Accounting Standards) Rules 2015 and ADGM Financial Services Regulatory Authority Market Rules.

These condensed consolidated interim financial statements should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2025 ('last annual financial statements'). These condensed consolidated interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. In addition, results for the three months ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The same accounting policies and methods of computation are followed in the condensed consolidated interim financial statements as compared with the last annual financial statements, except for new and amended standards applicable from 1 January 2026 as disclosed in note 2.2 below.

Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis, except for derivative financial instruments, which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and presentation currency

These condensed consolidated interim financial statements are presented in United States Dollars ("USD" or "\$"), the functional currency of the Company and the presentation currency of the Group. Subsidiaries and its equity-accounted investees determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency. All financial information presented in USD has been rounded to the nearest thousand ("\$ 000"), unless stated otherwise.

Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

2 Material accounting policy information (continued)

2.2 New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The amendments did not have any material impact on the Group's condensed consolidated interim financial statements.

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS Accounting Standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments did not have any material impact on the Group's condensed consolidated interim financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on the Group's condensed consolidated interim financial statements.

2.3 Standards issued but not yet effective and not early adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements, are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

New and amended standards issued but not effective and not yet adopted by the Group	Effective date
<i>IFRS 18 Presentation and Disclosure in Financial Statements</i>	<i>1 January 2027</i>
<i>IFRS 19 Subsidiaries without Public Accountability: Disclosures</i>	<i>1 January 2027</i>
<i>Amendments to IAS 21: Translation to a Hyperinflationary Presentation Currency</i>	<i>1 January 2027</i>
<i>Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures</i>	<i>1 January 2027</i>
<i>IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures</i>	<i>1 January 2024, subject to adoption by the local jurisdiction</i>

The Group is currently in the process of assessing the impacts of IFRS 18 on the condensed consolidated interim financial statements.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the condensed consolidated interim financial statements of the Group. Except IFRS 18, the above stated new standards and amendments are not expected to have any significant impact on the condensed consolidated interim financial statements of the Group.



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

3 Segment information

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 Operating Segments.

Information on segments

The Group is organized into two business units. Each business unit is headed by a Chief Executive Officer (CEO), who reports to the Managing Director, who is also the Chief Operating Decision Maker (CODM). The CODM assesses the financial performance and financial position of the business units and the Group, in making decisions to allocate resources.

The business units meet the definition of operating segments as per IFRS 8 Operating Segments. The details of the operating segments are as follows:

1) Space Services (SPA): The Space Services business provides robust, secure satellite communication solutions for government and mission-critical applications; reliable mobility and communication solutions; and high-speed data connectivity solutions.

2) Smart Solutions (SOL): The Smart Solutions business provides earth observation, geospatial solutions and industry-specific solutions using Space42's AI-driven multi-intelligence platform, GIQ, which integrates data from space and ground assets to assist with decision-making, enhance situational awareness, and improve operational efficiency.

Segment revenue is measured in a manner consistent with that in the condensed consolidated interim statement of profit or loss. The performance of the segments are evaluated based on Adjusted EBITDA.

Capital expenditure includes additions during the period to property, plant and equipment, right-of-use assets and intangible assets.

The breakdown of revenue from external customers by nature of business activity is provided in note 4. There were no intersegment revenue in the current and prior periods.

The segment information for the three months ended 31 March 2026 is as follows.

	31 March 2026		
	Space Services \$ 000	Smart Solutions \$ 000	Total \$ 000
Revenue	110,044	5,511	115,555
Cost of revenue - goods and services	(9,865)	(6,656)	(16,521)
Staff costs	(19,980)	(11,102)	(31,082)
Other operating expenses	(12,775)	(3,222)	(15,997)
Other income	10	264	274
Adjusted EBITDA	67,434	(15,205)	52,229
Depreciation and amortisation	(47,461)	(1,211)	(48,672)
Operating profit (loss)	19,973	(16,416)	3,557
Finance income	8,272	644	8,916
Finance costs	(6,075)	(1,132)	(7,207)
Net finance income	2,197	(488)	1,709
Share of results of equity-accounted investments	(1,517)	-	(1,517)
Profit (loss) before income tax	20,653	(16,904)	3,749
Income tax (charge) credit	(2,058)	1,523	(535)
Profit (loss) for the period	18,595	(15,381)	3,214
Loss for the period attributable to non-controlling interests	(1,109)	(313)	(1,422)
Profit (loss) for the period attributable to the Owners of Space42 PLC	19,704	(15,068)	4,636
Capital expenditure	27,595	3,249	30,844



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

3 Segment information (continued)

The segment information for the three months ended 31 March 2025 is as follows.

