

Spacecom

Capital Market Presentation Q2 - 2022

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Spacecom

Founded in T\ \ U

The AMOS fleet consists of 4 active communication satellites

Tel Aviv Stock Exchange IPO in 2005



AMOS 3



AMOS 4



AMOS 7



AMOS 17

Ownership

- WZ Eurocom (in Receivership)
- 49% Publicly held
- W\$ GSSC

Through its satellites, Spacecom supplies communication services, TV, data and internet over 4 continents

First Satellite Launched in T\ \ Y

Q2 USUU Summary

- ▶ AMOS-17 Satellite Revenue Growth
 - ▶ 91% higher compared to Q2 2021
 - ▶ 10% higher compared to Q1 2022
- ▶ Growth of 70% in total Gross Revenue compared to Q2 2021
- ▶ Reduction of corporate debt by US\$52M
 - ▶ Buyback of Bonds in the value of US\$28M
 - ▶ Repayment of US\$24M of Bond (series P)
- ▶ Change in Accounting policy
- ▶ Going concern disclosure due to the current yields of certain company bonds
- ▶ Order Backlog of US\$263M
- ▶ US\$76M Cash balance

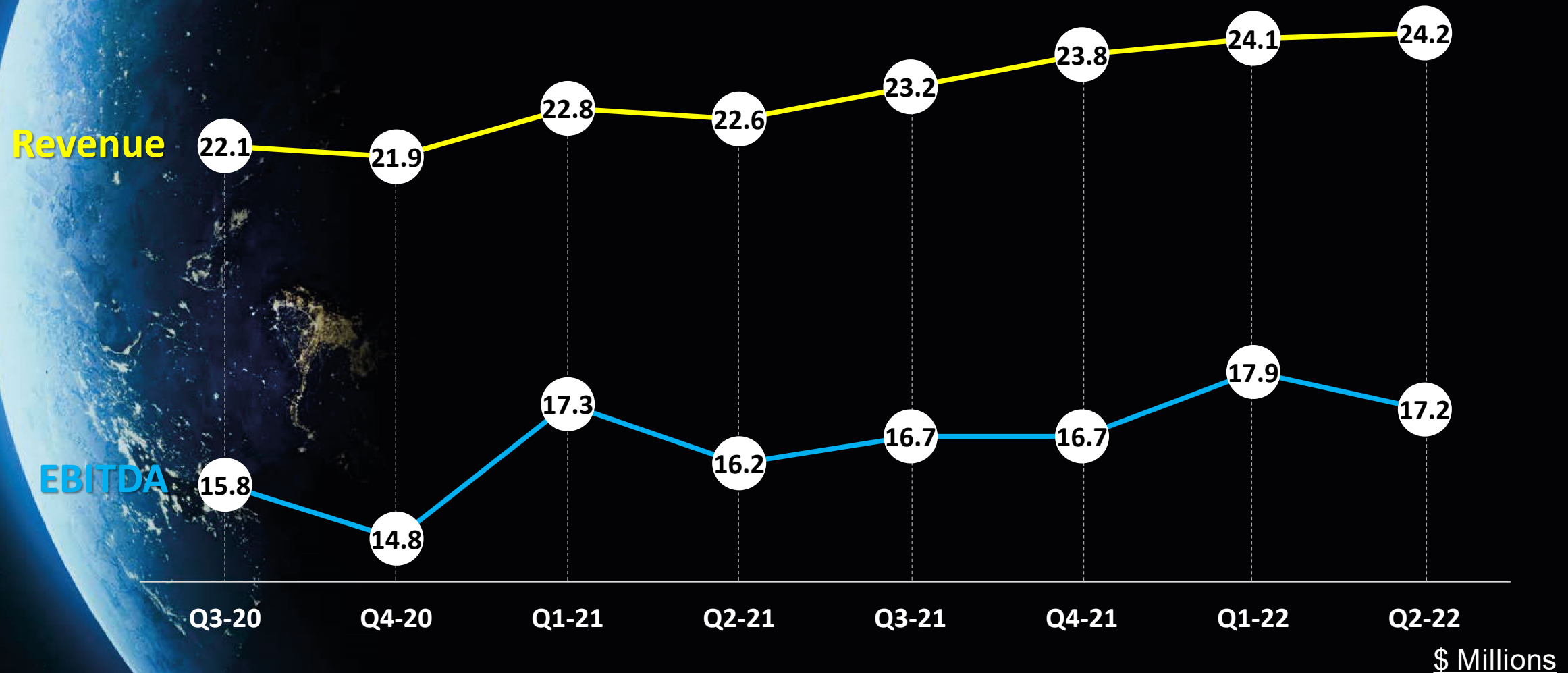


Signed Agreements exceeding US\$260M

(millions of US\$)	Orbital Location	Backlog	Revenue ^T	Book Value	End of Life
AMOS-V	W ^o W	TS[XV	Y\	USUY
AMOS-Z		VU		V[USUX
AMOS-W	YX ^o E	YV	TZ	XT	USU[
AMOS-TZ	TZ ^o E	VZ	UZ	USX	USWU
Other		TV	V		
Total		UYV	TSS		

