

Iridium Communications Inc. (Investor Day)

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Corporate Speakers:

- Kenneth Levy; Iridium Communications Inc.; Vice President of Investor Relations
- Matthew Desch; Iridium Communications Inc.; Chief Executive Officer
- Bryan Hartin; Iridium Communications Inc.; Executive Vice President of Sales & Marketing
- Scott Scheimreif; Iridium Communications Inc.; Executive Vice President of Government Programs
- Emily Miller; Rebelle Rally; Founder
- Suzanne McBride; Iridium Communications Inc.; Chief Operating Officer & Director
- Thomas Fitzpatrick; Iridium Communications Inc.; Chief Financial Officer, Chief Administrative Officer & Director

Participants:

- Walter Piecyk; LightShed; Research Analyst
- Mathieu Robilliard; Barclays Bank PLC; Research Analyst
- Edison Yu; Deutsche Bank AG; Research Analyst
- Ric Prentiss; Raymond James; Analyst
- Michael DiPalma; William Blair & Company LLC; Analyst
- Ric Prentiss; Raymond James; Analyst
- Christopher Quilty; Quilty Analytics, Inc.; Research Analyst

PRESENTATION

Kenneth Levy: Welcome to Iridium's 2023 Investor Day. I'm Ken Levy, Vice President of Investor Relations at Iridium. I really appreciate you joining us. I see a lot of familiar faces in the audience, some new ones as well. And so we really appreciate your time with us today.

I'd like to also extend a warm welcome to those of you joining us on our live web stream. For those in the room, I would just ask that you please silence your cellular devices, if you've not already done so.

We have a full program today. We'll have a slate of six speakers, and we have a lot of material to cover. You'll hear today from our executives about our financial performance and expectations, our market position and business opportunities, business unit priorities, as well as products that are now launching, which support our financial goals.

We are also joined by one of Iridium's business partners, Emily Miller, who will speak to her communications needs and the unique considerations that led her to partner with

Iridium. You'll have an opportunity to ask questions during the Q&A session at the end of this program. We would ask that remote listeners submit their questions to the e-mail address InvestorQA@Iridium.com. Again, that's InvestorQA@Iridium.com.

With those instructions, I'll now ask you all to review with me this safe harbor statement. Today's presentations may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts and include statements about our future expectations, plans and prospects.

Such forward-looking statements are based upon our current beliefs and expectations and are subject to risks, which could cause actual results to differ from forward-looking statements. Such risks are more fully discussed in our filings with the Securities and Exchange Commission. Our remarks today should be considered in light of such risks.

Any forward-looking statements represent our views only as of today, and we may elect to update forward-looking statements at some point in the future, though we specifically disclaim any obligation to do so even if our views or expectations change. Our presentations will also reference certain non-GAAP financial measures, including operational EBITDA and free cash flow.

These non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures is available on Iridium's Investor Relations website. With that, I'd like to start our program off with a short video.

(video presentation)

Matthew Desch: I am Matt Desch. I'm the Chief Executive Officer. And it's my pleasure to have you here to our 2023 Investor Day. We've had these along the way since we turned public in 2010. I think this is maybe our fifth, I believe, but who's counting? It's good to reset with each other every now and then and talk about where we are.

And the theme of today is probably an unusual one for companies. Most companies don't have a theme of "Outlook to 2030". It's a long direction. It's -- as I said, it's unique for a company, but then we are a unique company. And we think we can outline our plans for growth through that time and how we plan to deliver shareholder value over the next seven years.

You'll be hearing from my whole management team. I'm quite proud of the team we have. We've been forged in fire through our 30-year history. We're a pragmatic and practical group that's been together and figured out how to grow substantially over the years. And as we look forward, we have a pretty good idea where we're going from here.

It seems appropriate that the first image really would be our satellite network. Everything starts with our unique and powerful satellite network. It was the first real commercial low earth orbiting (LEO) system and still is quite unique even after this time.

So to paraphrase the great David Byrne, how did we get here? I think if we're looking forward, the next 7 to 10 years, we should at least quickly understand, especially for those who are new to our story, who haven't heard from us before, a little bit about our history. Very quickly, so I love these grainy videos from VHS video tapes from the first launch in May of 1997, when our system was launched. But we actually go back much longer before that. That's actually Ray Leopold, one of the founders, as they were cheering the first launch many, many launches ago.

We were founded as a personal communications company. Obviously, Motorola was involved. The idea was founded in 1987, very early in the cellular industry's emergence. It was a very big, audacious idea. People were astounded at the scope at the time of it. Probably now as you think about ideas like Starlink and Kuiper and things like that, it might seem quite small, but in the time, it really did found almost a whole industry and a first generation really – a boom in the 1990s.

It took about 10 years to realize the vision and launch the system 25 years ago. Cost \$5 billion to \$6 billion, probably \$4 billion on the network itself. I think there's some echoes of the time these days and some of the ideas today that are out there in those early days and the excitement. But what was the most important thing to remember at that time, it was conceived as a way for people and things to communicate very efficiently. Many others tried to do the same sort of thing, maybe more efficiently, less globally, but we've obviously achieved very much -- I mean, went far beyond all those.

So obviously, it wasn't completely successful at first and was reformed in 2000. But the original satellites were used technologies that hadn't existed before in the commercial world, inter-satellite links, still really truly the only global communication service. Fortunately, got a very important piece of spectrum in L-band that was globally allocated and really did create a system that was global secure and a cutting-edge network for its time, even for today.

I love these old pictures from the original brochures, was obviously conceived as sort of an alternative to cellular. Misconceived. Fortunately, we had a partnership with the U.S. government, who also saw the importance of the network and saw that it [was] a place to invest. And one of the reasons we've been successful.

So, I joined the company -- I just found out today, 17 years ago. Thank you Clay, for telling me that my [marketing communications] team tweeted that out. I didn't even know that that today was my anniversary. But we were still in the early stages of our growth phase. The challenge really had to be to relaunch a second-generation network.

We went public, which is how we come here to NASDAQ, in 2010, 13 years ago, we joined the public sphere to start launching our next-generation system, Iridium NEXT,

which was completed just a few years ago with a brand-new network. Of course, SpaceX was very heavily involved. We kind of grew up together, if you will. We were one of their first and largest, at the time, commercial customers. And had all successful launches, getting all of our 80 satellites into space. And as you'll find, they're all quite healthy.

We made this system, as you heard in that horrible voiceover from that guy on the video, more flexible, more robust and made it more powerful so that we could build the next generation of growth on top of it. So, I would use this image in one of the earlier Investor Days, I talked about climbing over the mountain. I promise I would never use the image again, but I can't help it. I was promising at the time that if we could just get over this CapEx mountain, we would land at the land of milk and honey, as I said, which I still don't know what that reference is really to.

But I knew that if we could get out there, we would achieve a CapEx holiday. We'd become a cash machine. We'd become a growth engine that would deliver returns well into the future. And as you can tell, we've done that. We've achieved that. And today, through the presentations that you're going to see from everybody, we're going to talk about how much milk and honey there is. And what do we really see through 2030 and where that's at.

But before we do that, just look at our track record here. So we really measure ourselves by the recurring service revenue that our network generates, the ability to use our network and put services on top of it. That has grown substantially from \$213 million in 2009 to the midpoint of this year[‘s guidance] in 2023 of \$588 million. In fact, in the Iridium NEXT era from 2017 to today, we've grown at over a 9% CAGR on service revenue. An important track record and certainly the foundation of why we can talk about this as we move forward, that this isn't something we're just starting to look to do.

As a result, we are now serving more subscribers than any other satellite company, at 2.2 million subscribers today, growing quite well. But very important to focus on this unique capital profile. And I say unique because it doesn't seem like anyone else is following. Everyone is building satellites that have five- to seven-year life cycles. And so they're constantly throwing capital every year.

We have a capital cycle that requires every 15 to 20 years that we put a substantial amount to replace our network. And we really have gone through a second generation at this point. But you can see this green line is the operational EBITDA that we've generated, a measure of our operational performance over that time, and we've had substantial growth through this time all the way from the beginning time. And as you can see, we're in a capital expense holiday, but it's not our first one.

When our predecessors completed the first network, which was about \$4 billion, we had a 12-year CapEx holiday before we really started or needed to start the second-generation system that costs \$3 billion. We are very confident, as you'll see today, that we won't be spending money on a next-generation network until 2031 at the earliest. And so that is a

unique CapEx holiday, and it's allowed us to become this engine of both growth and cash flow generation.

Obviously, investors have seen that, have appreciated the fact that we are this engine of growth and have seen the track record that we've had. And we've had a 10x growth in our market capitalization since we went public in 2010. And obviously, as we're thinking about where we're going to be in 2030, that will be obviously a focus as well.

So, what did we create with this second-generation investment that we went through? Well, really an innovation engine of growth. And there's really three components to that. When we think about growth, the engine that we have, it is made up of our network that we've just launched and completed, the end-user device flexibility that we've created that allows people to build on top of that network, and the partner base that takes those devices and takes them to market.

The first one, the network, I think you understand, these new satellites are quite programmable. We've gone from an initial service of a satellite phone, but we've added IoT. We've added mid-band. We've added broadband. We've added PNT services. We've added Push-To-Talk capabilities and continue to have things that we can build on top of this network.

The second part is very important, too. The end-user device, which started as a complete satellite phone has morphed into many radios and designs, but now is moving into licensing our chipsets, licensing our waveforms to customers to actually embed into their products directly. And most recently, embedding them into very smart processors, in the Qualcomm processor to be able to be embedded into many other applications even more easily.

On the third leg of the growth engine -- and that would be the partner base that has taken us to market. And we really have, over the years, constantly added new and exciting partners going after more and more areas. And -- this just gives you an idea of some of the people.

It's almost 500 companies now today. I still am very proud we've never lost anyone we've signed up (to take us to market) to any other partner because somehow there was a superior product that they found instead of ours. Of course, we've brought many of them in. These companies are moving in many different directions and are supplying services to areas of their expertise. They invest their R&D, they certify their own products, and it's a very efficient way to get to market.

So, what markets do we work in? It's a broad range of areas, but I thought what I would do is maybe give you some of the numbers right now. We don't typically do this. But if I give you a little bit about the scale and scope of where our subscribers are, what markets we are, how deeply embedded they are, it might give you a little idea of just the breadth and scope and diversity of the applications on the Iridium network.

So we got to start with land-mobile. As our first product, it was the foundation of our business -- with this, we've sold something like 1.5 million devices over the last 20 years.

This is an old product. It was the first product. Still, we've had record sales in the last two years -- last year and this year. So it's still a very important business. It's something that's used in difficult circumstances like national disasters, wars, et cetera, but it's also used by explorers, scientists and anybody really that needs to stay connected on the 85% of the planet that doesn't have a cell phone service.

We've gone beyond just that device. We've enabled smartphones and iPads to be connected through devices like our Iridium GO! product line, something that boaters and aviators particularly like. And I was just looking at the numbers, we've sold over 60,000 of those now since the original Iridium GO! was introduced eight years ago.

One of our faster-growing product lines right now is Push-To-Talk, a unique service on our network where talk groups, work groups anywhere on the planet can be connected together at the push of a button to more effectively communicate in seconds, as opposed to minutes. And having to dial phones that are used with firefighters, they're used with law enforcement, first responders, other militaries, et cetera. That business alone has been growing at a 32% [revenue] growth rate over the last five years, certainly an engine for growth going forward.

Of course, Maritime, we're big players in Maritime. I just asked the team to say like what is the scope and scale of where we are in the Maritime business. They counted -- they believe 250,000 of our subscribers. So ships, vessels of all different types that have an Iridium system installed on them. And that includes 100,000 fishing vessels. Very important service for someone like there. 70,000 of them have vessel monitoring services. That's a legally mandated service for catch reporting to have sustainable fishing, different markets require it. And Iridium is one of the leading providers of that.

We're on the big ships, too. We're not just on little ships. We count that we're on roughly 80% of the SOLAS-class ships. That's about 60,000 or so ships that have an Iridium system. Those are the really, really big ships like cargo, oil, doing all the really important maritime transport around the world. We also (of those 250,000 ships), about 35,000 of them have Iridium Citadel or privacy solutions on them. Those are solutions that people can protect themselves in difficult places of the world when that sort of thing happens.

Of course, the key part of our growth market has been in broadband services. We have about 14,000 broadband sdevices now on our network. That's a service we were able to start offering once we launched the next-generation network. It has been a strong growth market for us, particularly as a companion to the VSAT market, which is a primary thing, but almost every VSAT terminal out there ends up putting an L-band Iridium terminal next to it to support it in bad weather in places of poor coverage and other things. So, very popular service.

Of course, another area in 2018, we were finally awarded to be the second operator of the GMDSS service, that's Global Maritime Distress Safety Service. This is a mandated on all those SOLAS-class ships, but is evolving to smaller ships as well to protect people, protect vessels in difficult circumstances. That's been a growth area for us and –there are only really two companies that can do that. So it's becoming sort of a necessary thing in the maritime market.

Another important area, just to count our numbers, is in aviation. We were in aviation from the earliest days. We now believe we're on something like about 70,000 subscribers on aircraft of all different sizes and scope. We've been in the cockpit primarily of these aircraft. We're not a player in the Wi-Fi in the back of airplanes, but we are critical service in the cockpits, and for that. And that includes about 22,000 helicopters, 31,000 business and general aviation (GA) aircraft and about 16,000 airliners. So quite a broad scope of aircraft flying all over the world that have us.

And just like in GMDSS, we are also one of only two satellite providers who can be in the cockpit of airliners for mandated safety services. GADSS, or FANS-1A, there's a lot of acronyms for controller pilot datalink (CPDL), a critical certified service that we are quite popular for because we work everywhere on the planet where others don't.

One of the fastest growing areas, we think in the future, that will help drive our growth to 2030 is in drones, or sometimes called uncrewed aerial vehicles (UAVs). I was just visiting one of these companies last week, they've actually -- this is real. They delivered 750,000 Walmart deliveries over the last four years using the technology. We were a backup command and control, because you can't be sure that these vehicles will always be in cell phone coverage.

This is a really interesting market. We believe that this concept [of UAVs] will never take off unless you can command and control these vehicles beyond visual line of sight, BVLOS, is the acronym, and we're working right now with the FAA and with others to be an important critical technology in enabling this industry.

If we're talking numbers, the biggest area of growth has been and will continue to be in the Internet of Things, IoT. We're kind of the undisputed satellite IoT leader. We've shipped over 4 million IoT modules in the last 15 years, kind of give you an idea of the scope there. That has turned into about 1.6 million active IoT subscribers using our network.

And I mean, this isn't really surprising, given that our network was really built and optimized for things like IoT. We have about 300 of our partners specialize in IoT solutions from a broad range of applications that would go on and on to show you all the pictures from the different applications, but this is certainly a very critical growth area for us.

By the way, that has a 9% five-year revenue CAGR to again, a solid growth area for us and one that will drive our growth out to 2030. One area to just highlight in there. I

thought just to get the numbers, particularly, you saw we signed up another partner here just a week ago. It was number three in the world, a Chinese manufacturer called XCMG. But we are in over half of the top 25 heavy equipment OEMs around the world. They're using us to track and monitor and control these large vehicles. Just to get a rough number, almost 185,000 pieces of heavy equipment are monitored and controlled by Iridium.