	31 March 2025		
	Space Services	Smart Solutions	Total
	\$ 000	\$ 000	\$ 000
Revenue	95,517	19,549	115,066
Cost of revenue - goods and services	(6,858)	(9,185)	(16,043)
Staff costs	(19,584)	(13,940)	(33,524)
Other operating expenses	(8,944)	(3,917)	(12,861)
Other income	6,086	22	6,108
Adjusted EBITDA	66,217	(7,471)	58,746
Depreciation and amortisation	(37,649)	(3,354)	(41,003)
Operating profit (loss)	28,568	(10,825)	17,743
Finance income	8,295	948	9,243
Finance costs	(2,362)	(145)	(2,507)
Net finance income	5,933	803	6,736
Share of results of equity-accounted investments	(56)	-	(56)
Profit (loss) before income tax	34,445	(10,022)	24,423
Income tax charge	(2,288)	-	(2,288)
Profit (loss) for the period	32,157	(10,022)	22,135
Profit for the period attributable to non-controlling interests	291	-	291
Profit (loss) for the period attributable to the Owners of Space42 PLC	31,866	(10,022)	21,844
Capital expenditure	35,017	3,796	38,813

Geographical information

The information on Group's revenue by geography has been compiled based on the principal location of the customers. The Group's principal place of operations is the United Arab Emirates.

Information on significant revenues from a single customer is provided in note 17.

	Three months ended	
	31 March	
	2026	2025
	\$ 000	\$ 000
United Arab Emirates	106,180	105,125
Asia	3,891	4,197
Africa	1,809	2,842
Europe	2,796	2,062
North America	879	674
Others	-	166
Revenue	115,555	115,066



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

4 Revenue

	Note	Three months ended	
		2026	31 March
		2026	2025
		\$ 000	\$ 000
Revenue includes:			
Revenue from contracts with customers (IFRS 15)		82,613	81,996
Income from operating leases (IFRS 16)		32,942	33,070
		115,555	115,066
Revenue (by nature)			
Services rendered		114,520	114,627
Sale of equipment and accessories, net		1,035	439
		115,555	115,066
Revenue from related parties is disclosed in note 17.			
Disaggregation of revenue by reportable segment:			
	3		
Space services		110,044	95,517
Smart solutions		5,511	19,549
		115,555	115,066
Timing of recognition of revenue from contracts with customers:			
Over time		76,124	74,120
At a point in time		6,489	7,876
		82,613	81,996

Revenue by geography is disclosed in note 3.

	Notes	31 March	31 December	1 January
		2026	2025	2025
		\$ 000	\$ 000	\$ 000
Contract balances:				
Trade receivables, net of loss allowance	10	131,473	147,323	140,017
Contract assets, net of loss allowance	10	158,487	205,505	301,028
Contract liabilities	13	803,820	774,449	607,605

5 Other income

	Three months ended	
	2026	31 March
	2026	2025
	\$ 000	\$ 000
Income from insurance claims *	-	6,070
Others	274	38
	274	6,108

* Represents amount receivable, net of claim fees, resulting from the Group's insurance claim against an anomaly relating to Al Yah 3 satellite.



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

6 Income tax

The major components of income tax charge in the condensed consolidated interim statement of profit or loss are:

	Three months ended	
	2026	31 March 2025
	\$ 000	\$ 000
Current income tax	495	2,682
Deferred tax (relating to origination and reversal of temporary differences)	40	(394)
Income tax charge recognised in profit or loss	535	2,288

Global Minimum Tax

In an effort to end tax avoidance and to address concerns regarding the erosion of the global corporate tax base, a global framework for corporate taxation has been formed by the OECD/G20 Inclusive Framework and is supported by over 135 jurisdictions. The goal of the framework is to reduce the shifting of profit from one jurisdiction to another, in order to reduce global tax obligations in corporate structures and introduce a minimum 15% tax rate by jurisdiction ("Pillar Two").