^TBased on annualized run-rate revenue per Q2

EBITDA and Revenues, last 24 months

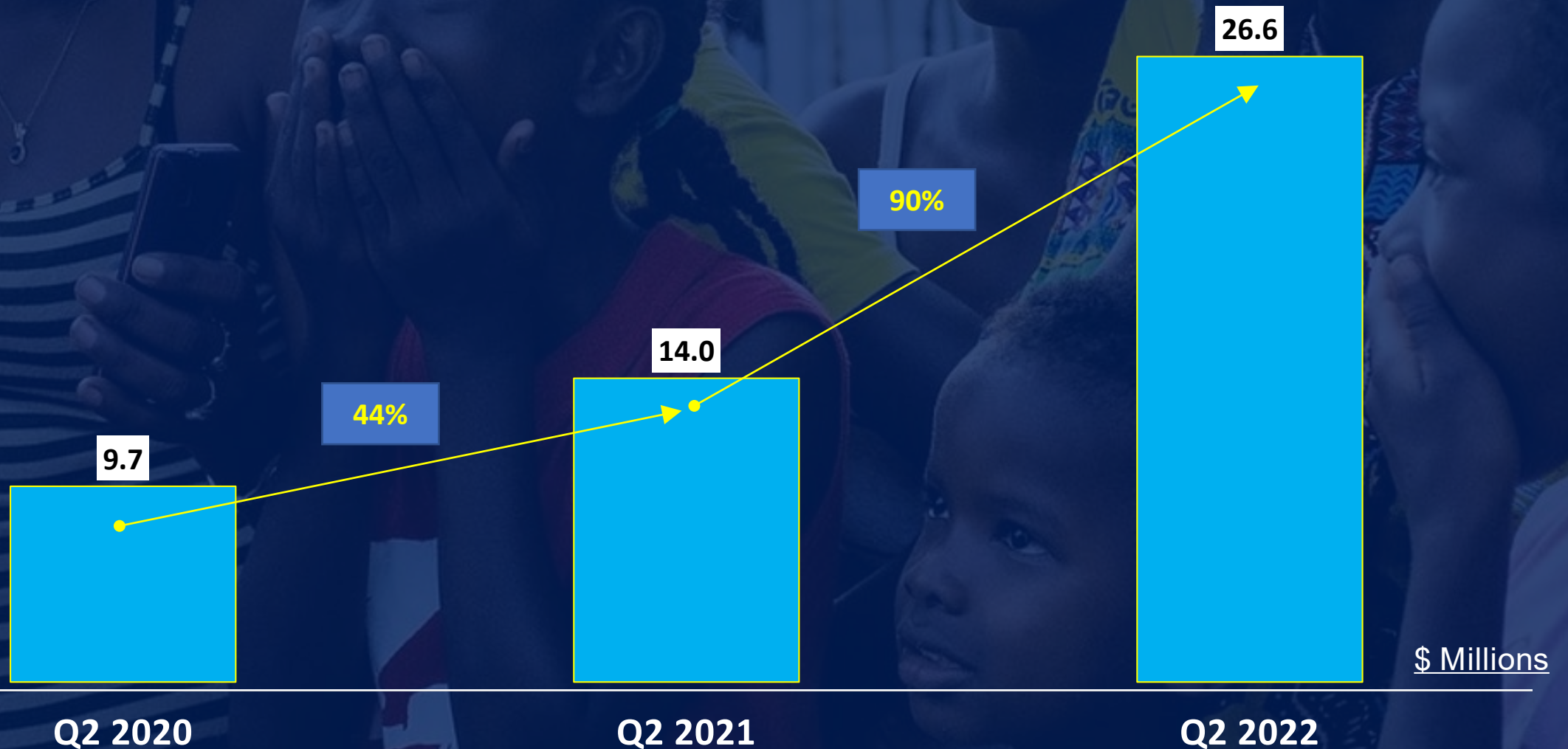


\$ Millions

AMOS-17 Revenue from Services grew to a run-rate of US\$27M in 2022 Compared to Previous year run-rate of US\$14M



90% Growth in AMOS-17 Run-Rate Revenue in Q2-22 Compared to Q2-21 Accelerated Growth Rate



Main events in the last 12 months

US\$9M

Extension of Communication
Services in Europe agreement
on AMOS-3

July 2021

US\$14M

Two Year Extension Deal with
YES regarding AMOS-7

July 2021

US\$5M

Agreement with Global
Provider of Maritime
Communication Services on
AMOS-17 for 2.2 Years

November 2021

US\$4M

Extension of Communication
Services Deal in Africa on
AMOS-7

December 2021

Main events in the last 12 months àcont.ê

Extension of AMOS-7 Lease Agreement

Lease Agreement Extension
with AsiaSat for AMOS-7.
Reduction of Annual Service
Payment from US\$22M to
US\$14M.