So again, quite a broad scope and scale and a key area of growth in the past, and we think we'll continue to also grow out to 2030. Of course, if you talk IoT, we also especially have to look at personal communications. It's one of our fastest-growing areas, almost 900,000 subscribers now using this. That number has grown at a 45% compounded annual [subscriber] growth rate over the last five years.

This has been a really interesting and exciting segment to be part of. There is some competition finally kind of arriving in this segment, but all of our partners are upgrading their systems to faster, more capable services to offer even more capabilities to the markets that they are focused on.

And then, of course, we also have a special relationship in business with the U.S. government. Our first customer, still an important one. We're in the middle of a 7-year enhanced mobile satellite services (EMSS) contract with them, and that's supporting about 140,000 subscribers of that 2.2 million. I think there's an awful lot of growth out to 2030, and we'll be talking about that today.

So a little bit about where we are going from here. We're going to be talking the rest of today about specific growth areas and the growth trends, and we've put them into these eight categories that we will talk about and spend a little bit more time kind of proving our growth rate to 2030 based upon these key areas: IoT and personal communications, direct-to-device, voice and PTT in the growth area there, mid-band and broadband, U.S. government, alternate PNT and then a little catch-all area that I'll talk about. In fact, I'm going to talk to us about these two areas quickly, and then Bryan and Scott will spend a little bit more time sort of going through details on the other areas as well here.

These are all critical growth areas for us. I would say, as we look at these, this is all focused on service revenue, which is, of course, the key area of growth for us. I also want to mention, of course, we sell equipment too and we sell it profitably. We've been running at \$90 million or so level for quite a while. Of course, the last 2 years have been record sales level.

As we looked out to 2030, we weren't looking at that kind of [record] level of sales. As you see, we compute our numbers ... because some special things have happened in the last couple of years with supply chain issues [and] with other competitors that have been out of the market. But long term, that is not a growth area for us because it just enables [the service revenue] area.

And the other one is engineering and support revenue, which we've been doing \$10 million to \$20 million along, and now that's really, really growing quite a bit. But again,

we're not really focused on those kind of areas here for computing really what the potential shareholder value is.

So let's just talk a little bit about direct-to-device for a minute – 7 billion smartphones [users today and still] by 2030 – certainly a great opportunity. We are now in it. There's a convergence going on, we believe, right now between cellular and satellites in this area. There's expectations that no matter where you are, you should be able to communicate via a device. Apple has really been the early leader in this area.

I think they're driving the industry, and I think they will continue to drive the industry. As you know, we want to be in the Android ecosystem with our partner, Qualcomm. I don't have any new news for you today on this area, but we'll talk a little bit more about this. Obviously, the news will come as people announce their products going forward. But we do believe that this is one of the engines of growth for us as we look to go to 2030. There are multiple approaches though.

And I just wanted to spend a minute on this because it was a recent [satellite] show ... I know some of you might have been in Paris. This seems to be all the hot topic about what is the size. Some of you have even analyzed and made your own calls about what the size of the D2D market is, how big is this thing. I think people are really talking about multiple approaches.

I put them in these categories. There is a smartphone-centric approach. There is a mobile network operator approach, and there is a satellite network operator approach. And I think you can evaluate these things on whether there's spectrum for this, whether the network is built or you need a new one, what kind of coverage these things have, what kind of services they offer and when they will be available.

And if you do that, you see, of course, the smartphone-centric world where the smartphone manufacturers want to differentiate themselves, certainly being, as I said, driven by Apple and their early entrants in this market. I think they're going to continue to drive the market.

I believe they're definitely focused on this long term. We're in this space as well with the non-Apple ecosystem as well. We're really focused on SOS and messaging kind of capabilities. These are approaches that are global in our case or regional in the case of Apple. These are on existing networks, so you don't have to build a new network, and they're all approved, if you will, through the MSS spectrum that we have.

Mobile network operator-centric approaches are being offered by people like Starlink, AST Spacemobile and Link. They want to take terrestrial spectrum and get it authorized and approved and support smartphones in places where it hasn't been approved before.

That will be a market-by-market approval. Obviously, the technology isn't there yet and has to be developed, so new constellations. I think the coverage of these things is going to be regional at best, going to be spotty, market by market where they're able to be

approved. We'll supply a broader set of services. Still [coverage from this MNO approach has] yet to be seen exactly how good. And the availability is still 3 to 5 years away.

And then I think when people start talking about \$1 billion market caps, they start talking about this area over here. These would be global systems if they're built. They'd be built on a new 5G standard that's emerging. There is talk that there is interest in this space. There are companies that have patchworks of spectrum that perhaps could be put together, but these networks will probably cost \$5 billion to \$10 billion and take 7 to 10 years to develop.

So as we start talking about really through 2030, it's kind of hard to put these kind of networks in place. So obviously, this is the area we're focused on. Anything when you talk about the size of the D2D market, you have to be thinking about -- when I'm asked, is this going to be an exciting market? I think it is based upon what we have.

But when you start talking about really big numbers, you have to ask these questions, which no one seems to be asking, and we don't really know the answers to. How good will it work? Will it work indoors? Will it work in your car? What will be the consistency of the service? What will be the data speeds that can be offered? What will be the price per user? Will it be regional? Will it be global? Really critical things.

So I guess if I summarize my comments on this market, we believe what we are proposing, which we're quite excited about, global SOS and messaging-type services. And I say that quite broadly, really low-speed data connections to devices -- we believe those are core requirements and really will continue. This isn't a first phase. They're going to be required really for these devices on a regional basis as well. Definitely, Apple is driving the market, and we think that others are going to have to react to differentiate.

And I just have to say, when I talk about limiting expectations here, it's mostly about these numbers that would be 5G directly from space. With limited spectrum, difficult business cases, a difficult funding environment, I think these things are quite far away.

They're coming, though. I believe long term, there will be networks that do this. hopefully not too many networks, or it will be as difficult a market as the mega constellations are to the Ka/Ku world, but they're coming. We are interested in 5G standards. We're looking into them right now. We're considering them for our next-generation network. And I believe the timing for our next-generation network will align very well with the kinds of services coming from those sort of things.

And finally, I just wanted to talk a little bit about investments and acquisitions. I know we talk about this on a lot of calls. People ask what would we put our cash into since we're generating a lot of that. And I thought I'd summarize that a little bit for you. I have to start by saying we really like our current investments. We're invested in three right now today:

Aireon in terms of aircraft tracking, global tracking around the world. We created that network with our partners and have continued to invest in it and really believe strongly that it has a very unique position. Satelles, another company that was a long-term partner. We believe that's the best alternate position navigation and timing (PNT) technology in the world and -- and continue to believe that has a lot of possibilities. And DDK, which is a small company out of Scotland, which is able to provide very high accuracy by using signals through our network.

So, I start with each of those because each one generates some incremental revenues, and you can see why we're supporting them because it's very synergistic and consistent with what our business model is. But in terms of thoughts on possible future M&A -- and that's by the way, a great picture of our operations center, if any of you want to visit. What are we interested in? Well, not that much. And I have to say that because we don't need to acquire for inorganic growth.

As I think you're going to see in a second, we feel pretty excited about the next 7 years in terms of the kind of growth that we're throwing off -- so we don't need to necessarily do this. We're definitely not interested in acquiring partners. I know others have done that, and I think it's a challenging way to screw up your go-to-market model, and we really think that the way we go to market, the relationship we have, the growth that we have with new partners has been optimal. So we're not looking to pick off lower-margin solutions just to grow that way.

We would consider acquisitions that would enhance our subscriber capacity over the long term. But we really do think we have a lot of good ideas, even going through the next generation of how to generate a lot more capacity out of the spectrum that we have. So it has to be smart and accretive and the kind of thing we'd want to do. I have to say, I do believe we will have more opportunities present themselves in the future.

I think there's been a bit of overinvestment over the last 10 years. I think some companies are going to have challenges over the next year or two in terms of funding. And so we'll see where they are and whether they really fit. But I do think -- even so, I've got to at least put it in there -- business and culture integration is important because we pride ourselves in how we manage ourselves and what we do and wouldn't want to break that model.

I do want to just talk about one because it's come up on the last couple of calls. People have asked about, specifically, where might be we be interested in. And we've talked a little bit about this narrowband IoT space, which might expand our opportunity in IoT. So when we talk about that, of course, most people say, you're talking about tracking sheep and goats and other things.

These are bringing low ARPU, maybe high latency kind of applications where you would track things using more standardized solutions, very low-cost end-user devices. And we think that's a different market segment than what we currently do with our premium IoT. In fact, if you compare us to it, these new satellite entrants in the narrowband IoT space

are looking to do something quite different. We are very low latency, extremely high reliability, global coverage. A lot of trust in our ecosystem with what we're able to accomplish.

These new partners are going after a different approach, usually might have to lease their spectrum because most of them really don't have any. They have high latency, uncertain reliability. In fact, a number of them have failed already because it's very difficult to create a brand-new network in this space, and we understand that. However, as I've said before, I really do think the kind of new applications in agriculture and asset tracking would be complementary to what we do. So we've been very interested in this space. And as I said, we'd be looking in this area.

Why? Look at Johan/Berg Insight and Statista. There's going to be 7 billion cellular IoT devices in 2030 - a time frame we've been looking at. Just taking a 5G narrowband IoT standard, so something that could operate between space and terrestrial, there's still almost 2 billion devices that could be available to connect if you had a network to do it in satellite.

I just took a 1% market capture of that. Let's say these were \$1 ARPU kind of customers, and we had to give \$0.50 to the MNO who found them and they're already tracking those sheep and wanted to have them roam onto our network or roam onto some other network in that case. These are sizable service revenue markets, and you can see why people are going after this space. And so it is a market of interest.

Number of companies in this space, those of you who are knowledgeable at this area recognize some of these, there's actually a lot more names of people who've announced and said they want to do it, but these are the ones that seem to still be relatively active. Some are using proprietary technologies. Some are using more standard-based activities. Some are already starting to move. SpaceX bought Swarm, but they recently announced that they're not going to continue in business because it's hard to build this kind of business from scratch.

We definitely believe this is the area of most interest. This NB IoT standard, we think, has the most long-term promise. It is the VHS versus the Beta[max] of some of these other approaches. And so that's where our interest has been focused.

But I want to just make a point, maybe this is my final sort of what's this all about. We've been thinking in the last couple of months that we have the most powerful network already. We've invested \$3 billion. It's a quite programmable network, very low-latency network.

If we could implement 5G narrowband IoT directly on our network, that would really be the most efficient way of going as putting a small investment into 1 of these companies that may or may not be successful. That is our current approach right now. We're in the very early stages of it. We believe it takes advantage of our network. And I guess, again,

this isn't an announcement of what we are investing in [for M&A]. It is what we're probably not investing in and we're not really looking to do this.

And I just wanted to kind of update you on that because I know we've talked about that in the last couple of calls and our interest in the space. But I'm a lot more excited about really using this network that we've built and building this capability directly into our network. And if we did, it's going to be the most superior narrowband IoT because it would be very low latency. We'd have a large partner ecosystem we could take advantage of. And I think that's the way to go.

So as I said, today is going to be focused on these growth vectors. But I wanted to kind of give you a brief update because I have to wait for Tom, even though he's got a number of things that he's going to pull together at the end and really describe what all this means. But if you were dropping off early for some reason, what would I not want you to miss, I want to at least give you the headline.

And that is two things about our expectations to 2030. I said there's a couple of more things that Tom is going to mention, but I thought these were ones that I just wanted to pull up to the front. Given our experience in this market, we believe from a service revenue perspective, that we can forecast, based upon all these growth vectors, approximately \$1 billion in annual service revenue in 2030.

So you think about that growth trajectory that we've had before, that's a stake in the ground we want to put upfront and a punchline that would come out of this day. The other expectation, which I think is very important in terms of the shareholder returns that that generates is that we believe that calculates into a capacity for approximately \$3 billion in shareholder returns through 2030.

Now that's a substantial amount of cash flow and returns in approaches. And of course, we've already been doing this on this front, but I think that's a stake in the ground that shows you, given our market cap and where we are today, I think that's a pretty substantial seven-year view of where we think we can be.

So quite excited about what we've built to this -- to this point. As I said, it only took 35 years to get here, but we're at this point where we can make these claims. So that's my overview. And now I would like to start by focused on the commercial side of it with Bryan Hartin and the commercial business. Thank you very much.

Bryan Hartin: Thank you, Matt. Good afternoon, everyone. My name is Bryan Hartin, and I'm the Executive VP of Sales and Marketing, and I basically run the commercial business at Iridium. I've been here for almost 11 years. This is my fourth Investor Day meeting. So good to see some familiar faces out there. And I'm really excited to be here with you today.

Now you've seen the overview. You've seen the vision and you've seen the goal for 2030. And my job over the course of the next half hour or so is to share with you how the

Commercial business is going to contribute to that goal. But before I do that, I just want to try to illustrate what sets Iridium apart in terms of what we've been -- we've leaned on and relied on to produce the results that we've produced so far, but also what we're going to have to lean on and rely on to reach that goal in 2030.

And there's a few key characteristics. First of all, we've got experience. We've got experience across the company in different organizations, definitely from the network side, the engineering side, the business side, finance and legal. But we've also got some talent. You don't produce these results without some talent, and Iridium, again, has that talent across the board. We've also got a consistent track record of performance and performing at a high level. I've been here, like I say, almost 11 years. And we've been on a good trajectory, but also built that momentum beforehand.

And then last is, you got to have some confidence, right? You've got to have some confidence to be able to produce those results. And when you get into that situation, like the situation we are with the goal for 2030, you got to be able to rely on that.

So I'm notorious for analogies, usually sports analogies, and I'm not going to disappoint. But there's three athletes that came to mind when I looked at how did they respond and how did they rely on those characteristics. So the first one is Tiger Woods. In the 2008 U.S. Open, he was planning on one leg, pretty much came down to him and [Rocco Mediate]. And on the 18th hole, he had to make a birdie putt for a slippery 12-footer to extend that tournament into the playoff. And he had to rely on all the experience, talent and confidence to make that attempt.

Then there was Kirk Gibson. Matt had these grainy images from the '90s. But in 1988, Kirk Gibson, who had a great year in '88. He had a .290 batting average, 25 homers, stole 31 bases. But he got banged up before the first game of the World Series against the [As], facing Dennis Eckersley, who's one of the best relievers of his time.

And then Adam Vinatieri. In Super Bowl 36, he had to attempt a 48-yard field goal with the score tied 17-all. And he had to rely on all the experience, confidence and talent to make that attempt. Now look, I'm not going to go through their results just yet. I'll come back to that a little bit later.

But what's happened since our last Investor Day, that was May of '21 when I was talking to you last. We've been really busy. First of all, personal communications growth. We've got what I call personal communication growth agents. And they range from partners like Garmin, which I think everybody is familiar with, with the inReach and other products that they brought to market. Also [Zolio].

They're a new entrant, fairly new, two to three years, produced really solid results with a very focused approach. [Somewhere Labs], very solid track record, really creative company out of California that we work with closely. They've also made a significant contribution. [Everywhere Communications], focused on government and enterprise. And

then also [BIVI] is a ACR company. They've also made a significant contribution. So these are the personal communications growth engines agents behind the story.

So very quickly, over the course of the last five years, the growth has been great for personal communications subscribers. 45% CAGR, almost 900,000 commercial personal communication subscribers on the network over the last five years. We also announced the Iridium-Qualcomm partnership.

When I stood in front of you back in May of '21, I said we have the ability to provide enabling technology to put Iridium in millions of smartphones. Well, over the course of two-plus years, we negotiated, signed and announced a development agreement and a service provider agreement to facilitate getting Iridium included in millions of smartphones globally, Androids to be specific.