On 9 December 2024, the UAE Ministry of Finance announced a 15% Domestic Minimum Top-up Tax (DMTT) for multinational enterprises (MNE) with global revenues of Euro 750 million at the ultimate parent level, aligning with the OECD Pillar Two framework. During the period, the UAE Cabinet resolution no. 142 of 2024 (the "resolution") concerning 'Imposition of UAE Qualified Domestic Minimum Top-up Taxes ("QDMTT") on Multinational Enterprises (MNE)' was issued which is effective from 1 January 2025. The resolution accompanies detailed provisions, rules and procedures on the QDMTT.

Space42 PLC and its subsidiaries are subject to QDMTT since the global revenues of the Company's ultimate parent entity exceed the minimum threshold of EUR 750 million and therefore meet the definition of constituent entities that are a member of an MNE Group, as defined under the resolution. As a result of the Group's assessment of the applicable requirements of the resolution, QDMTT of \$76 thousand, included in current income tax above, was recognised in the condensed consolidated interim profit or loss during the three months ended 31 March 2026 (three months ended 31 March 2025: \$nil).

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

7 Property, plant and equipment

	31 March 2026	31 December 2025
	\$ 000	\$ 000
At the beginning of the period/year	1,499,705	1,422,394
Additions	30,383	263,790
Disposals	-	(101)
Depreciation	(38,315)	(141,722)
Impairment *	-	(9,735)
Grants related to assets	-	(4,612)
Transfer to inventories	-	(48)
Transfer to intangible assets (note 8)	-	(30,023)
Write-offs	(167)	(358)
Exchange differences	(22)	120
At the end of the period/year	1,491,584	1,499,705

Property, plant and equipment includes capital work in progress which mainly relates to satellite systems under construction comprising i) AY4/5 satellites program, ii) T4-NGS ground stations, iii) development of low earth orbit (LEO) satellites and iv) high-altitude platform systems (HAPS) amounting to \$625.6 million (31 December 2025: \$628.7 million). Additions during the period mainly relate to satellites systems amounting to \$23.8 million.



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

7 Property, plant and equipment (continued)

During the year ended 31 December 2025, T4-NGS satellite was successfully launched into orbit and commenced commercial operations on 1 July 2025. The Group also successfully deployed three LEO satellites, which remain under in-orbit testing and commissioning at the reporting date.

Additions to property, plant and equipment during the three months ended 31 March 2025 amounted to \$38,624 thousand.

* During the year ended 31 December 2025, the Group recognised impairment loss on property, plant and equipment of \$9,735 thousand relating to Smart Solutions segment.

Borrowing costs capitalised during the three months ended 31 March 2026 amounted to \$3,946 thousand at a capitalisation rate of 3.6% per annum (three months ended 31 March 2025: \$8,793 thousand at a capitalisation rate of 3% per annum).

8 Intangible assets and goodwill

	31 March 2026 \$ 000	31 December 2025 \$ 000
At the beginning of the period/year	693,187	693,103
Additions	461	6,217
Transfer from property, plant and equipment (note 7)	-	30,023
Grants related to assets	(164)	(2,798)
Amortisation	(9,119)	(33,358)
At the end of the period/year	684,365	693,187

Additions during the three months ended 31 March 2025 amounted to \$189 thousand.

9 Equity-accounted investments

	31 March 2026 \$ 000	31 December 2025 \$ 000
At the beginning of the period/year	25,233	28,080
Return of investment from AI Maisan	-	(2,925)
Share of results for the period/year	(1,517)	(2,043)
Exchange differences	865	2,121
At the end of the period/year	24,581	25,233
of which Investment in HPE	16,707	16,268
of which Investment in AI Maisan	7,874	8,965

Share of results for the three months ended 31 March 2025 amounted to a loss of \$56 thousand.

10 Trade and other receivables and contract assets

Trade and other receivables

	31 March 2026 \$ 000	31 December 2025 \$ 000
Trade receivables	182,064	196,944
Allowance for expected credit losses	(50,591)	(49,621)
Trade receivables, net of allowance	131,473	147,323
Prepayments	15,444	6,548
Advances to suppliers	10,401	7,596
Other receivables, net of allowance	12,169	7,322
Total trade and other receivables	169,487	168,789
of which non-current	2,567	5,374
of which current	166,920	163,415

Trade and other receivables (net of allowance) of \$68,909 thousand (31 December 2025: \$90,991 thousand) pertain to related parties.