July 2021

US\$6.9M

Agreement with GetSAT for
Satellite Services on
AMOS-17 for two years.

April USUU

Public Share Offering

Board of Directors Authorizes
Share Offering to Public

August 2022

Investment in Company

Ministry of Communication
Examining permit to allow
purchase of 20% of company's
shares to 4iG with an option to
increase holdings to 51% with
Ministry's approval

August 2022

Shares Options transaction

The receiver of Eurocom
Communications Ltd. entered into an
agreement, which grants the company
owned by Aaron Frenkel an option to
purchase 26% of the company's shares,
fully diluted, against payment of an
exercise price of 4.584 NIS per share

August USUU

Summary of Financial Results (US\$M)

P&L Summary

	H1-2022	2021	2020	2019	2018
4Q Revenue	27	\$1	\$1	\$5	\$1
65Q Revenue	8	2	1	1	1
17Q Revenue	13	2	2	1	1
Revenue from Equipment Sales	1	1	1	1	1
Total Revenue	48	1	1	1	1
Operating Expenses, excl. depreciation	13	(1)	(1)	(1)	(1)
EBITDA	35	2	2	2	2
<i>EBITDA margin</i>	<i>73%</i>	<i>20%</i>	<i>20%</i>	<i>20%</i>	<i>20%</i>

Balance Sheet Summary June 30, 2022



Assets	
Cash and Cash Equivalents	7
Accounts receivable	7
AMOS-3 Fixed Asset	69
AMOS-4 Fixed Asset	1
AMOS-17 Fixed Asset	105
Other Fixed Assets	3
Rights to use asset, AMOS-7 lease & other	58
Total Assets	499
Liabilities	
Accounts Payable, payable expenses & Other	25
Bonds (Series P)	116
Bonds (Series Q)	52
Bonds (Series R)	1
Loans from Banking Institutions	19
Total Financial Liabilities	183
Leasing liabilities, AMOS-7 lease & other	50
AMOS-3 GOI prepayment	12
Total Liabilities	245
Total Shareholders' Equity	69
Total liabilities & Shareholders' Equity	491

Change in Accounting Policy

- ▶ Until, and including March 31, 2022, the company measured the value of its satellites on the basis of cost deducted by depreciation and amortization
- ▶ As of Q2 2022, the company measures the value of its satellites on a fair value basis in accordance with a revaluation model. In the company's estimation, the measurement based on fair value is a reliable and more relevant measurement basis in regard to the economic value of the company's assets and equity
- ▶ When performing a revaluation, the increase in the value of the satellites is recorded under Other Comprehensive Income, deducted by the Tax effect, and accumulated as a Revaluation Fund

(US\$M)	Depreciated Value Prior to Implementation	Fair Value After Implementation as reported in the Financial Statements	Value addition (reduction) as of June 30, 2022
AMOS-17	227.6	205.3	(22.3)
AMOS-4	55.2	51.3	(3.9)
AMOS-3	44.4	68.7	24.3
Total	327.2	325.3	(1.9)

Securities for Bond (series P), \$M

	End of Life	Book Value	Insurance Coverage	Order Backlog
 AMOS- 3	2026	Y\	ZV	TS[
 AMOS-17	2042	USX	U\ Z	VZ
Bonds (series P)	Total	274	VYS	TXX
		\$216M		

*Data as of 30.06.2022

The Capitalized EBITDA of AMOS-17 and AMOS-3 is Higher than Future Refinancing Requirements

Net Present Value	1.1.2023	1.1.2024	1.1.2025
0%	752	717	674
5%	493	481	461
10%	351	350	340
15%	269	271	265

- ▶ Based on EBITDA Forecasts from the June 30, 2022 Valuation
- ▶ Revenue from the AMOS-3 Government of Israel prepayment were deducted
- ▶ AMOS-17's expected remaining life as of June 30, 2022 is approximately 20 years
- ▶ The outstanding balance of Bond (series P) as of June 30, 2022 is US\$216M.
The bond is expected to be repaid on June 30, 2023 (US\$48M) and on June 30, 2024 (US\$168M)

Securities for Bond (series R), \$M



AMOS-4

End of Life

2028

Book Value

51

**Insurance
Coverage**

92

Order Backlog

63

\$51M

Bonds (series R)

* Data as of 30.06.2022

Summary

- ▶ Continued revenue growth from AMOS-17 to an annual run-rate of US\$27M
- ▶ EBITDA of US\$17M in Q2 (US\$35M for H1)
- ▶ Order backlog of more than US\$260M
- ▶ Reduction of debt by US\$52M during Q2
- ▶ US\$76M Cash Balance
- ▶ Eurocom agreement with Frenkel for an option to purchase 26% of the company's shares, fully diluted, at an exercise price of NIS 4.584 per share
- ▶ Approval in principle was received from the Ministry of Communications for an investment plan in Spacecom by the 4iG company
- ▶ The company's board of directors decided to carry out a public share offering



Thank You

Capital Market Presentation Q2 ÑUSUU