Matt and [Cristiano Amon] attended the Consumer Electronics Show in Vegas in January, made that announcement. But just as importantly, we demonstrated the Snapdragon satellite capability at a remote location outside CES in Las Vegas for the media, and it worked flawlessly.

Additionally, we launched mid-band. When I was with you last, we had featured it and talked about it, but later that year in '21, we launched it. And mid-band, I'll talk some more detail later, but it relies on Iridium's enabling technology in our Certus 100 service category across land/mobile, maritime, aviation and IoT. And as part of the mid-band category, we launched our own Iridium finished product, Iridium GO! Exec. We've shipped over 5,000 of these this year to over 20 of our distribution partners.

So we've been really busy. And the result of that is we're over 2 million commercial subscribers on Iridium's network. To put that into perspective, in 2018 -- it took us until 2018 to get the first 1 million. And then the earlier part of this year, we got the second million. So that right there demonstrates accelerating growth across the business.

But where are we going from here? How do we take that and continue to accelerate to meet that 2030 goal? Well, in order to do that, you've got to have a game plan. You've got to have a blueprint, if you will, and ours is 1 that I've talked about before, it's Iridium's proven growth model. It starts with innovation and enabling technology. That's what we use to attract partners to our ecosystem to allow them to create these wonderful products and solutions.

But you've also got to be focused and disciplined, and we are focused and disciplined. We stay in our lane. We don't get distracted by things like commodity broadband. We're really comfortable in our own skin. And we're experienced and trusted. This is really important for dealing with our existing partners, but also new partners that we want to attract.

Partners know that they can trust the Iridium, that we've got the experience and why they're attracted to us is because they know other partners who have worked with us for

several years have shared in our success. Since the last time I spoke to you, we have -- we mentioned that we have an ecosystem now of over 500 partners. But since May of '21, we have prospected, attracted and signed almost 100, about 98 new partners to Iridium's ecosystem.

And as I mentioned before, you've got to have that consistent performance and confidence, which we have, but the most important thing is the takeaway. The takeaway here is that we are committed to Iridium's wholesale business model. That has been the foundation of our go-to-market for as long as we've been in existence. That is something that we reinforce with our partners, and that also is another reason that they trust us.

Okay. So these are the growth factors. I'm not going to go through all those. I'm going to go through this subset of growth vectors, and I'm going to start with IoT and personal communications. And I want to just explain a little bit because we use this sort of interchangeably. I talked about our personal communications growth agents. I won't go through that again.

But another important part of our IoT business is what we call industrial IoT. That includes everything that ranges from heavy equipment to tune of buoys to support fishing, weather sensors to use in remote locations and asset tracking of all types. So the two of those categories make up our IoT and personal communications business.

So in front of this audience, I know we've got to use some numbers and put this in context. So what we're relying on is NSR's market projection for MSS and L-band. And you can see here pretty respectable CAGR, 16%, growing from \$324 million in '23 to \$912 million in 2030. And we've obviously talked about our growth. Today, we're working and focused on personal communications. We talked about the industrial IoT expansion.

Just a little comment on XCMG, the #3 heavy equipment OEM partner that we just signed. They use an Iridium finished product, the Iridium Edge. Why is that important? Because they don't have to go through the development of a product themselves. That saves them time, that saves us time and we get to service revenue faster than we would if we have to wait for the product to be developed.

We constantly look for new partner solutions, and I just mentioned the finished products. So in the future -- and I'm going to feature this here shortly. One of the things that is really important is the introduction of Iridium Certus IoT platform and the enabling technology associated with that. And I'll go into that in more detail. But that is basically taking our IoT business to the next level.

And we're also going to focus on how our partners use that technology to develop new solutions. And we will continue to expand our partner ecosystem because this capability is going to give us something special that we can use to attract more partners. And we're going to execute. That's the bottom line. It's one of -- it's part of our DNA, is we're very focused on execution.

So let me just spend a few minutes here on the Iridium Certus IoT platform. You see here our enabling technology, the [9704]. That is the evolution. It is the evolution of our IoT business. And it's the meeting the demands of more data but in the smallest package possible, and that's really important.

Now I'm going to share with you this video and I'm going to narrate over the top of it. But this is the evolution of our IoT business. But we're sticking to our core principles. The core principles of IoT has gotten us to this growth that we've experienced so far. So still going to have a small form factor. Low-cost, battery-powered and reliable, small message transport. But the Iridium Certus IoT platform and that 9704, it enhances those capabilities. And that's really important. And those enhancements include a smaller form factor, longer battery life, lower cost for managing and powering those devices. And this is the key larger message sizes.

And there's benefits to the partners and to Iridium. This technology gets -- the protocol gets on and off the network faster. Why is that important? It's more efficient for the service, it's more efficient on our network. So the other capability here that we're introducing is our enhanced developer program.

We're making it simpler and faster for the partners to use this technology to develop products and services. We're doing simple things like our hardware development kit and software development kit. We're combining it. We're incorporating AWS and Iridium CloudConnect to facilitate quicker development, and it's going to make that easier for our partners to use this technology.

So this represents the -- one of the key ingredients for growth for our IoT platform enabled by the 9704. And one of the key ingredients are those larger message sizes. Take one thing away from this platform, which you're getting a glimpse here today. We haven't announced this. We haven't really formally launched it, and we're working with our partners. But those larger message sizes, it enriches the customer experience. And that's really important for our partners, the evolution of our business gives them the ability to attract more customers.

So let's bring that to life a little bit. Mentioned you got to have the small form factor, right? So you see the size of that form factor that Garmin has today. That's what we're going to maintain. These products have to stay in that small package. But here are some of the capabilities. Today, our current IoT business really can't support pictures. This is something that on a smartphone today, you can obviously can support pictures.

The Certus IoT platform with enabling technology is going to be able to support pictures when this arrives next year. Things like movable [weather mats]. This is that richer customer experience. That's what the technology is going to support. And that's important to our partners and end users who want to rely on more accurate weather.

And then voice notes. This is something that is available today on a smartphone. The Certus IoT platform is going to enable that on Iridium's personal communication devices. But it doesn't stop there. So those are some of the enhancements that that's going to bring for personal communications.

But for our industrial IoT, we talked about the heavy equipment OEMs and -- they are always after us. They want more data. They want a better telematics experience for their customers. That's what this is going to support. Oil and gas, same thing. They want to know more information. They want to know the pressure of the pipeline. They want to know the temperature of the gas and the oil. And they need more analytics to be able to study that to make it more efficient.

And that's definitely the case with renewable energy and solar. They want more analytics so they can make this as efficient as possible so they can produce more renewable energy. And then smart grid. Really the same concept here, richer customer experience, better data analytics, but also they can do things like identify where they're having some of the losses so they can minimize that. But also, these grids stretch into very remote areas. And what the platform is going to support is the fact that you can now track the workers, but you can also monitor their health condition because you've got a richer customer experience.

So again, we're very excited about this. You're getting a first glimpse, and we are really looking forward to when we have this capability in 2024. All right, direct-to-device. I've been personally involved in this for the last two-plus years. Apple is the leader today. They -- and I'm just going to share a few characteristics.

First of all, they have partnered with Globalstar. They are also using their own process or own chip to enable the Globalstar satellite on an iPhone. It's a proprietary approach. They're not waiting for standards. They've been out there since September of 2022 with that service, and I would say they have the first mover advantage.

But they're not resting. They had their [Wonderlust] event last week, which is where they feature new capabilities for their iPhone, their Apple Watches, their MAX. And they made a few strides, few advancements. First of all, they led the event with 2 testimonials of iPhone users who got outside terrestrial coverage, and they were rescued because they had satellite SOS on their smartphone.

They led the event with that. They also enhanced the SOS service by adding roadside assistance and incorporating AAA so that if you're outside terrestrial coverage, you hit that button, automatically transferred AAA for assistance. And then the last thing is they added a couple more countries, Switzerland and Spain to be exact. So they are enhancing that capability to improve their position.

Obviously, Qualcomm, along with Iridium and their Snapdragon satellite, it's ready. I mentioned the demonstration we did at CES. They've made an announcement, and they have captured the interest of some of those OEMs like Xiaomi, Vivo, Oppo, Motorola,

Honor and Nothing. I got educated, I actually thought it was a typo in their press release. There is an OEM for Android called Nothing.

So that capability, it's ready, it's ready to go. And it's also more than just SOS. First of all, it's global because it relies on Iridium's global pull to pull network. The second aspect is it does support messaging, and that was enabled by Qualcomm, who is a great partner. They're extremely technologically advanced, but also Android, the owner of Android operating system. They help support that as well and optimize it for this solution.

The Snapdragon platform is extremely powerful. It is proliferated, obviously, throughout the world in large volumes, particularly in Android smartphones. And the user interface, very intuitive and easy to use. So the Snapdragon satellite solution with Iridium, it's got more than just SOS.

In the Android OEMs, they're capable of launching it today. As I said, it's been tested, some of the OEMs have tested it. As a guy who was in terrestrial wireless a long time ago, when I was at [Nextel] at Sprint, we had an advantage in Push-To-Talk and we flogged it, right, because nobody else had it. And then we also -- when something else came that we didn't have like cameras, we added that capability because we didn't want to be at a disadvantage to our competition.

So the Android OEMs have the same option with the Snapdragon satellite when they're ready to deploy it. So the path is clear to satellite D2D. We are ready to go. And I'm confident that when the Android OEMs totally absorb what Apple has done and is doing in their latest announcement, that they'll move to enable Android smartphones with Iridium's -- and Qualcomm's Snapdragon satellite D2D.

So just really quickly, Apple led with two testimonials of iPhone users who were rescued. And I think it's not going to be very long before an Android user who might be outside terrestrial coverage gets into a little bit of distress and needs assistance. They'll have the same option as their iPhone counterparts.

But it doesn't stop there, okay? That's everything I've talked about up to the now is about smartphones. This relationship and the technology that's been developed can expand beyond smartphones. It is ready to go for different verticals and markets like automotive in various use cases.

Autonomous or self-driving cars could use this technology because of Iridium's unique command and control capabilities. Also, smartwatches. The technology can be further enhanced to work in smartwatches and then also tablets. If you're outside terrestrial coverage, you could definitely use the technology to be integrated into tablets. And really, I could go on and on because it also could include more IoT use cases as well.

So that's just a little bit more detail in terms of D2D. Now it's something that's very near and dear to our heart, which is one of our clear advantages is voice and PTT. Look, we're going to continue to expand this market because we have a premium position in voice

and PTT, which supports our postpaid and prepaid voice and data business. Our competition has struggled a bit. They've struggled in terms of supply chain, being able to supply their partners and customers. But there's also a bit of chaos, right? They've not been clear as to whether they're going to stay in the enterprise business or not.

We're going to continue to leverage our premium position in this space. So using the same NSR market projection format here, 3% CAGR, growing from \$670 million in 2023 to \$822 million in 2030. Going to keep doing what we've been doing today, right? Handset sales and some subscriber growth, great results there. We're going to continue to innovate around PTT. I'll talk a little bit more of what we're going to view in the future. Continue to leverage our Iridium GO! position. It's been great. You saw the results in terms of the growth since we introduced it.

And we'll continue to leverage our supply chain advantage. We've got supply. We can continue to supply our partners. And while the competition may be struggling in supply as well as network performance because that has been the case, we are going to pound them to make sure we continue to leverage that.

But what are we going to do in the future? How are we going to continue that growth to get to that goal in 2030? We're going to have a relentless focus on PTT. And I'll talk about more detail there, continue to leverage that weakness of our competitors. And we're going to expand into new markets, which we have the ability to do, and we're working extensively on that. We're going to leverage that premium position.

Let me talk about 1 way we're going to do that, PTT, Push-To-Talk. So we introduced PTT years ago. We introduced it with our own PTT handset, right? And it was met with decent results, but we didn't get that growth that we expected. So we worked with our partners, and more importantly, we worked with their customers, right? And these customers were land mobile radio users. These land mobile radio users, they're used to a terrestrial radio network that's built out. You want to talk about capital intensive, it's extremely capital-intensive to do that.

But one of the capabilities that we brought to the table was the land mobile radio handset. They wanted it to look rugged. They wanted the Iridium PTT handset to look like the land mobile radio one and perform that way. So we went out, we scanned the market and we signed a deal with Icom, a Japanese partner who is extensively involved in land mobile radio, they enable that for Iridium PTT, and the growth accelerated.

The other key is that interoperability with the land mobile radio systems. So if I'm one of those land mobile radio operators or owners and I look at the capital intensity to expand the network on the ground. Well, here comes a solution from Iridium, which is, I can just buy the handsets, subscribe to the service. I don't have to lay out all that capital because it works exactly like a land mobile radio on my existing system. And that has been key to the PTT growth, and it's going to continue.

We also added new partners, Kinetic. It's a company who's a lot of extensive experience and ruggedized handsets. This thing is pretty much indestructible. And it's very appealing to governments, foreign MoDs and first responders. So we're going to continue to make sure that we leverage our position here.

Now let's move to an area of mid-band. Like I said, I talked about this in May of 2021. And we had, at the time, not launched it, but we announced our launch partners. These were the value-added manufacturers that we were going to work with, and they were going to develop, design and manufacture the products for this mid-band category. Now the list has grown, right? Why? Because these partners are willing to invest, design, develop and manufacture because they see the opportunity that mid-band has. And I know there's some new faces in here, and it's been a few years since we talked about the detail.

So let me just put in perspective with a typical product portfolio slide what mid-band is, but more importantly, why are we doing it and what's it intended to accomplish. First of all, Iridium's heritage and our legacy is narrow-band, right? We've got narrow-band handsets, which have been great performers for us.

We provide this enabling technology to our partners so that they can build products in the -- in our ecosystem and be productive partners. Then we -- in our first foray into broadband, we introduced Iridium OpenPort, primarily aimed at maritime. And then we complete the next constellation in 2019. And we have now Certus 700 service with our value-added manufacturers, [Thales, Cobham and Intellian]. And now we've extended into broadband.

We noticed a gap, so we pivot back to the Certus 200 gap because there are some end users who are like, "I really don't need Certus 700 speeds. I don't need that big a terminal. I'd like something that's a little more in my wheelhouse in terms of speed and a little less expensive." So we fill that gap, introduced that a year or so ago, been very successful because it meets a specific market need.

Sorry. Now you can see the gap there between narrowband and broadband, that's what mid-band addresses. And here's a real purchase decision when a prospective satellite customer is evaluating a satellite solution. They may look at what they need and they look at narrowband and they go, "It's not big enough," right? Or it's not big enough. Then they look at broadband and they go, "Well, that's too big. I need something kind of in the middle," and that's what this represents.

So one of the first products I want to just talk about, and then I'll talk about some of the use cases in mid-band is our own, and that's the Iridium GO! Exec, which is really the evolution of Iridium's GO! product. I'm going to let this video run while I narrate a little bit. So this is the evolution of Iridium GO!, but there's some key differentiators above and beyond what I talked about in filling that gap.

First of all, it appeals to professional-grade users. And they want some more speed, which obviously, based on Certus 100, it provides them faster speeds than our narrowband GO! They also want more capability. They want things like WhatsApp, iMessage, [signal], these applications that work anywhere in the world. They also want some richer applications or enhanced apps that we currently can't support on the Iridium GO! because of the speed of mid-band, that's able to be supported.