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

10 Trade and other receivables and contract assets (continued)

Contract assets

	31 March 2026 \$ 000	31 December 2025 \$ 000
Contract assets - Space services	40,876	37,708
Contract assets - Smart solutions	233,029	283,768
Allowance for expected credit losses	(115,418)	(115,971)
Contract assets, net of allowance	158,487	205,505

Contract assets (net of allowance) of \$155,718 thousand (31 December 2025: \$197,714 thousand) pertain to related parties.

11 Cash and short-term deposits

	31 March 2026 \$ 000	31 December 2025 \$ 000
Cash on hand and in banks	165,862	91,862
Cash at banks - related parties	198,930	310,357
Short-term deposits with banks - related parties	587,820	515,210
Wakala deposits - related parties	71,626	77,588
Cash and short-term deposits (cash and cash equivalents)	1,024,238	995,017

12 Trade and other payables

	31 March 2026 \$ 000	31 December 2025 \$ 000
Trade payables	68,891	63,185
Accruals	133,337	167,589
Advance lease rentals	443,325	448,690
Satellite incentive program *	11,022	10,908
Other payables	34,152	68,562
Total trade and other payables	690,727	758,934
of which non-current	378,991	393,684
of which current	311,736	365,250

* Represents obligation payable to the satellite manufacturer in relation to T4-NGS provided that it continues to operate satisfactorily in accordance with contractual specifications.

Trade and other payables of \$475,931 thousand (31 December 2025: \$514,991 thousand) pertain to related parties.

13 Contract liabilities

	31 March 2026 \$ 000	31 December 2025 \$ 000
Contract liabilities - Space services	795,843	766,933
Contract liabilities - Smart solutions	7,977	7,516
Total contract liabilities	803,820	774,449
of which non-current	703,633	721,682
of which current	100,187	52,767

Contract liabilities of \$784,307 thousand (31 December 2025: \$755,241 thousand) pertain to related parties.



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

14 Borrowings

	31 March 2026 \$ 000	31 December 2025 \$ 000
The carrying amount of borrowings are as follows:		
Principal amounts	267,690	267,690
Unamortised transaction costs	(7,895)	(8,457)
Term loans - net of unamortised transaction costs	259,795	259,233
of which current	88,283	88,004
of which non-current	171,512	171,229

The breakdown of the carrying amounts of the term loans is as follows:

	Repayment tenor Years	Principal amount \$ 000	Unamortised transaction costs \$ 000	Carrying amount \$ 000
At 31 March 2026				
Term loan 1	2022-2026	60,000	(255)	59,745
Term loan 2	2024-2032	207,690	(7,640)	200,050
		267,690	(7,895)	259,795
At 31 December 2025				
Term loan 1	2022-2026	60,000	(534)	59,466
Term loan 2	2024-2032	207,690	(7,923)	199,767
		267,690	(8,457)	259,233

The table below provides the changes in the term loans arising from financing activities, including both cash and non-cash changes:

	31 March 2026 \$ 000	31 December 2025 \$ 000
At the beginning of the period/year	259,233	646,659
Amortisation of transaction costs (non-cash)	562	2,244
Repayments (cash)	-	(389,670)
At the end of the period/year	259,795	259,233

The principal amounts of the term loans are repayable as follows:

	Term loan 1 \$ 000	Term loan 2 \$ 000	Total \$ 000
At 31 March 2026			
Within one year	60,000	29,670	89,670
1 - 2 years	-	29,670	29,670
2 - 5 years	-	89,010	89,010
Beyond 5 years	-	59,340	59,340
	60,000	207,690	267,690
At 31 December 2025			
Within one year	60,000	29,670	89,670
1 - 2 years	-	29,670	29,670
2 - 5 years	-	89,010	89,010
Beyond 5 years	-	59,340	59,340
	60,000	207,690	267,690

Borrowings include outstanding balances due to related party banks aggregating to \$17,250 thousand (31 December 2025: \$17,250 thousand).



