

21 July 2023

SATS 50th Annual General Meeting

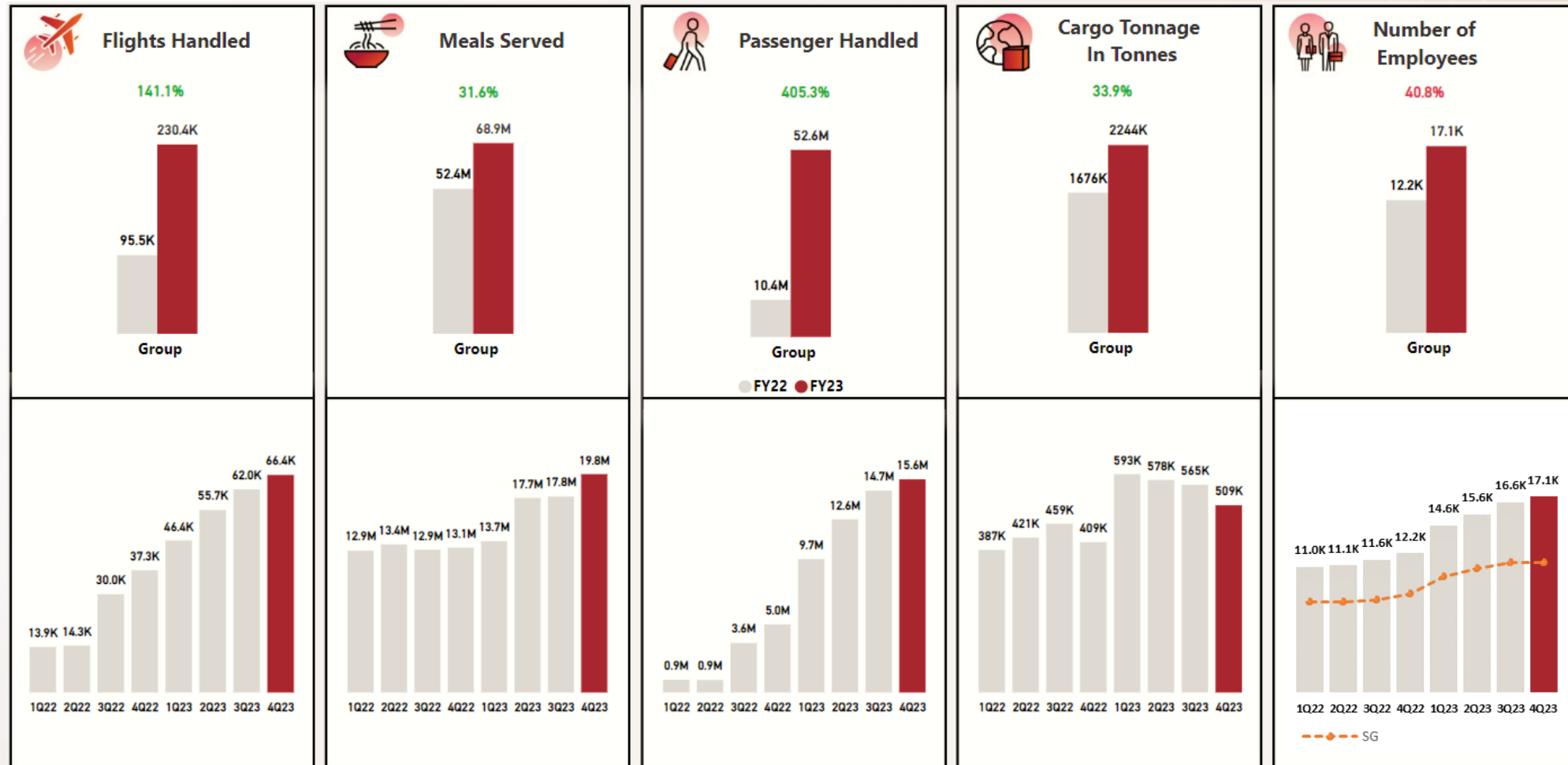
RESILIENT VALUE-DRIVEN GROWTH

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Sustained travel growth through FY23 with further upsides expected in FY24

IATA expects 2023 global traffic (RPK) to reach 88% in 2023 and 100% in 2024 of pre-pandemic levels



■ Prior period

■ Current period

*All statistics refer to Group (SATS and subsidiaries) unless indicated otherwise

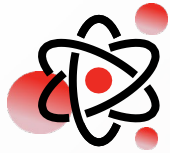
Scaling Sustainably

THEMES

GOALS

PROGRESS AS OF FY 23

UN SDGs



DEVELOP SMART INFRASTRUCTURE

Convert 100% of ground support equipment in Singapore hub to cleaner energy sources by 2030¹.