But they are also very focused on portability, grab and go, battery-powered devices and also reliable communications. And this appeals to multiple markets: Military, NGOs, anybody that -- like I say, values the portability and reliability. But also specifically aviation as well as recreational maritime. I'll spend a minute on this. So in recreational maritime, you've got a yacht, you've got a sailboat. And today, you may have Starlink on there because you want to stream Netflix and all that stuff.

But what happens on a yacht or a sailboat is you lose power. That Starlink is line-powered. You lose the power, you're SOL, right? So the mariners are very conscious of that. So they want to make sure that if that happens, they have the ability to still communicate and communicate effectively. We've also talked to some of the owners and users that are in that recreational maritime space. And if they have to ditch, they got to jump overboard, because that thing is ruggedized and water resistant, they can jump and use it. Can't do that with a Starlink.

So the main message there is that we, again, are sticking to our lane. We're very focused and disciplined, and the reaction has been really good. So we're going to do creative things to market this, a lot of online marketing, a lot of social media. We're going to get it into the hands of influencers. And we'll continue to enhance the Iridium GO Exec just like we did with GO! and just like we did with PTT.

A couple more mid-band examples. We talked a little bit about this earlier. The company is Zip Line, and they will deliver packages in the U.S., like for the Walmart example. That's where they use us as a companion if there's terrestrial capability. They also have different delivery mechanisms. But if they're in Africa, where there is no terrestrial coverage, Iridium is primary, and mid-band is perfect for those size of UAVs.

Our partner ground control mentioned anti-poaching. This is a great story. They had a solution initially that relied on our SBD, right? And that was good. But they -- again, they needed more capability to be able to really broaden the spectrum of the visibility of these poachers. So they used and developed a mid-band solution that's being deployed today and is helping to save the wildlife that's being poached.

In the maritime space, we've got the Certus 100 product from [Lars Trane]. There's all different kinds of vessels. Again, small ones, big ones. The mid-band Certus 100 product is perfect for this. They don't need broadband. Narrowband is not enough. This fits perfectly for running the ships business, which is extremely important for a vessel like that in an environment like that.

And then in rotorcraft, specifically in aviation. We've got a partner, Guardian Mobility. Rotorcraft's a space that we've been in for a long time. We kind of do basic tracking, a few more enhancements. But now with mid-band, not only can you track and work under the blades, you can also get more telematics information off that aircraft to be able to support safety and really more efficient performance.

So we're really excited about the mid-band category. We've got our own finished products. We've got products from other partners that they're investing in, and we continue to really work this and focus on it.

All right. The last category I'm going to talk about is broadband. Specifically, to start with, I'm going to talk about maritime broadband and owning the L-band. The two things that have really contributed to our maritime growth. First of all, GMDSS, Global Maritime Distress Safety System. But I'm not going to focus on the system itself. It's important. I was there in 2018 in the IMO when we got the approval. And it's what the mariner needs for safety when they're in distress.

But what it does for our business is that it gives us the street credibility with the entire maritime community that says, "If it's good enough for the IMO, it's good enough for us," and that's what's helped us grow our business. And then the other aspect of this is companion services.

I've talked about this before, but there's VSAT on big ships, right? You have VSAT from Intelsat and Utilsat, you got one web and you may have Starlink, right? But you -- when those things don't work, and they don't work often. Coverage is bad, weather is bad. You need Iridium to make sure that you can communicate when all that other stuff fails, and that's what's been driving our growth.

So the snapshot here from the NSR projection, again, 1% CAGR, \$324 million to \$341 million in 2030. Talked about what we've been doing today. It's working really well. We're going to continue to do that. The one thing is autonomous vessels. That's another area that's contributed to our growth. Same concept as UAVs. You need command and control. So that thing when it's on its own, you got to make sure that the communication is consistent and reliable. And we've got a lot of examples of how this has helped grow our business.

And then fleet solutions. This Citadel -- or when you're on a ship, the pirates attack, the crew has to go to a safe location and be able to communicate. That's what this Citadel solution is, but there's a big upgrade going on, and I'll talk about that. So really, the main event for us to drive continued growth to get the -- that hit that goal in 2030 and have maritime broadband contribute in a meaningful way is GMDSS over Certus.

Taking the GMDSS capability that we have today, putting it on our Certus platform, fleet owners have come to us and said, "If you do that, then I only have one terminal to buy. Covers my GMDSS needs, covers my broadband needs. So that's being developed and will be available late next year.

The only thing I'll say on the companion sales is VSAT companion. But look, also Starlink. If Starlink is the primary communications vehicle on a vessel and they decide not to use VSAT, we are the de facto standard for that, and we're going to continue to focus on that.

And I talked about autonomous vessels and security. So we're going to expand this market through really three simple things: companion services, safety and security. That is our mantra, and it's really resonating with the maritime community. We're going to be doing a lot of GMVSS installations, both on our legacy platform and our broadband platform. We're going to continue to support autonomous vessels. This is an actual vessel that made a voyage from the U.K. to New York, totally relying on Iridium's broadband for command and control.

And then this is just an image to tell you that and demonstrate that if you're in that environment, chances are, your VSAT is not working. You're going to need Iridium for companion service. And if there's pirates in that scenario, you need to retreat to that Citadel, and there is an upgrade going on because there's the recognition that if you're in that situation, the Citadel, if it's upgraded to broadband technology, you're going to be able to share a lot more information with the shore and get rescued quicker.

And then last but not least, aviation broadband. This is a really important category for us. I've expanded the team in aviation to help drive some of the results. And you can see the NSR market projection here, 7% CAGR, from '23 to '30, \$198 million, to \$325 million. Today, we've been -- had a good game plan with some line installation fits, what that means with Certus. What that means is it's a new Airbus or Boeing or Embraer rolls off the assembly line, it's got Iridium in it.

Now until recently, that included mostly our narrowband products. But now that Certus products are coming to market, we're starting to get those line fits as well. And we're doing 2 things at once: introducing Certus aviation products to market. In the same time, while we're trying to get safety certification on those products, similar to what we're doing in GMDSS.

But in the future, we're going to continue that and get it done, right? So starting soon, the airlines are going to start to do trials to test our Certus aviation products. And over a period of time, once they've collected enough data, we'll get that approval. We'll have the equipment in the market.

We're also expanding in the UAVs. We mentioned the beyond visual line of sight white paper. I think we've got some of them here. We took a thought leadership position on that, and the response to that has been tremendous.

And then we're going to expand our Certus aviation products to all markets. And we're going to accelerate the growth in this area. It's taken us in a while, but we've got the right

partners and partners like Collins, Honeywell, SKYTRAC, Guardian Mobility, [Thales] and Garmin.

So just a couple of examples here. We get that safety certification. We'll be in the cockpit of commercial transport, also low-cost carriers. They can't afford VSAT on their planes. But what they really need is some kind of capability to do credit card validation because that helps cut down in the fraud. So that's an excellent opportunity for our Certus products and services.

Business jets. Just like in Maritime, we're becoming the de facto companion for [Ku and Ka] on large business jets. And also on smaller business jets, they can use Certus in the cabin to meet the passengers' needs. We talked about UAVs. This is just the bigger one. It can actually support and needs the speeds and capability of our Certus aviation products. And this is another area that we're going to proliferate, and the expanded team that I have has really helped out here.

Rotorcraft, same kind of concept I talked about in mid-band. This is where you can get more telematics, richer information. And this applies to one big area, search and rescue. That's really important, along with enterprise and government. And then last but not least, general aviation. Look, there's a lot of pilots out there today who have a lot of applications. Matt can attest to this as a pilot.

You really can't use them because he doesn't have the capability on the GA aircraft. So with the help of Garmin, we'll get Certus products on here that will be able to support those pilot applications. So we're in good shape from a commercial business point of view, being able to contribute to that goal in 2030.

We're using our Certus IoT platform to grow personal communications and industrial IoT. We are going to pound and leverage that handset position for commercial voice and data. We are going to have success in direct-to-device. It's there, it's ready to go. And I think these recent Apple announcements are going to provide the motivation for Android OEMs to move ahead. And then the safety companion and security in maritime and getting Certus products safety certified and deployed in aviation, the growth is going to start.

So there's a strong path to that 2030 goal. We feel really confident about that. So let me just end on -- now I'll go back to the results that I talked about in the beginning with those 3 athletes, right? That experience, that talent, that consistent track record and that confidence.

So Tiger Woods ended up making that putt. He won the 2000 -- went on to go to the forest to playoff won the 2008 U.S. Open in the playoff. And there was some of the reaction. Kirk Gibson ended up hitting a home run in the bottom of the night, the two-run homer to win Game 1, and they went on to win the World Series, and that's one of the best chainsaw celebrations I've ever seen. And then Adam Vinatieri hit that field goal. Even though John Madden said, you know what, they should just run out of the -- run the

clock out and go into over time. He made the 48-yarder. And this is what it looked like when his team ran on the field.

So we're going to do the same thing. I try to use this to illustrate our experience, our talent, our consistent track record, our confidence. And I think in 2030, when we finally tally up the results, this is what it might look like in 2030 when we achieve that goal. So thank you very much. I'm now going to turn it over to my friend and colleague, Scott Scheimreif. He's going to share with you how the government business is going to contribute to that 2030 goal.

Scott Scheimreif: Thank you, Bryan. Good afternoon, everybody. As Bryan mentioned, my name is Scott Scheimreif, I'm the Executive Vice President for Government Programs at Iridium. I joined Iridium a little over 20 years ago, and my focus has been really driving -- developing and driving our execution strategy and growing the business within the U.S. government.

So for the next 15 minutes or so, I'm going to talk to you about what that strategy looks like as we provide our contribution to the near \$1 billion in service revenue by 2030. So in support of that, to provide a little bit of a background as well. I wanted to put this seal up here. So we've had a privileged relationship with the DoD going back to 2000. That was when we implemented our first contract to provide communication capabilities to the [warfighter]. Under that contract, we supported DoD, civilian agencies, five partners, so on and so forth.

But more importantly, it's also been a platform for innovation. As you'll hear me talk about later, the collaboration between us and the U.S. Department of Defense has really driven a lot of innovation within our network. Some of it's made its way back into the commercial side. But some of it has really created this catalyst for growth as we've launched new capabilities and services well beyond the satellite phone, which is what the DoD look to exploit [very early on] in our relationship.

So recently in 2018, there was a big shift within the DoD in how they procure and oversee the acquisition of commercial satellite communications. So you're probably familiar with this organization that stood up. U.S. Space Force, also reestablishment of U.S. Space Command. So what happened was a giant shift of all commercial satellite communications and the acquisition of that, moving out Odessa and now into U.S. Space Force. Frankly, the industry embraced that. We've always been a little bit of a unique capability on behalf of the DoD, but all the other owner operators saw this as a benefit.

In 2019, when we actually negotiated our last contract with Space Force, which now has us rolling out through 2026 on to \$738 million contract. But one of the key things about this is with the establishment of U.S. Space Force, what we've seen is a vision coming out of that organization that no longer looks at [MilSatCom] as being one capability in commercial [SatCom] as being another. What they look at is a total integrated SatCom vision. That was really driven by general Jay Raymond, who's now turned the reins over to General Chance Saltzman, who's now heading up Space Force.

And for industry, what that means is it's a new partnership and a way to collaborate with them as they look to leverage us. And frankly, the war fighter on the tip end of the spear doesn't care what pipe it's going over, just as long as he or she is able to communicate and conduct their mission. So what we saw earlier this year was the establishment of this organization, of course, the DoD likes their acronyms, COMSO, which stands for the Commercial Space Office. That falls up underneath of Space Force and Space Systems Command.

So I'll talk a little bit more about that in the future. But I also wanted to paint a picture of sort of what's happened over the last two decades. So if you go back to 2002, which is when I started at the company, we had about \$36 million a year in revenue. It's a fixed price contract with the DoD. We were offered -- serviced up to 20,000 users on our network, and that has grown dramatically.

But there's a couple points along our life that really drove this unique relationship that we have with the DoD. The first I'll point out here is in 2014. Everything prior to that was the activities and the events were happening over in Afghanistan and Iraq. Iridium, amongst other SatCom providers are being used heavily in those theaters.

But if you look at it, you can see we had some respectable growth not only in revenue, but also in subscribers. And you have to ask yourself, so what happened in 2014? Frankly, this was right when ops tempo was calming down. Troops deployment were coming back. Budget Control app was being implemented. Sequestration was the ugly word within the DoD. But yet, look at the hockey stick growth that happened.

We went to the DoD and said, "Hey, we have something special to offer you." We actually implemented today the only multiyear fixed price contract with the DoD. And they liked it so much because they saw the value that they got from the huge subscriber growth and adoption that they actually doubled down in 2019 and took that \$400 million contract in 2014 for 5 years to a \$738 million contract that we're now operating under today.

And so you continue to see the subscriber growth, but then you ask yourself, so what happened in 2020? Well, I point back to that thing called the 2018 NDAA, where we saw a shift of the oversight and acquisition of DoD, commercial SatCom from [DISA] to Space Force. It has nothing to do with the value of our network. Of course, we spent \$3 billion to put a new satellite network up there, new capabilities, new partners. It's really the internal functions within the DoD as they're now standing up Space Force. The good news is now that they've gone through this, we're fully expecting to see continued growth, and I'll talk more about where that's going to come from.

So the other interesting set of data points I'd like to talk about here, is the investments in our network. And these aren't the investments that we've done with our \$3 billion in a great new satellite constellation we have. But these are investments in external revenue coming out of our government customer. So for a number of years, it sort of hovered

around \$20 million to \$30 million. A lot of that was driven to continue to support their dedicated gateway, whose sole purpose is to talk to our satellite constellation.

But you'll see in 2018, 2019, you started to see a little bit of an uptick. And what that all boils down to is the government continues to look at our network as a platform for innovation. Again, truly global connectivity in space comes down to a dedicated government gateway, which provides a little bit of what they consider a very, very important operational security. And so as a result of that, you started to see more investments in technology.

Now the good news for us is, they invest in that technology. They're leveraging our \$3 billion network. That results in more subscribers on our network, which actually drives greater revenue for us on the service revenue side. You'll also notice this red bar here, not only did we see engineering revenue pick up in the last few years. But this is also when we implemented the contract with Space Development Agency, which actually feeds a lot more engineering revenue. And I'll talk more about that in a second.

But going back to this evolving relationship between industry and space. What you see now is this close collaboration that's driving a lot of innovation between the two entities. It's no longer about MilSatCom versus ComSatCom. It's SatCom in general. And the leadership in those communities value entities like Iridium who's shown the commitment to the government over the last 20 years, and they trust us.

And if you look at some of the changes that have occurred over the last few years, look at Ukraine. So in Ukraine, we saw terminals being deployed into theater by Starlink, thousands and thousands of terminals. You also saw great geo-intelligence coming from companies like Maxar that helped the Ukrainians get a better picture of what's going on with their adversaries.

At the same time, Iridium and our partners, we're flooding that theater with all sorts of communications equipment to provide situational awareness on the battlefield as well as secure comms to support the Ukrainians. So now you're seeing commercial SatCom being used as part of the fight. And that's driven a lot of close collaboration between the industry and government as we look at to continue.

So here's a great quote. General [Michael Gotland] at the time when he made this quote, was a Lieutenant General, Air Force, 3 Star. He was a commander at a space systems command in LA Air Force Base. Great relationship with them. But you can read the quote and basically, the takeaway is his recognition of the need to rely on industry.