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

15 Share capital

	31 March 2026 \$ 000	31 December 2025 \$ 000
Issued and fully paid:		
4,761,905,551 shares of \$0.027 each (AED 0.10 each)	129,664	129,664

As at 31 March 2026, the Company's share premium amounts to \$1,514,253 thousand (31 December 2025: \$1,514,253 thousand).

16 Capital commitments and contingent liabilities

	31 March 2026 \$ 000	31 December 2025 \$ 000
Capital commitments - committed and contracted	437,019	451,964
Contingent liabilities - performance bonds and letter of credits provided by banks in the normal course of business	944,529	943,019

Capital commitments mainly relate to AY4/5 Satellite Program, low earth orbit (LEO) satellites and high-altitude platform systems (HAPS) assets under construction.

17 Related party transactions

	Three months ended 31 March	
	2026 \$ 000	2025 \$ 000
Transaction with key management personnel		
Key management personnel compensation:		
Short term employment benefits *	2,834	3,685
Post-employment benefits	83	145

* Includes Board of directors and committee fees charged to condensed consolidated interim profit or loss during the three months ended 31 March 2026 amounting to \$342 thousand respectively (three months ended 31 March 2025: \$433 thousand).

	Three months ended 31 March	
	2026 \$ 000	2025 \$ 000
Transaction with other related parties		
Revenue		
Government entities *	99,005	101,028
Entities under common control	471	283
Associate	209	369
Total	99,685	101,680
Purchase of services and materials		
Government entities	107	113
Entities under common control	180	1,338
Associate	465	416
Total	752	1,867
Interest income on short term deposits - with banks		
Other related parties	6,980	9,206

* Revenue includes \$94.5 million from one customer (three months ended 31 March 2025: \$81.8 million). There are no revenues from an individual customer, except as disclosed above, that represent 10 percent or more of the Group's total revenue.



Space42 PLC

Notes to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (unaudited)

17 Related party transactions (continued)

Transaction with other related parties (continued)	Note	Three months ended	
		2026	31 March
		\$ 000	2025
			\$ 000
Interest on term loans from banks, net of hedges			
Other related parties		(1,202)	(2,445)
Interest on contract liabilities			
Government entities		6,466	6,417
Outsourced expenses, office lease rent, systems support			
Parent Company		91	1,029
Entities under common control		1,479	95
Other related parties		49	124
		1,619	1,248
Grants			
Grants related to assets	8	164	-

18 Fair value disclosures

A number of the Group's accounting policies and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes as explained below.

The fair value of the derivative financial instruments is based on broker quotes, which are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Derivatives fall into Level 2 of the fair value hierarchy.

There were no transfers between Level 1, Level 2 and Level 3 during current and prior periods.

The fair values of the Group's current financial assets and liabilities are equal to their carrying amounts. The fair values of the Group's borrowings, which bear interest at variable rates, approximate their carrying amounts. These are determined using discounted cash flows.

19 Earnings per share

	Three months ended	
	2026	31 March
		2025
Profit for the period attributable to the Owners of Space42 PLC (in \$'000)	4,636	21,844
Weighted average number of ordinary shares outstanding ('000)	4,761,906	4,761,906
Basic and diluted earnings per share (cents)	0.097	0.459
Basic and diluted earnings per share (fils)	0.358	1.685

20 Seasonality, cyclicity and recent regional developments

No income of a seasonal nature was recorded in the condensed consolidated interim statement of profit or loss for the three months ended 31 March 2026 and 31 March 2025.

During the period, geopolitical tensions in the Middle East escalated following a regional conflict. The evolving geopolitical conditions present heightened risks related to regional security, logistics, insurance coverage, energy supply, energy prices, and resultant inflation. As at the reporting date, no disruptions to operations have been identified.