Why? Because of the innovation and the speed to market that we provide them. More importantly, the speed to the fight for them. Now he senses has fledged up to and put his star on. We're very excited for him with that promotion. And he'll now be the Vice Chief of Operations heading up Space Force, working with General [Saltzman].

So as the government looks to rely more and more on industry, a perfect example for that is Space Development Agency. In the last fiscal year, they moved out of the Pentagon and now are part of U.S. Space Force. The picture you see here, the gentleman in the middle, Dr. Derek [Turner]. This was at the ribbon-cutting ceremony at Grand Forks Air Force Base, which we attended. And he's opening up this facility along with other congressional leaders coming out of North Dakota.

Their vision to rely on the industry is predicated on the fact of our ability to deliver quickly. If you look at what he's doing, he's procuring satellite buses by multiple vendors, whether it's Lockheed or Northrop or York or Star -- or SpaceX. But they're also procuring launches as well as hosted payloads.

So their vision is to get capability rapidly into theater to support the war fighter. And they rely heavily on the industry to do that. Their motto is what's called Semper [Citius], which is always -- always faster. And again, we're a prime candidate for that, obviously, as their choice to choose us and our team partner, General Dynamics, to fly their constellation.

We had the privilege of hosting Derek and his team at our operations center in Leesburg, Virginia a few years back, and they were amazed by the automation and the cost effectiveness of how we fly our network. I'd like to think that was a big part of what -- in addition to the great proposal that we wrote, but a great part of what was behind their decision to choose us and General Dynamics to fly their network.

So today, we're in the process of standing up their operations center in Grand Forks in Huntsville, Alabama. We will have folks in the seats that will actually be flying their network as we take over from the vendors that will be initially doing the launches.

And the feedback that we get -- continue to get from the SDA is extremely positive about our performance. Even to the point where in June of this year, they announced their intent to sole source the GD Iridium team the next -- the operations of their next tranche of satellites as they move into what they call Tranche 2. So that's a great testament for the team that we've been able to build and frankly, flew our network and has been flying our network for the last two decades.

So let me spend a moment here talking about what's going to prepare us for a very favorable outcome of our EMSS renewal in 2026. Obviously, the workhorse that drove the DoD and the U.S. government to look to leverage our network very early on in 2000s was the ability to provide an easily deployable, handheld secure radio. It's what supported the forces in Afghanistan and Iraq early on. And it's really what has been driven or what has drove their reliance on our network.

But -- and today, these devices make up about 30% of that 140,000 total users that we have on their dedicated gateway. But as we look forward, over the last couple of years, we've been looking at other what we call programs of record. And 1 of the ones we've

been working closely with the U.S. Army is something known as Army Blue Force Tracking.

It's amazing to think that this program was first operationalized in early 2000, and they're only on the third generation of the capability. And in the past systems, what they relied on is a geosynchronous L-band network to provide pretty much situation awareness around the world. Primary mission is to minimize Blue on Blue or [fracture] side. So obviously, it's very critical to have reliable, always available communications anywhere in the world where troops get deployed.

And working with the Army over the last couple of years, they have now built in the -- our Iridium L-band LEO network as part of their future, what they call their third-generation BFT. So we're working with our key industry partners. We're not the ones that are building the terminals. Those are partners like General Dynamics or [L3 Harris]. So we're working closely with them to help them integrate Iridium into these terminals that will outfit roughly 120,000 mounted platforms starting in 2025.

So you can see this really bodes well as we go into our renewal in 2026, 2027 time frame, to be able to have a multiyear program that the DoD sees value and continue to rely on our network.

Another example, obviously, the government likes to take advantage of what industry invests into. So the government has been working very closely with Qualcomm for a number of years. And frankly, so have we on the government side. But now that there's -- seen this huge investment into embedding Iridium into a Qualcomm Snapdragon processor and then making that available to a smartphone, where else can it go? So there are a number of applications out there that range from unattended sensors to unmanned vehicles, tactical radios.

And we really believe that this represents a huge opportunity for us, as much as hundreds of thousands of terminals, really starting next year, and we've been working with our partner in Qualcomm, engaged with the DoD as they look to exploit this. You can imagine, it's great to have a 9505 or 9575 handset that provides secure comms, but that's a single-purpose device. What do they get by having a software-defined radio that can operate Iridium's waveform, operate 5G or operate other wave forms that they can bring? So now all of a sudden, you sort of reduced their combat load.

So the combination of all these really drives the positive outlook for 2026. So beyond the favorable renewal of the EMSS contract, there's really 2 other areas I want to talk about. One, you've heard us talk about satellite time and location in prior investment days. We have a great partnership in Satelles, as Matt mentioned, we're part investor in that company.

And we do so because it's very synergistic with our vision and strategy, both on the commercial and on the government side. The chart down here, what you'll see is really since they went operational in early 2016, roughly about a 40% combined annual growth

rate of usage on our network that continues to drive what we feel is about a 10x multiple of the revenue we're going to get out of this by 2030. So again, great partnership.

The demand for an alternative P&T cuts across multiple industries, not only government and military, but as you can imagine, telecom, finance, critical infrastructure protection, aviation, so on and so forth. So the demand for this is there. It's simple. But the fact that Satelles, over our network already has the capability, it's operational, is very, very powerful.

The second area I want to talk about is how is Certus being adopted by the U.S. government. So earlier this -- actually about two weeks ago, Iridium announced our award under what's called the proliferated LEO, low earth orbit.

This is a PLEO contract. It was U.S. Space Force's first major acquisition that they let. It's a \$900 million program over 10 years. It's an IDIQ, indefinite delivery, indefinite quantity. Basically, it's a license to shop. It's a license to sell. So we, amongst other roughly 19 vendors, were awarded this contract. We're pretty excited because our network operates today. They've been using it for 20-plus years. And what this does is it creates an opportunity to introduce Certus into the government.

This, along with the completion of installing Certus at the government gateway, which we expect to have done by early 2025 -- there'll be more announcements on that coming probably in the next month or two -- allows us now to bring Certus technology into that gateway, leveraging the operational security that gateway provides to bring forth our mid- and broadband services.

And Bryan refers to it as companion service. And that's how we see this being used as well. But the DoD has their own sort of doctrine or concept they call PACE, primary alternative contingency and emergency.

And we like to view ourselves as sort of the ACE in PACE. We may not always be the primary, and that's okay. But because they can rely on this, you know we're going to be there. We are either going to be the A, the C, or the E in that doctrine. And that's sort of been our position for the last 20 years, and we see that continue to occur under Certus growth.

The other thing that I like about this is that this is actually outside of our core EMSS contract. So it helps contribute to that 2030 objective of nearly \$1 billion in service revenue.

So I'll close here by really kind of restating what I said and that -- the things that we're doing right now with the DoD, proliferating our narrowband services, continuing to work closely as they leverage commercial SatCom in addition to MilSatCom really sets us up well for a favorable renewal in 2027. But equally important, they are the areas of satellite time and location and service. So that, with our great relationship with the DoD, really sets us up well over the next 10 years. So with that, thank you.

Kenneth Levy: Pause and give you all a chance to stretch your legs. So we'll take a 10-minute break, and we'll see you back in your seats after that.

(Break)

Matthew Desch: So thanks for being with us so far. The second part, I think, is going to be very interesting, and I think you're going to enjoy some of these. This first presentation, we invited a special guest. Emily Miller is not a direct report of mine, though I would hire you in a flash, if you weren't an entrepreneur and a customer and a partner because she's a very savvy, successful businesswoman, and you'll see in a second of what she's accomplished.

But we thought if we could bring maybe a customer, a voice into the -- and to see a little bit about what people think about and how they use us in kind of unique ways. And I don't think there's a more unique one than the Rebelle Rally. Emily is Head of the Rebelle Rally. She'll tell you what that's all about.

It's a very unique organization created about eight years ago. Since they operate in a remote place, they started using satellite stuff from our partners, used it extensively. We started hearing a little bit about this group. Five years ago, one of our partners said, "You really got to talk to these people. They're quite unique, and we think that they're synergistic with Iridium's values as well."

Suzi McBride was as close as anybody there, and she went out to visit and was so impressed as like Gillette, she decided to buy the -- no, she didn't buy the company, but she bought into the whole vision, let's just say, and went in -- in a big way and kind of brought us into the Rebelle. And when we become a partner and friend and appreciate what they do. Again, we value some of these relationships.

We have one with the Smithsonian Movement of Life. We have National Geographic, the Ocean Cleanup, but the Rebelle Rally is unique in that it's an all-woman road race that has been going on. It's quite extensive. It's quite challenging. I would like a baby if I was doing it, there is no way I could do what these women do. And I just think you need to listen a little bit to Emily and what she has to offer here. So Emily, thank you for doing this. I really appreciate it.

Emily Miller: For the next few minutes. But I do want you to ask yourself a question. When was the last time you turned off your phone? And not when Ken asked at the start of the meeting. Shut your computer screen and went off-grid and pushed yourself so far outside of your comfort zone? Do you even remember when it was? When was the last time that you felt really lost?

So welcome to the Rebelle Rally. So what it is -- well, I know you're listening to me back there in a room. Okay, let's try it 1 more time. Second time is the charm, maybe? No?

Let's try one more time. Okay, team. Well, if you're hearing me and you can queue the video -- third time? No, video gone. Oh, it's there. All right.

So, the Rebelle Rally is the longest competitive off-road rally in the United States today. It just so happens to be for women. It is an extremely challenging endurance competition that is not based on speed, but based on points. It's like a moving chess game. Just a driver and navigator and a stock manufacturer vehicle, the kind of vehicles that is in your driveway today with just a map and a compass using traditional navigation.

It takes place over 2,500 kilometers, 10 days, 8 stages, 10- to 14-day hours per day, 10 to 14 hours, completely on your own. Here's the kicker. There's no cell phones, no GPS and no personal support crews, period. And it goes on day after day. After day. After day. And you don't get your cell phone back. You don't get to quit.

Well, you could quit, but you don't quit. And it's a really incredible unique format, and it took us three years to come up with this format because we wanted to do this in America and not based on speed. Takes place every October in three weeks, we will depart for our eighth Rebelle Rally. It is on public lands of California, Nevada and Arizona.

On every type of terrain, altitude and temperature. And altitudes from below C-level in Death Valley to the highest mountain passes in the Sierras and in Nevada at over 10,000 feet, sometimes within just a few miles of each other. From 15 degrees at the start to 115 degrees at the finish. It is a world-class beat down, and I'm not joking. And it had to be. Because if it wasn't, it would not be a credit to the women who do this, probably wouldn't be taken as seriously either. It holds a mirror to your strengths and also to your weaknesses.

It breaks you down. And for those who choose, it will build you back up better than you were before. A better teammate, a better leader, a better competitor and a better human. And if you ask any Rebelle, ask Suzi McBride, it will change your life. So I was told though, by the experts, the so-called experts, that it couldn't be done. Not in America. There's no way. Won't get permitted, won't get insured. You can't pull that off.

Today, there are 130 Rebelles competing. There are 126 staff. It takes up many staff, a 1:1 ratio, almost. 11 major vehicle manufacturers are involved with extensive programs, from Toyota, Ford, BMW, Hyundai, Kia, Rivian, Jeep, Honda. And we have an extensive electric vehicle program that is groundbreaking and testing remote rapid power in these cars in remote places where people really want to take them, but they're all connected by Iridium. And to tell you the truth, if it weren't for Iridium and these products, the Rebelle Rally would have never happened. And I'm not kidding, that's not dramatic. That is true.

So a little bit of personal history. So I was a professional off-road racer. I was very fortunate. I raced for Race Legend. I raced for a major auto manufacturer. And I've been able to see the world from the driver's seat. I've been able to go into amazing remote villages. I've raced across Africa many times, Australia, Mexico, but often, I was the only

woman. And to tell you the truth, it didn't really bother me, but I really did wonder why more women weren't out there.

I remember one year -- and it's not like F1, how many are F1 fans? Okay. It's not like 20 cars on a weekend. There would be 100 teams, 200 teams. One, you're in the Baja 1000, out of 536 teams, I was only 1 of 2 female drivers. I also -- day job, I own a sports marketing company that I have owned for now, 24 years. But I wanted to mash it all up and create a world-class competition, regardless of gender.

I wanted it to be fair and responsible on a number of levels. But I wanted it to be world-class, and we were dedicated to making it world-class. I wanted it to be a badge of honor for every person who crosses that finish line. I wanted an opportunity for women to shine and to be a badge just like this incredible badge of honor, yes, I did the Rebelle Rally.

And I also wanted to build grit and gain valuable seat time because we all know in life, seat time in anything is really important. And I also wanted it to be an authentic proving ground for people, products and the vehicles that we drive every day. Not just like a social media like a great photo for Instagram. So I emptied my savings account, I am a calculated risk taker. I think that was calculated. And I went to work and have built a really incredible, tight team.

And we really realize really fast that maybe we bit off a little bit more than we can chew. And you're going to say, well, you're in California, you're in Nevada, you're in Arizona, this cannot be that hard. But where we are and where this rally happens, about 75% of the course has 0 cellular communications. It's California and Nevada and Arizona. I just got back from Morocco, and I can tell you that there is more cellular service in the northern Sahara than there is across some of the states in the West. Which is pretty crazy.

And so I knew we needed a really robust technical backbone to support our operations, the actual competition in scoring because it couldn't -- the format is so complex. It couldn't be -- there couldn't be man-made air, which can happen a lot in racing and sport. It needed to be automated so it could be fair and have competition and integrity. We also had to support safety and communications. And here, these women don't have cell phones. So everybody said, that's why you're not going to be permitted. No one's going to insure you. How are you going to -- how is that going to happen? What if something happens to these people out on course?

Let's talk about safety. This is personal. I'm not a race association. I'm an entrepreneur. I'm a lover of what I do. I knew that I might have to stand in a court of law someday and defend the decisions that I made to build this rally, the vendors that I partnered with. See, these competitors, they might be your wife, your partner, your mother, your daughter or a friend. And so a miscommunication literally has it only a physical consequence, usually, it can have a legal consequence.

So I couldn't cut corners. I knew I couldn't cut corners. And then the competition, this isn't a road trip. I mean it sounds like a pretty fun road trip, right? But this is a

competition, it's scored, it's personal and it's professional. So I had requirements. I had to have a satellite network that was robust and would not fail. It started with that, because I don't have cell phone service, correct?

So it started with the satellite network. And then to products that use that satellite network, those products have to be rugged. They can't fail. I mean, we were in Death Valley not long ago. It was 123 degrees, and everybody's cellphones quit working. Didn't matter. There wasn't cellphone service.

So we have to have tracking devices, tracking devices that must be able send the amount of data, continuous data. They have to be adjustable, and they have to be extremely accurate. There had to be redundancies. So I couldn't just have 1 unit, I had to have multiple units because what if something failed, what if somebody drove over their tracker? I'm saying that because they do. And then I searched, I tested, I eliminated and I made those decisions. And by far, no joke, Iridium and Iridium-connected devices were the clear winners. It wasn't even close.

The products I use, I love this because I think I might use the most Iridium products in terms of diversity. So how many people use an Iridium-connected device? Oh my gosh, I see new customers ready to go here. Okay. So we use seven different types of Iridium-connected devices. We use a lot of data, a whole lot of data. And we use [YB] trackers from ground control.

We use two units. So each team has a unit on their car for vehicle tracking. They have a handheld unit, so they can actually score their checkpoints scored like a dart board, basically, how they close they are to the bull's eye. And it populates a real-time scoring system that is quite complex and pretty amazing. They use to talk, to reach our dispatch and to reach emergency, they use an Iridium 9555 satellite phone.

We have a game changer that made all the difference for us. And it's no joke. Icom, Push-To-Talk, satellite radios. I didn't use in the first year, and I cannot tell you -- I mean, I could tell you how much money I spent trying to have crystal-clear communications that I didn't get. The moment I switched to Push-To-Talk, changed everything.

So that's -- we have search and rescue teams that are out in the field. We have a medical director. We have dispatch. We have competition scoring. We have a course team, and I have 38 on my media team, content collectors. They are all empowered with Push-To-Talk. Total game changer, and I could afford it and we can implement it really easily.

We use also a mission link, and that was able -- when we're -- it's basically like a backup system to make sure that we have access to our scoring and our tracking. We built a telemetry system, a vehicle telemetry system so that an engineer in England can watch their cars that they've put in and entered into the rally with their engineers driving it, and they can get the data off that car, and it will toggle between cellular and Iridium in real time.

And then lastly, I use one of these. That's why I'm saying everyone in the room should have a personal device. If you leave the city, if someone you care about in your life, leaves the city, they need to have a device that can track them, but also be an SOS. It's an incredible tool and a long battery life. I can communicate using my cell phone with this, but I don't go anywhere without it. I run and drive these trails 40 to 50 days a year. Once I leave here on Sunday, I'll be out by myself, about 4 a.m., where Hurricane Hillary -- and if anybody saw the news, how Burning Man just got wiped out. I'm going to be driving some of those trails, checking them alone.

And I do this alone, one car. And the only reason why I can do that and my family feels safe and our staff feels safe is because I am connected with Iridium. It says it right here. Iridium-connected. If somebody else handed me a device and said we're going out today and this other thing that we're going to use, and it did not say Iridium-connected, I wouldn't go. No joke.

So with that, it's not just about the products. It's the people. So I've thrown them some curveballs. The people that use their products or that use Iridium network and build those products, their problem solvers, their innovators, everyone. They have made this dream possible. For me, the Rebelle Rally is my passion, but it's also my profession. And literally, we would not have gotten to the starting line without Iridium. The skeptics truly would have been right.

So the other thing that they gave me, how many people have problems here sleeping at night? Because they worry about things. Iridium literally helped me sleep at night. They made our competition fair. They made it safe and they made it connected and they made it possible. And so with that, today, there are Rebelles in over 300 cities. They're strong, confident, amazing, bold, wonderful women.

And we are going to hit the starting line on October 12, connected by Iridium, but I want to leave you with a quote. So this is from a really great entrepreneur that has done the rally, and she said, "My life will never be the same. The Rebelle is the best investment I've ever made in myself. I was immersed in so much opportunity and problem solving, the transformation was inescapable. To future Rebelles, I can only say, I'll see you on the other side."

And what I would like to add to that is, fortunately, year eight, we're on the other side. And literally, it was the best investment I ever made. So thank you to the team at Iridium. So with that, I get to introduce the next person. She is a three-time Rebelle. She is a serious bad ass. She can drive a car with the best of them. Honestly, she's a great driver. I have seen her in some challenging situations. And I've watched how she's acted and reacted. I watched her mentor people around her, and she is a serious role model. And she is Suzanne McBride, the Chief Operating Officer at Iridium.

Suzanne McBride: I really appreciate it. I mean in three weeks, she's going to be doing that with -- this year. So it's a really busy time for her to come out and spend time with us. So hopefully, you guys got a little flavor of it. And I was not an off-roader, I'm still

not. I'm more of a city person. But they invited me out in 2019 sort of as a VIP, and I went out and I immediately saw how Iridium was being used. And it was really quite incredible. The magnitude of it, but the ecosystem, and it really highlights how Iridium could be used. And of course, I saw all these women doing this.

And I thought, well, why not? So I tried it and did three in a row, and I've learned a lot. And this year, I'm really proud. We're actually going to have two Iridium employee-led teams doing it. So I'm passing the baton, and now Iridium is fully sponsoring our teams, and it's going to be incredible to watch as we do, and we'll be there to support the team.

And it's because of this network that we're able to do things like that. I mean we know that all of our customers rely on us. They rely on us for that safety. And it's because we have the only truly global network to date. And it's a very highly reliable, highly redundant system. And it's a fully cross-linked network. And it's because of that cross links that provides that high availability and assurance that they're going to get service. It autonomously will route.

If there's any problems in the sky, we can route traffic down to the ground in other locations to ensure that we get that high, high availability, reliability, which is what has enabled us to get the GMDSS certification that Bryan spoke about earlier, middle about doing the Certus aviation safety services. And it's just a wonderful network, and it makes my job really easy because we have all of that capability.

And on top of that, it's actually performing better than the original models and statistics had predicted. We have 66 fully functioning satellites that are very healthy. And we also now -- we just launched 5 more spares back in May. So we have 14 on orbit spares, which is the good news for you all is that means we can confidently say the CapEx holiday is intact. Our satellites will probably outlast what we want to do next. They're very, very healthy.

Very proud of the team. I mean, we -- in about a little over a month, we're going to celebrate 25 years of service to our customers. And what's really important about that experience is -- Scott spoke about SDA. It was because of this experience, we know what it's like to truly operate a network, a complex network of mass magnitude and mass numbers of satellites.

We've learned a lot of things the hard way over those years, and I can watch a lot of the new entrants who are starting to launch constellations, learn things. It is complex that it is hard. But it's because of this experience that I think has enabled us grow this new business in SDA. I mean it was never -- it's really a brand-new growth opportunity for us because of this experience.

But more importantly for me and for you guys to understand, too, it strategically was well aligned for where we want to go. It enabled us to take our operations team, who's a little bored with some very healthy satellites right now, to be able to go off and help build this out the constellation ground network and operations for SDA. So not only is the team

kind of -- we're offloading from the team on to those programs. But that team is also continuing to innovate, continuing to learn and continue to develop new techniques that will come back into the Iridium operations as well. So it's a good way to leverage both capabilities on both sides.

We've been growing our team as part of that as well. I mean, we're up to about 750 people. And the important part about that is because of this experience, we're trying to transfer that down, right? It's important that we're constantly bringing in new people, new teams that can be the next generation going into that 2030 and beyond time period. And having that knowledge passed down is very critical to us. But on top of that, we also want to bring in a lot of new players, because new players has great innovation and thought and diversity of thought brought into the house. So it's really been a great time, the last couple of years, seeing the mix of experience and new. And I think we've got a really perfect balance there.

The other part about our 25-year history is network optimization. We really do understand where our customers are at. We understand how they use it, we understand time of days. We understand seasonalities. We understand where people come and go, and that's a knowledge that has served us well because it ensures that we always stay ahead -- ahead of the capacity and ahead of what our users are going to do.

We work really closely with Bryan and Scott's team to kind of look forward out to 2030, where the user is going to be, how are they going to be using it and ensure that our optimization techniques are always ahead of that demand. It's really important for us to provide a very consistent service to our customers no matter where they are in the globe.

They don't have to worry about -- if I'm in America or if I'm in Africa, then I get a different experience. We want it to be the same because we know that they do rely on us. We know that when Emily and her team are out there, they need to know that when they do that Push-To-Talk, it's the same, and it works every single time.

So staying ahead of that and optimizing our network is really important. In fact, we've been investing. You guys might have heard about our DNA, our Dynamic Network Architecture. We've been investing in that optimization techniques to ensure that we can actually double the capacity of our broadband services or the Certus products.

Supply chain has been a really interesting couple of years. Nobody ever would have predicted what happened after the pandemic with the supply chain. And we were no exception. But it's because we've had two decades of experience, and we've got a very well-established supply chain that we are able to lean forward with those relationships, ensure we got our allocations that we can commit to making commitments and build.

And we are -- because of that, we actually had a banner year last year. We had a record year of \$135 million worth of equipment sales. And it's because some of our competition could not stay ahead of the game with the supply chain. It's something really -- again,

where I think our experience showed in our ability to leverage those relationships to continue to build and to grab market share during that tough time.

You will see -- we have guided that our inventory levels will be higher this year. Because the other thing on supply chain last year, we had to make a lot of commitments. But fortunately, for us, our products are very long living. And so we can just -- we manage the supply chain, we have some more inventory, which is fine. We've been very strategic about it. And those will sell off over the next year. We expect it to kind of peak and then stay flat through 2024 and kind of go back down to kind of normalized level in 2025 as the supply chain settles out.

Looking into the future, where we're going here. One thing is we're going to -- we've been looking at cloud like a lot of companies are. It's important for us that we do this smartly. We're not going to jump all in and move everything to the cloud. It doesn't make sense financially.

A lot of our legacy services, it would not be the right thing to do. However, we are looking at the cloud, and we've been moving to the cloud in a couple of areas. The first and foremost is our Iridium Connect, Cloud Connect for our IoT partners. And what that enables is much faster onboarding. So our customers now can go to Amazon Web. They can do the connections. They don't have to worry about doing a proprietary just with Iridium.

We also using the cloud in new technologies and services that we're developing. From a development standpoint, the cloud also helps our velocity. We can try things, test them, automate, do a lot of that faster in our new services that we're building. So you'll see us kind of over the next couple of years moving more to the cloud in our new services and products, but it's going to be a mix.

The other exciting news coming is that we've been working on and investing in an over-the-air update capability. As you can imagine, our partners are very remote and a lot of their equipment like on a ship or a plane, it's hard to get those back in ports. And it takes - - it kind of reduces the hurdles, we want to reduce our hurdles for our customers and their end consumers to be able to get those updates. And those updates community thing, from enabling some faster speeds or connection times, getting on and off the network.

And if there's a security issue, we now have the ability over-the-air to go ahead and do that and help them out in not force them to come back in. And we don't stop thinking about the future. I mean, yes, we are in a CapEx holiday, and we are very confident and comfortable with that holiday. And the nice part about having the holiday period is our timing has always worked out very well, both on when we did Iridium NEXT and now looking forward at the third generation.

Thankfully, right now, I'm not in the market to buy rockets or buy insurance, because right now, it is tough, right? A lot's going on. A lot of capacity has been purchased by some of these big, big constellations that are going. So on top of that, there's a lot of

satellites that are coming, a lot of new satellite vendors that are coming up and popping up. There's new technologies and optical late cost links that are happening.

We have the luxury of watching and learning and seeing who's going to emerge. So by the time we are ready to start looking at Next 3, we believe this cycle is going to be coming on the downswing. There'll be capacity in the market. They'll be the leaders that fall out or other leaders that pop out, the ones that fall out, and we will be able to make some very opportunistic relationships.

I mean we did this with SpaceX back on NEXT. We did a deal of SpaceX many, many years before we needed them, but we saw that as one of the leaders coming out, and we took advantage of that with having a really good contract in good terms for Iridium.

We will continue to do the similar things. We'll be watching everybody over the next couple of years, seeing who are the leaders and how and when do we want to start making strategic partnerships with those companies. We'll also watch and see how like the satellite market runs with like a start ship coming into the market. What does that do to drive down satellite costs and/or launch costs?

So we are also working on architectures. You're not going to hear much. We won't be very public on a lot of that, but we are not sitting still. We are thinking about the next generation, as Matt said, we're currently investing in standard-based NBIoT on our current system because of the flexibility, and then looking in the future, how does that work with our legacy services and other standard based services well into 2030.

So I mean, we think we're really well positioned to support everything you've seen with Brian and Scott's growth opportunities. It's because of this network that we have that enables that to be very -- our customers depend on it. We're very strong. And we think that with that experience, it opens up more and more opportunities for us.

I can say the 25-year -- the 10-year CapEx holiday is intact, but we're not going to stand still. This was originally designed to be a travel workmen's cell phone basically, and that's not what we are today. It's in our DNA to always recreate, reimagine and innovate ourselves.

And you hopefully have seen that through everything we've done to date, and that will be in our DNA going forward. We will continue to innovate. We'll continue to vector and shift as the market shifts and what the market needs. So with that, I'm going to go ahead and hand it over to our closer, Tom Fitzpatrick, who I know you're all very familiar with, to go over our financials. Thanks.

Thomas Fitzpatrick: Thanks, Suzi, and good afternoon, everybody. I'm Tom Fitzpatrick. I've been with the company since early 2010. So going on 14 years. I came right -- shortly after I came, we announced the agreement with [Talos Elenia] to build our next-generation constellation, Iridium NEXT. And the first task was getting the credit

facility signed up, that was backed by the French state. So we got that done. And I managed that relationship over the nine-year construction cycle.

And along the way, we had to raise some sort of tuck-in capital to get the next project completed. On one such occasion, I remember in 2014 to paint the picture, we were spending hundreds of millions of dollars on CapEx, taking leverage up in the market to raise straight equity and a convert, and see the argument to investors is, well, why do I want to invest in Iridium.

We said, "Look, when we're done this construction cycle, CapEx is going to be behind us, and we're going to throw off significant free cash flow. We're going to get an improvement in -- significant improvement in our trading multiple and significant appreciation in the shares." And as I reflect on that today, all I can think is boy, I'm glad that came true.

So needless to say, I'm delighted with the success of the Iridium NEXT mission if you will, and just the performance of the business. But I have to say, as I stand here today, I'm equally optimistic about our prospects as we look out to the end of the decade. And it's my privilege to take you through them, summarize for you here as the closer, as Suzi call me.

So first, a little bit of history. So in an earlier Investor Day, we said, look, we're going to be throwing off a lot of free cash flow, and we want to lay out kind of a plan for how we're going to deploy that free cash flow.

And when we laid this matrix out and that Investor Day, I don't recall if it was '21 or which one it was, the kind of it was black. There were 3 ideas of what we were going to do, but nothing to put up against them of having done them.

And so today, it's a pleasure that I say, look, we filled in all 3 of them, right? So first, we said we're going to make strategic investments. As Matt said, we are not acquisitive. This is opportunistic. If we see something strategic, that's value creative, we will seize upon it. We did that. We made investments in [Satellus and Aireon]. We've made \$600 million in share repurchases thus far, and the Board authorized another \$400 million. So check that box as well.

And finally, we initiated a dividend of \$0.13 per share per quarter. And so all 3 of the initiatives that we've highlighted have been executed upon. A little bit more history. If we just take a look at our reduced leverage over time, it shows there 2018, we're at 5.2x. That was actually the exit rate in 2018. I think we peaked at [5.2x]. We see ourselves exiting this year right around 3x leverage.

We delivered on the CapEx holiday that we promised in the throes of the construction cycle as the investment thesis. We've delivered on that now for several years, and we intend to do so through 2030. And we've also reduced our interest costs from \$115 million in 2019 to \$80 million here in 2023.

I don't know if any of you have seen, we put out an 8-K yesterday that we closed on a new term loan, actually closed yesterday. So, it's a new term loan B. Fundamentally, we extended our maturities. We're doing a lot to paint a picture of 2030 to investors. It's interesting that we were able -- the timing just worked out. We were able to say, there's not going to be any intervening maturities between now and 2030. We pushed that out to September of 2030.

The offering was well oversubscribed, I think, 60% oversubscribed. This -- our business really resonates with debt investors. We were able to shave 10 bps off of the pricing. And what we really like about -- and the deal came really tight was 99.75 OID. So that's really a home run, in our opinion, that we were able to accomplish that.