Space42 PLC

Supplemental information to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (Unaudited)

The condensed consolidated interim financial statements are presented in United States Dollars ("USD" or "\$"), the functional currency of the Company and the presentation currency of the Group. The following selected supplemental information is presented in United Arab Emirates Dirhams (AED) solely for convenience. AED amounts have been translated at the rate of AED 3.6725 to USD 1, except for share capital and additional paid-in capital which are translated using historical rates. For the purpose of this translation, numbers have been rounded where necessary.

i) Condensed consolidated interim statement of profit or loss

	Three months ended 31 March	
	2026 AED 000	2025 AED 000
Revenue	424,376	422,580
Cost of revenue - goods and services	(60,673)	(58,918)
Staff costs	(114,149)	(123,117)
Other operating expenses	(58,749)	(47,232)
Other income	1,006	22,432
Adjusted EBITDA	191,811	215,745
Depreciation and amortisation	(178,748)	(150,584)
Operating profit	13,063	65,161
Finance income	32,744	33,945
Finance costs	(26,468)	(9,207)
Net finance income	6,276	24,738
Share of results of equity-accounted investments	(5,571)	(206)
Profit before income tax	13,768	89,693
Income tax charge	(1,965)	(8,403)
Profit for the period	11,803	81,290
Profit (loss) for the period attributable to non-controlling interests	(5,222)	1,069
Profit for the period attributable to the Owners of Space42 PLC	17,025	80,221
Earnings per share		
Basic and diluted (cents per share)	0.358	1.685

ii) Condensed consolidated interim statement of comprehensive income

	Three months ended 31 March	
	2026 AED 000	2025 AED 000
Profit for the period	11,803	81,290
Other comprehensive income (loss):		
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedge - effective portion of changes in fair value	4,345	(6,930)
Cash flow hedge - gain reclassified to profit or loss	(5,211)	(11,565)
Foreign operations - currency translation differences	2,549	5,516
	1,683	(12,979)
Items that may not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit obligation, net of tax	(345)	-
Other comprehensive income (loss) for the period	1,338	(12,979)
Total comprehensive income for the period	13,141	68,311
Total comprehensive income (loss) attributable to non-controlling interests	(5,362)	1,172
Total comprehensive income attributable to the Owners of Space42 PLC	18,503	67,139



Space42 PLC

Supplemental information to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (Unaudited)

iii) Condensed consolidated interim statement of financial position

	31 March 2026 AED 000	31 December 2025 AED 000
Assets		
Property, plant and equipment	5,477,842	5,507,667
Right-of-use assets	85,444	89,991
Intangible assets and goodwill	2,513,330	2,545,729
Equity-accounted investments	90,274	92,668
Trade and other receivables	9,427	19,736
Derivative financial instruments	36,394	33,313
Contract costs	8,733	8,733
Deferred income tax assets	25,370	27,518
Total non-current assets	8,246,814	8,325,355
Inventories	64,034	67,647
Trade and other receivables	613,014	600,142
Contract assets	582,044	754,717
Contract costs	10,456	10,419
Derivative financial instruments	16,714	15,450
Income tax assets	566	264
Cash and short-term deposits	3,761,514	3,654,200
Total current assets	5,048,342	5,102,839
Total assets	13,295,156	13,428,194
Liabilities		
Trade and other payables	1,144,852	1,341,380
Contract liabilities	367,937	193,787
Borrowings	324,219	323,195
Lease liabilities	23,038	22,971
Income tax liabilities	2,593	701
Total current liabilities	1,862,639	1,882,034
Trade and other payables	1,391,844	1,445,804
Contract liabilities	2,584,092	2,650,377
Borrowings	629,878	628,839
Lease liabilities	71,739	74,306
Defined benefit obligations	37,797	40,857
Deferred income tax liabilities	163,852	165,802
Total non-current liabilities	4,879,202	5,005,985
Total liabilities	6,741,841	6,888,019
Net assets	6,553,315	6,540,175
Equity		
Share capital	476,191	476,191
Share premium	5,561,094	5,561,094
Hedging reserve	(16,963)	(16,096)
Other reserve	50,266	50,266
Translation reserve	1,689	(992)
Remeasurement reserve	(7,132)	(6,794)
Retained earnings	350,124	333,099
Equity attributable to the Owners of Space42 PLC	6,415,269	6,396,768
Non-controlling interests	138,046	143,407
Total equity	6,553,315	6,540,175

Space42 PLC**Supplemental information to the condensed consolidated interim financial statements**

for the three months ended 31 March 2026 (Unaudited)

iv) Condensed consolidated interim statement of changes in equity

	Attributable to the owners of Space42 PLC						
	Share capital	Share premium	Other Reserves ⁽¹⁾	Retained earnings	Total	Non-controlling interests	Total equity
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
At 1 January 2025 (audited)	476,191	5,561,094	51,181	669,625	6,758,091	122,173	6,880,264
Profit for the period	-	-	-	80,221	80,221	1,069	81,290
Other comprehensive income (loss):							
Cash flow hedge - effective portion of changes in fair value	-	-	(6,930)	-	(6,930)	-	(6,930)
Cash flow hedge - gain reclassified to profit or loss	-	-	(11,565)	-	(11,565)	-	(11,565)
Currency translation differences	-	-	5,413	-	5,413	103	5,516
Other comprehensive income (loss) for the period	-	-	(13,082)	-	(13,082)	103	(12,979)
Total comprehensive income (loss) for the period	-	-	(13,082)	80,221	67,139	1,172	68,311
At 31 March 2025 (unaudited)	476,191	5,561,094	38,099	749,846	6,825,230	123,345	6,948,575
At 1 January 2026 (audited)	476,191	5,561,094	26,383	333,099	6,396,767	143,407	6,540,174
Profit (loss) for the period	-	-	-	17,025	17,025	(5,222)	11,803
Other comprehensive income (loss):							
Cash flow hedge - effective portion of changes in fair value	-	-	4,345	-	4,345	-	4,345
Cash flow hedge - gain reclassified to profit or loss	-	-	(5,211)	-	(5,211)	-	(5,211)
Currency translation differences	-	-	2,681	-	2,681	(132)	2,549
Remeasurement of defined benefit obligations	-	-	(338)	-	(338)	(7)	(345)
Other comprehensive income (loss) for the period	-	-	1,477	-	1,477	(139)	1,338
Total comprehensive income (loss) for the period	-	-	1,477	17,025	18,502	(5,361)	13,141
At 31 March 2026 (unaudited)	476,191	5,561,094	27,860	350,124	6,415,269	138,046	6,553,315

⁽¹⁾ Other reserves include hedging reserve, statutory reserve relating to subsidiaries, translation reserve and actuarial remeasurement reserve.



Space42 PLC

Supplemental information to the condensed consolidated interim financial statements

for the three months ended 31 March 2026 (Unaudited)

v) Condensed consolidated interim statement of cash flows

	Three months ended 31 March	
	2026 AED 000	2025 AED 000
Operating activities		
Profit before income tax	13,768	89,693
Adjustments for:		
Share of results of equity-accounted investments	5,571	206
Depreciation and amortisation	178,748	150,584
Allowance (reversal) for expected credit losses	2,424	(4,113)
Allowance for inventories	3,919	151
Write-off of property, plant and equipment	613	-
Finance income	(32,744)	(33,945)
Finance costs	26,468	9,207
Current service cost	1,616	1,829
Operating profit before working capital changes	200,383	213,612
Working capital changes:		
Trade and other receivables	5,586	(34,583)
Contract assets	174,708	51,455
Contract costs	(37)	9,817
Inventories	(305)	(914)
Trade and other payables	(222,829)	(160,132)
Contract liabilities	107,865	110,840
Cash generated from operations	265,371	190,095
Payments for defined benefit obligations	(5,597)	(6,126)
Income tax paid	(228)	(551)
Net cash from operating activities	259,546	183,418
Investing activities		
Purchases of property, plant and equipment	(165,964)	(259,583)
Additions to intangible assets	-	(694)
Receipt of government grant towards purchase of software	602	-
Proceeds of term deposits with original maturities more than three months	-	825,875
Term deposits placed with original maturities more than three months	-	(642,688)
Interest received	20,316	28,932
Net cash used in investing activities	(145,046)	(48,158)
Financing activities		
Repayment of term loans	-	(918,125)
Payment of lease liabilities	(3,673)	(4,425)
Interest paid including derivative settlements	(2,839)	(12,714)
Net cash used in financing activities	(6,512)	(935,264)
Net increase (decrease) in cash and cash equivalents	107,988	(800,004)
Net foreign exchange difference	(674)	408
Cash and cash equivalents at the beginning of the period	3,654,200	2,690,272
Cash and cash equivalents as the end of the period	3,761,514	1,890,676