What we really like about this term loan B is we can reprice it. So our spread is so for plus 250. If we delever and become more attractive to debt community and think that we can get better pricing, we just reprice and we'll take that spread down to 2.25, 200 bps, or if the simply if we are treading water and the debt market, it improves, we can reprice it. So it's a really elegant facility in that it's 1% principal amortization, we can execute all the plans that we want to do with very limited principal service until 2030. So happy with that.

Okay. So I want to talk about our prospects for growing our profitability and growing our free cash flows, kind of over time out into the 2030 time period. And so any discussion of our improving profitability and improving cash flow starts with our service revenues, right? So that's the biggest revenue source that we have, it's like 75% of our revenues. It's recurring in nature, highly profitable, and that's what drives the incremental cash flows.

And when you consider, we have \$535 million of service revenues in 2022. But you can't just talk about service revenues in total. Each of our service revenue lines are different. They're different in our competitive circumstance, and they're different in the inherent rates of market growth in which they're participating. So you have to talk about them individually. So they're different.

But one thing they all share, there's an attribute that they all share. They all have a consistent track record of growing. Look at the CAGRs from 2017 through 2022, you don't see any brackets around any of our service revenue lines. They're all healthy growers, aggregating 8.9% CAGR across the portfolio. And think of it like that, like it's a portfolio.

Let's start with our Commercial Voice and Data business. That's the traditional satellite phone business, but with some new interesting products that Brian and Scott have talked about here today. So the 4.5% CAGR 2017 through 2022. What are our prospects for growth as we look out '23 through 2030?

Well, if anything, the competitive environment is moving in our direction. It's moving favorably. Our primary competitor was stopped out. They didn't have any phones to sell

for the better part of 18 months. All of that entered to our benefit. You saw in 2022, we put up record equipment sales, a driver of that was the stock out of a competitor of ours. And so it's unclear whether they're committed to this business.

Certainly, the channel has questions, whether they're committed to the business. The channel couldn't get any product for them for the better part of 2 years. So they're questioning that commitment. So if anything, we think the competitive environment is stable to improving.

We've demonstrated pricing power in this business. We did a price increase in January of this year. You see that, that segment grew 10% -- over 10% this year on the back of a price increase. There's some interesting products within that service line. Push-To-Talk, Brian talked about, that's very growthy.

So the -- we think about the satellite phone business as a niche. I think you put up a growth of 3% is what NSRs estimated. So -- but Push-To-Talk is much faster growth than that. It integrates into the land mobile radio seamlessly. So first, responders love it. They can expand their footprint with no CapEx. So we think that's a product that resonates for quite some time.

And finally, the new mid-band offerings. This is a new arrow in our quiver. It's not in the numbers currently, and it's new functionality. It's what Brian talked about with drones and UAVs and new functionality in marathon. So these new mid-band offerings, simply put, it's more data, that means more revenue because you get more revenue for pushing more data through your network, and it means new use cases. New use cases means new subscribers, who weren't drawn to your offering previously. So this is greenfield.

IoT similarly, IoT is much more growthy. It's the growthiest segment that we participate in. The estimates are that it's going to grow 16% CAGR through 2030. We think our network is best positioned to capture that greater growth. We think it's most suited to IoT requirements. And so you have significant just market growth that we're participating there.

Personal communications is a subset of IoT. We put it in with IoT, because it's the same device that is used. Personal communications, as Brian said, it's got a 45% CAGR over the last 5 years. We have 900,000 or so subs, and we haven't scratched the surface here. Think of the billions of smartphones that are out there that are not communications devices in 90% of the globe.

You attach this Garmin device to it and your smartphone becomes a communications device anywhere in the planet. And pretty much nobody knows about it. Even though there's 900,000 subs, it's not really known about. And so there's -- we think that there's a lot of room for that to grow.

Similarly, in Industrial IoT. So this is asset tracking telematics, the additional bandwidth inserted into the IoT applications makes more robust telematics. What does that mean?

That means more data, that means more revenue. That means more use cases, that means more subscribers. Again, this is not in the numbers yet. This is to come. This functionality works, exists, and it will be delivered shortly.

Okay. Commercial Broadband, and here's where you see the difference in the kind of market rates of growth. So commercial broadband, that \$51 million that you see is pretty much all maritime right? Well, the maritime market isn't growing. The maritime market has grown by like 1%.

So, how the heck do we grow by 17.5%. It's a straight takeaway from the competition, straight takeaway from the incumbent. We have -- our Certus product is faster, smaller and cheaper than the competition. And that's why we grew 17.5% in a market that's growing 1%. We think that continues. It's just pretty obvious, right?

And the upside, I would say beyond that is penetrate aviation. We don't have any installed base in Aviation. We're going to have an aviation product here shortly, and we think we do very well in aviation as well.

Hosted Payload & Other Data Services grew by a whopping 43.1% CAGR from 2017 to 2022. What's that all about? Well, our hosted payload, which is sort of \$50 million of the \$60 million you see there, in 2017, that revenue was the direct result of our new network. We have hosted payloads on our satellites and the kind of the revenue started in 2017, I think we had about \$2 million in 2017, and that grew to \$50 million in 2022. And that's what accounts for that outsized growth.

The hosted payload revenues are not going to grow beyond this. It's contractual, it's locked in. It's interesting when you observe this kind of array of our revenue lines that hosted payload could be called the worst revenue line that we have, because it's not going to grow, even though it's contractual locked in and certain. And a lot of our competitors would love to have that -- love to have that circumstance, where they knew their revenues were locked in.

So where is the growth going to come? Because we said we have excellent growth prospects, direct-to-device. Direct-to-device is not in our numbers currently, and we think it contributes materially to our growth as we look out through 2030. It's going to provide -- we, along with Qualcomm, will provide the Android ecosystem with a competing offering to Apples that they can offer globally, and we think that's significant.

And then finally, satellite timing and location. This is enhanced GPS, for lack of a better word, that the U.S. DoD is very interested in. There's lots of commercial applications in terms of geo authentication and a myriad of uses that cause people to believe that this could be 10x what it is today in -- by 2030.

So Commercial Services, which grew by 10.4%. We think our prospects are great as we go out into 2030. And then the U.S. government grew by just under 4% here between 2017 and '22. And for all the reasons that Scott articulated. The significant investments

that the DoD is making into their gateway in Hawaii, tens of millions of dollars, which investment is completely stranded or has no utility, but for to terminate the Iridium signal.

We think that's a strong indication of favorable renewals. Just as are the ever-increasing number of applications and initiatives that Iridium connectivity is being built into in the U.S. DoD. And so we think all of that bodes well for a favorable EMSS contract renewal, as we have done consistently in our decades-long relationship with the U.S. DoD.

And so we put all that together, we see our service revenues in 2030, around \$1 billion. It's driven by IoT. It's driven by the growthiest segment in our portfolio, 16% projected growth additional functionality in mid-band. We think D2D, as I said, contributes materially to our growth through 2030.

We think telephony is a favorable grower. Mid-band is a new arrow in our quiver, as I called it, not in the numbers now, we think significantly in the numbers in 2030. And we will consider tuck-in acquisitions, if they're strategically important and we think value accretive.

So now let's work out the assumptions, if you will, of how we determine free cash flow that we think and capacity for shareholder returns that we think falls out of that \$1 billion in service revenue between now and 2030. So as you've heard today, we think the CapEx holiday is intact through 2030. That's an underlying assumption of our cash flow assumptions.

As we have done consistently, we will scale our EBITDA based on our operating leverage. And when we were first marketing the loan in 2010 and just investor relations generally, and this is in 2010, we went to the street and we said, look, we have about 45% EBITDA margins, currently in 2010. We see 60% EBITDA margins at the conclusion of the CapEx cycle. And we were right on top of that number in 2020, when we ended the CapEx cycle. So it's there, it's observable and it's highly predictable.

So as a result, that will grow levered free cash flow. We do expect, and we've modeled in our estimates of cash flow, we expect that equipment sales will moderate. If you look at the trends in equipment revenues, you'll note that in 2022, we were about \$135 million in equipment revenues.

That was up from up about 50% from the prior 3-year average, right? And when the drivers there were competitor out of stock, all of that we got the benefit of that, that bump that number. And similarly, we were experiencing supply chain issues and the channel reacted to that by building their inventories up. We expect that to moderate, and that's how we built that moderation into our cash flow estimates.

We expect to maintain our gross debt profile through 2030. So the \$1.5 billion we just raised, we'll maintain that. That's exclusive of acquisitions, should we do any. As I said, we're not particularly acquisitive, but let's -- we'll say that with that proviso. And we

intend to maintain and grow our dividend. We would not have initiated the dividend if we didn't have the confidence that we could grow it straight through the next CapEx cycle from 2030 and beyond. And we'll continue to opportunistically repurchase our shares.

So just a couple more assumptions here. taxes. We see negligible cash taxes through 2024. And then we see ourselves paying the statutory rate in 2028. That's 23% model cash taxes at around 23% in 2028. And they kind of feather in kind of pro rata, as we exhaust the NOL in the period between '25 and '28.

We see net leverage. We're going to exit '23 around 3x. We think we delevered down to below 2.5x in the period 2026 through 2029. And we see ourselves exiting 2030 below 2x leverage. We think that's appropriate because in 2030, we're going to be contemplating a significant new CapEx cycle, and it seems appropriate to leverage down as that undertaking is being configured.

And so when you put all that together, Matt kind of stole my thunder. We see a capacity for shareholder returns of about \$3 billion. That's fully 50% of our market cap today. And significantly, while delevering a full turn.

So let me just summarize by saying that Matt and the rest of the executive team and I are very proud of having delivered the shareholder returns that we have done, and we look forward to executing against our plans deliver to these goals through 2030. Thanks.

QUESTIONS AND ANSWERS

Kenneth Levy: All right. Excellent. So I hope you found the formal remarks helpful, insightful and additive. We're going to take about one or two minutes to set up for Q&A, and we'll have our executives return and take your questions.

We do have two microphones. We're going to have runners. So I just ask when we're set up here, if you would just raise your hand, we'll have a microphone come to you. It's important for the online participants to hear the full question. So if you can kindly take your time and speak into the microphone, then we'll address your questions.

Once again, for online listeners, if you do have questions you'd like to submit, please send those to InvestorQA@iridium.com. With that, I'd like to reintroduce you to our executive team. And I think I saw the first hand go up here, but if we'd like to provide a mic.

Walter Piecyk: On the 2030 end of the CapEx holiday, is that capacity base? Because I think if you go to -- Suzi shaking her head now. So I'll move on to question 2 then.

Matthew Desch: I think that's just life of the network. Our satellites were built with a time line of what 12.5, 13-year engineering life, which you expect on the constellation base on experience and stuff to get more than that. That's the earliest period of time, which we believe we'd have to because fuel issues, radiation issues. The last network was

supposed to last 5 to 8 years, and we got 22 out of it or something like that. I don't know if we'll get that or not, but certainly, it's more about that right now.

Walter Piecyk: So there's an opportunity. Again, going back to what Suzi was talking about, you're looking at the competition, you're learning technologies, changes, things evolve and then you hit 2027, you're like, wow, 2033 or '34 or '35 might look like the better time to reinitiate the CapEx. Is that a possible scenario that could exist, and does that fit with the longevity of that robust network you've talked about?

Matthew Desch: We didn't model that. But I mean that's kind of what happened last time. I think you expected to have a 5-year CapEx holiday, and we ended up having a 12-year one, and thank goodness in some ways because we probably couldn't have afforded it before then. This will be a very different situation than 2031 when you consider where we are. But we could start in 2032 or 2033, sure, we could probably do that.

Walter Piecyk: And just the final part of the other question is, let's go the opposite way, you start kicking the CapEx into 2030, 2x leverage, committed to the dividend. I assume that means is committed to dividend growth as well. What's -- in the next cycle, what do you anticipate max leverage heading?

Matthew Desch: We haven't said -- we haven't sized the CapEx yet. So we're still in the early stages there. Consider what the EBITDA is going to be at that point in time that won't. I mean we got this constellation built. We had LTM EBITDA of \$135 million in 2010, when we commenced the \$3 billion undertaking. Pick a number, \$3 billion, what's our EBITDA going to be \$600-and-some million? It's a relative layout, the next build.

Matthew Desch: I will tell you the numbers on 2031 when we are working them out here, as I roll him up in his wheelchair. Sorry, just thinking ahead here.

Mathieu Robilliard: Mathieu from Barclays. I had a question about your revenue guidance. Obviously, that's your best guess today, and you guys have typically been conservative, I think we can say that given the delivery. What I wanted to understand is whether that revenue guidance is capacity constrained? Do you think you can only go to \$1 billion, because then capacity is not enough in the current system? Or is it your best estimate is how you can grow your product and services and market then?

Matthew Desch: It is not capacity constrained. That is not that wasn't configured in that number that we would have to hold it at that level because of capacity. We have a unique system that because it's constantly moving around the earth, capacity is moving as well. It all depends on where capacity occurs – could see getting hot spots.

But as Suzi said, we've been investing a lot in almost rewriting our network software to make it much more efficient in the future, and believe we can get a lot more capacity out of it by then. And I don't think that would be a constraint certainly in those dollars, but we didn't hold that back for capacity.

Mathieu Robilliard: Yes. I think Suzi said earlier that you had devised something that could double the capacity or had doubled the capacity. I don't know if it was for the whole.

Suzanne McBride: For all the Certus services, which is the broadband and the mid-band.

Mathieu Robilliard: Okay.

Matthew Desch: And we continue to mine other capacity out of our network too -- because it's used inefficiently and we find more efficient ways. We were talking about, since it hasn't been said before, we'll say, AI. There will be some of that, and it will solve everything. I'm just kidding -- we're not looking for sort of magic answers, but there are a number of things that we can do. Our network is very flexible.

Suzanne McBride: And we also work with partners, like to help them too and how they can be more efficient and effective with us. So it's that relationship we have, I think it really also lends itself well.

Mathieu Robilliard: Okay. Great. And just the last question. On the next constellation, today, the constellation you have enabled for text on emergency service on the D2D application. When you consider the next constellation, are you thinking through around the potential to add voice or more broadband to D2D? Is that something that can be addressed with the next constellation is that too far out?

Matthew Desch: Suzi is, in fact, investing in people now around 5G standards. We are going to be involved in those, going forward. I believe, while the standards are starting to mature, they're still not completely mature. I think it's going to be a couple more years until they do that. I think networks are going to take time to get built out.

I think it will line up very well when we're investing in that next-generation system, that we can invest in a network that does all the things we still want to have to be backward compatible to the units that we have today, but to be able to introduce 5G services would, I think, be timely at that time.

Edison Yu: Edison Yu from Deutsche Bank. Two questions on D2D. First, is the time line still kind of roughly early next year for the Qualcomm Android rollout? And then secondly, in terms of the TAM, I'm not trying to pin you to a number or anything, but last week in Paris, I think \$1 billion was thrown around, somewhat conservative is about \$100 million. So I guess any kind of updated thoughts on what the opportunity might be and the value chain around that?

Matthew Desch: So, we didn't give an early next year [timeline]. That was implied by the fact that it wasn't in this year. As we said before, it's not in our control exactly when products are introduced. So it's really more within Qualcomm and their channels and the OEM's, in terms of when they decide what models and when do they decide to introduce

it. So we don't have anything more to tell you there. It wouldn't make sense. Even if we knew, we wouldn't be able to tell you, we wouldn't want to tell you because then you'd say who and when and how and all that sort of thing.

So there's not really anything more we can tell you on that front. It will be announced when it's announced. I know people are disappointed by that, but that's really where we are in the chain to be able to do that. And the second question was, again? I'm sorry.

Edison Yu: The value chain, the TAM. I think there were some numbers around Paris over the last week, like \$1 billion. Yes.

Matthew Desch: I've been quoted heavily that I roll my eyes every time I see that. Those numbers are usually made by people who are raising money right now, and need to have the biggest TAM that they can have. And I don't blame them for talking about it or anything. I just think that they're way, way early.

Remember, we were created in a timeframe where we had to raise a lot of money in our predecessors put big opportunities in front of many. Seeing Jonathan there, who showed me some of the original projections. They were thrown out way back 25 years ago. Obviously, that's done. We don't have to do that. We think all you're going to do is disappoint people down the road when you finally come out with something and it's still big, but you've made them believe it's a disappointment compared to where you were.

I say again, let's see how the things really work. Let's see how good there. Let's see where they operate. Let's see what they priced. How can you come up with a TAM if you don't know what it's priced, where it will work, how much of your phone will work, how reliable it's going to be? I don't know. We'll work inside? work in your car? only outside? What regions will it be approved and where it won't it be approved?

Over 25 years, maybe it is -- I could say anything over 25 years will be that size. I really do think it's coming. I believe cell phones and satellites are converging, that's definitely true. There is a desire and a need and not just cell phones, as you said, cars, trucks, other devices. These are -- everything wants to be connected. And over the long period of time, it will happen. And we like where we're positioned in all that. Long term, I think other ways will happen as well.

Ric Prentiss: Can you hear me now? (Inaudible). I just want to understand the process, not the numbers then of how the handset gets equipped with a chip. What's the thought process of do you recognize a royalty and when do you recognize a royalty? What's the process that move something into that posted payload service revenue items that the customer signs on? I'm just trying to understand kind of the flow as you figure out how a little earlier.

Kenneth Levy: So why don't we just repeat the question, which is the process by which things flow into revenue -- process from our standpoint?

Thomas Fitzpatrick: So any device that gets entitled on our network, we get paid. Okay? Whether it's ever used or not. And so that will appear in hosted payload and other. That's service revenue, okay? The entitlement of the device, then the device then the usage by the device. Similarly, we get paid, and that could flow through hosted payload and other. The royalty -- we get paid a royalty on the shipment of a chip. I think that goes in engineering & support -- is that right, Ken, the royalty? But the juice in this, Ric, is in hosted payload and other. That's where the access and air is, okay?

Ric Prentiss: And then the sharing, because Garmin runs the services bureau, I guess, is that still the thought process?

Matthew Desch: I think so. Qualcomm has announced that they had signed them to do that. I don't have a lot of view into that. They're a great place to do that. And obviously, we have a lot of visibility to that part when they do that on behalf of their own units and everything. But again, that doesn't have anything to do with really our revenue streams or anything.

Ric Prentiss: The other question I got. Last Investor Day, you guys made some comparisons to the tower industry. You guys are using a lot of free cash flow. You have CapEx holiday and tax holiday. The tower companies do also kind of lay out what they see as the dividend growth path.

Obviously, it's a Board approval decision. As you guys think about it - Walt touched on it earlier - maintain and grow the dividend, how should we think about how you're thinking about maintaining and growing these rates of signals you can give us similar what the tower companies do?

Thomas Fitzpatrick: So the dividend was declared with the anticipation that it would be grown. And I think you just judge us by -- actions speak louder than words and watch how we grow it. I mean that's all I can say about that.

Ric Prentiss: Typically, that's an annual Board decision?.

Thomas Fitzpatrick: That seems right.

Michael DiPalma: This is Louie DiPalma from William Blair. Should we expect any royalty revenue this year?

Thomas Fitzpatrick: So, we've said there's \$5 million to \$10 million in engineering and support from engineering services. We haven't commented on royalty revenue.

Michael DiPalma: Are you able to comment if there was any royalty revenue in the third quarter?

Matthew Desch: We haven't announced the third quarter.

Michael DiPalma: Yes. Okay. On another line, you mentioned the opportunity associated with 5G IoT. And, I was wondering, what would be the process to modify the satellites remotely to be able to broadcast 5G, because currently, broadcast using the Iridium waveform, and I think you mentioned how you have the software-defined networks. So would that imply any increased CapEx or is it just a matter of your existing programmers writing code and being able to serve that market that, I think you said, could add \$1 billion to the TAM. So sounds interesting.

Matthew Desch: I want to say our projections don't include narrowband IoT. So everything we talked about doesn't include that. And whether we do it on just our run rate OpEx, CapEx or whether we have to add something. We're not far enough down the path. Suzi's system engineering team is really deep into it right now.

The belief is that we can take a small amount of our capacity in our system, because we're talking like 200 kilohertz channels instead of broad channels is sort of how this operates, and we can bifurcate that using new software in the satellite. We have the ability to upload new satellite software as well as new gateway infrastructure.

Again, we don't have to implement it in lots of gateways because we're a centralized operation. So that has certainly the ability to implement it at least logically. And now how much exactly it's going to cost? We're too early to decide that. We know it's going to be a multiyear program, so it's not something you should expect in the next year or maybe even two.

I think there's plenty of time to implement it. I thought it was important, everybody is raising \$20 million or \$30 million at ridiculous valuations to build an inferior product on somebody else's network that leases spectrum from a competitor. I finally decided that made any more sense. So it's sort of a challenge.

Can we do it ourselves? This is an incredible network we have right now. It is reprogrammed. Well, it may take some time, and we don't have all the details out, but it certainly makes a lot more sense than what we were looking at. And I think that's what we built a network for.

Michael DiPalma: Can I ask another one?

Michael DiPalma: Okay. The drone connectivity has been in the news as it relates to Ukraine. And you obviously already have a global L-band network. And you mentioned how you expect renew your DoD EMSS contract for favorable terms. I think currently at those \$106 million in run rate. Is there the potential you could have a similar fixed-type contract for Certus connectivity, such that you could provide the DoD with your global L-band network with fixed-type capacity and maybe it could be more significant?

Matthew Desch: Where you were going at that, I thought you were going to turn me into Elon Musk to say something extremely provocative about something here, and I thought I'm ready, but it turned into a straightforward.

Anything is possible at a certain price. I don't know right now with all the competitive options they have out there, certainly in Ka and Ku-band that they're going to buy up all our capacity in that way. Broadband is a greedy resource, of course, and to offer that on a fixed price basis like we were doing with narrowband, I think could be detrimental to all the potential revenues we could grow on the commercial side. So I don't think so.

I do think we can add offerings to that. There could be some type of deal on mid-band services. There could be some -- definitely some very much interest on our new IoT services. That new platform that Bryan was talking about that is very efficient. We believe the DoD can see a lot of applications on that. And I could see how that could kind of get part of this. There's more things we can bring to the table, I think, down the road.

Scott Scheimreif: And I would add to that, Louie, that with the recent award from Space Force's PLEO, you'll see a lot of indicators on where they're trying to go. So we're one of many networks. We're obviously, we're trusted right now. They've been using us for two decades. So, I think that will be their default contract vehicle for the foreseeable future.

Unidentified Participant: As you think about the (inaudible) of the capital structure, you made a comment that you don't expect to grow gross leverage, excluding acquisitions. Maybe you think how are you guys thinking about your spectrum position? And do you see a spectrum acquisition, it would you wanted to raise debt and of sales, where you see leverage growing in that situation?

Thomas Fitzpatrick: Well, it depend would -- there's not a lot of spectrum out there to buy, okay? And I would say, as we think about potential acquisitions, they're bite-size. They're not profile changing in terms of -- maybe we take it up a little bit, but it's not going to be, like I say, profile changing.

Unidentified Participant: Got it. And then one more quick one. I don't know if you could answer this, but in terms of CapEx for the next constellation, do you have any guidance around how much that could be?

Thomas Fitzpatrick: Well, there's two countervailing kind of forces. One is Moore's Law, right? That says that electronics gets cheaper with the passage of time, you get more throughput, et cetera. So that would argue that it would be a downward pressure. But then as we consider the architecture of our next-generation constellation, we're going to want to be very spectral efficient. And you can do that by launching more satellites. And so that's very much on our radar screen. So that would be upward pressure. And where where the equilibrium is, we'll see.

Matthew Desch: It will be interesting to see about launch costs because that's been certainly, it was a big change from first generation to second generation. I mean it was radically lower launch costs and who knows with Starship and five other vehicles that are pretty large.

Suzanne McBride: Satellites are doing the same thing right now.

Matthew Desch: The satellite bus production, you were mentioning, optical is certainly getting cheaper. And so there's a lot of really good trends. And I think the timing could be very good for us. But it's sort of hard to project 7, 8 years about what things will cost in 10 to 12 years. But we feel pretty positive. We're not necessarily guiding that.

I would like to not be more than what we were able to spend in the second generation. That would be kind of nice if we could get enough synergies out of it to I have to spend. And obviously, we'll be able to use our own cash this time around. Tom won't be there to manage our French facility anymore.

Walt Piecyk: A lot of comments about Tom and -- I'm younger than Tom. I just want to (inaudible). Every couple -- your cadence of price increases for voices like every two, three years, something like that. But Tom, in your prepared remarks, you talked about a lower competitive environment. Inflation seems persistent. It seems like every service that we have has implemented a price increase. Why not increase the cadence of your price increases? Do another one in '24, I mean, everything everyone else is increasing price.

Thomas Fitzpatrick: So, the space in has actually been 5 years, Walt, not 2 to 3 and offer that just to say on the margin, the competitive environment is better. We're very careful. We want to make sure that we balance pricing with customer retention. And so when and if we make another pricing move, it will be after a lot of consideration in terms of what's right for the company.

Ric Prentiss: I guess, Matt, you're going to do Saturday Night Live hosting after Elon Musk, right? First Tom, do I remember on one of your slides, did it assume for the \$3 billion shareholder return that you finished the buyback program in 2023? Was that on the slide?

Thomas Fitzpatrick: It's '23 through '30 is the approximate \$3 billion, right? So we already have, what is it, \$500 million under our belt in '22, between the buybacks in '22 and the dividends in '21 to '22. So the total returns from inception of -- 2021 through 2030 -- would be 3.5 [billion]. But we drew the line just on 2023 as the beginning period of how we calibrated that.

Ric Prentiss: And the existing authorization that's out there still has about \$400 million on it. Is that right?

Thomas Fitzpatrick: Less than that we've been chipping away at it. But we started at \$400 million.

Ric Prentiss: Okay. And -- but the assumption was you would finish that up in '23 on one of the slides, should I see that?

Thomas Fitzpatrick: No, no. Authorizations through 2025. Okay. But if history is any guide, we chew up the authorization long before it expires.

Ric Prentiss: Okay. Push-To-Talk, you mentioned some new markets. Can you give us examples of what new markets are for Push-To-Talk, at least theoretically?

Bryan Hartin: Yes. So in terms of Push-To-Talk, so we talked about the Icom and Kinetic and our land mobile. The other area that Push-to-Talk has expanded in, and I didn't really mention, is that there's also, what I would say, integrated Push-To-Talk devices in things like aircraft and vehicles. That's an area that we can further advance as well.

And then expanding within those existing markets like the NGO market, right? It's pretty broad. We've got partners or customers like the Red Cross, and we can expand into more of those entities within the NGO.

So I would say, Scott is obviously focused on the U.S. government. I'm focused on foreign MODs. So, we have expansion opportunity on the foreign MoDs as well.

Matthew Desch: It's been popular kind of in foreign MoDs, because it's a chance to a multinational cooperation. You have a sort of a standard on which multiple parties could sort of organize around hard at their proprietary local systems to.

Christopher Quilty: Mid-band is supposed to be a big product growth area for you, but I noticed often at these events, you kind of lay out all the new products. There wasn't a whole bunch of new products that were highlighted for this particular event. Is the timing of the mid-band products and especially things like moving into aviation, is the limit on that engineering talent? Is it ASIC development? What are the things that you can do to sort of speed up some of those product launches?

Matthew Desch: Yes. I think the delay like any new technology that we have, takes a few years to kind of gestate in the market and find the applications. It's not the products. I mean you saw a raft of devices, general purpose and specialized applications, but those need to now go into real applications and be certified and approved and whole ecosystems have to be built out. And that takes some time. And then volume starts coming.

So, we saw this in Push-To-Talk. We've seen it in [Iridium] GO! We've seen it a bunch of stuff where it kind of goes like this, and then it really starts to take off. We're still in the early stages of that. The interest is high. There's a lot of interest in waiting for some software enhancements that made it cloud-based, something called IMT. And I just think it's time for those applications.

I started to see those, for example, ones in airlines for credit card processing and that sort of thing that would actually be put in the windows of airplanes. And that's still going there. They've already announced lots of products with airlines, and they still don't know

that they have the product ready yet. Very interesting, but it's just taking time to get that application fully to the point where budget airlines find that to be a good alternative. And it seems like there's a lot of interest, but we're talking very small number of units today.

Will next year be the one where we see hundreds or thousands of units? I don't know. We see this pipeline that's filled up with lots of opportunities, but those opportunities take time to sort of come to fruition right now. So we're just waiting on those to start.

Bryan Hartin: Because there are some examples I didn't include, like in the product VAM slide, like MetOcean, right? Who is a longtime Iridium partner. They are now new to mid-band launched their own product stream. But what I did include was an application and a use case and a product that they featured at the defense show over in the U.K., where they actually use Certus 100 for these submersibles that go down into the ocean. It's very attractive to foreign MODs.

When they put them down in the ocean, they can use sonar to detect other vessels, submarines in the water. And those things come to surface and they use mid-band, because that's the perfect size to get that information back to the people that need to know. So, it's emerging. As we sit here, we do have the interest from really qualified partners, though, for those unique applications.

Matthew Desch: UAVs is another one. I mean you saw a bunch of them on there. They're not necessarily individual applications. You've got 10 companies who are developing the same application with it, if you will. It's just when will they be ready to start scaling up and get approvals from the FAA for beyond visual line of sight [BVLOS] applications and then be able to deploy in a broader way or whatever it might be. And so we're kind of waiting for those sort of things to emerge.

Christopher Quilty: Got you. And a separate question, I think somebody said earlier in the presentation, and I agree that the penetration rate on the personal communication side at less than 1 million subs is a fraction of what that could be. Are there other markets? I hate to almost say things like automotive or other large scalable markets that you see a strong opportunity for in the next several years? Or even within the existing sort of consumer tracking category of Garmin, other large OEMs or device manufacturers that you're in discussions with?

Bryan Hartin: Yes. So I did touch on it from the Qualcomm agreement. The first part was about smartphones, but the expanded opportunities beyond that do include automotive, right? So the automobile makers are very interested in using that technology potentially for self-driving. What I didn't mention, though, is they're also looking to use that for advanced telematics and or embedding that SOS capability inside the vehicle. So that's definitely one example there.

Matthew Desch: And you can imagine Android auto and things like that are natural extensions of sort of things like that, right? Because they could be integrated into the car functions, other car functions as well. They take a long time. I mean, a lot of discussions

over a long period of time just because -- and there's a lot of confusion out there, because it's not simple where there's somebody who helps them do buying decisions on this.

They get lots of people coming in and saying this, my technology could work for that and they need to do trials and think about things and make sure they're not making a mistake, because something better could come along, that sort of thing. So optimistic about that.

Kenneth Levy: Great. I think that concludes our formal program. For those of you who are in the room, we invite you to stay for reception. And then you should know that a replay of our event should be available later this evening. Any follow-up questions you may have, please direct to Investor Relations, but thank you very much for your time.