Reduce Singapore-based Scope 1 and 2 carbon footprint by 50% by 2030 from FY20 baseline.

8.8% lower than FY20 baseline for SATS
Group carbon emissions

38% GSE electrification for Singapore Hub



REDUCE FOOD AND PACKAGING WASTE

Halve food waste intensity in Singapore operations from 2021 baseline (4.1%) by 2028.

Introduce 100% sustainable food packaging by 2030.

44% improvement on food waste intensity from
FY21 baseline



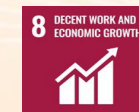
NUTURE SKILLS FOR THE FUTURE

Increase average value-add per employee (VAPE) across all subsidiaries by 50% by 2030 from FY21 baseline.

Touch a million lives by sharing our expertise with the communities in which we operate, by 2030 from FY19 baseline.

>50% improvement of VAPE from FY21
baseline

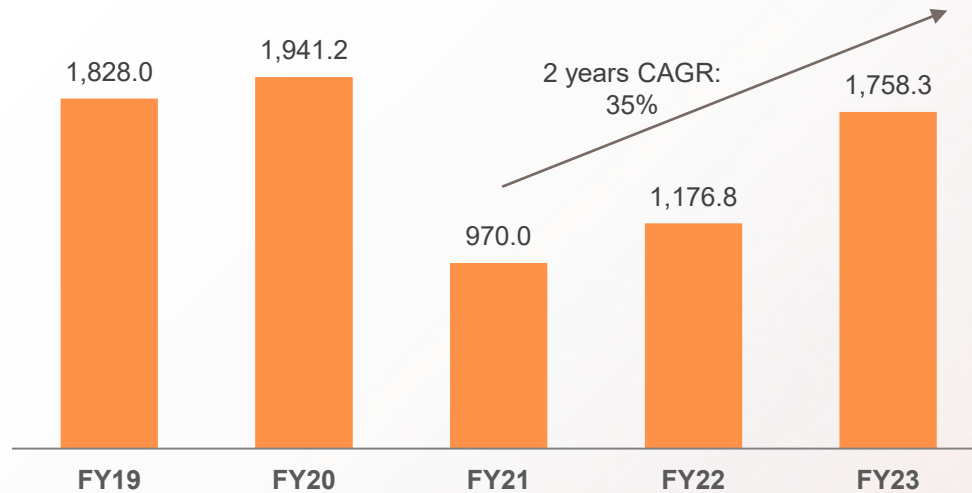
44% of overall target of lives touched



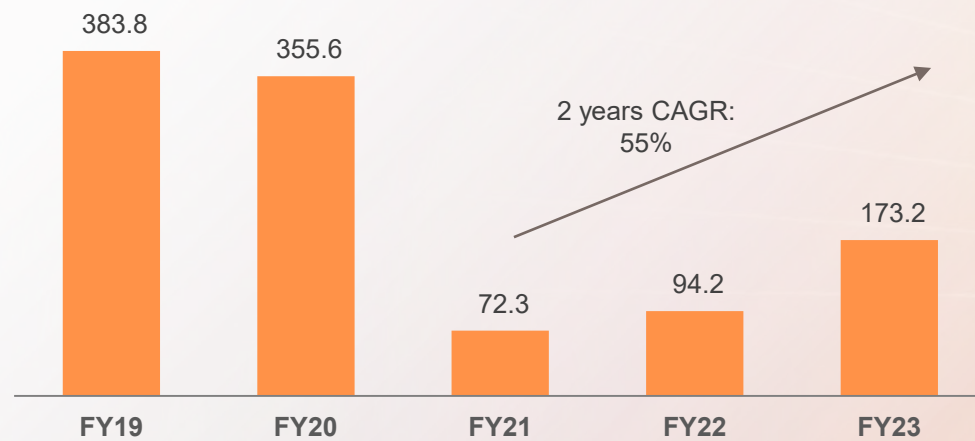
¹ SATS will be reviewing the cleaner energy vehicle goal this year given that our global footprint has expanded with the integration of WFS and a re-baselining will need to be conducted before we refresh our goals in alignment with our ecosystem stakeholders.

Improving Financials (YoY)

REVENUE (\$\$'M)

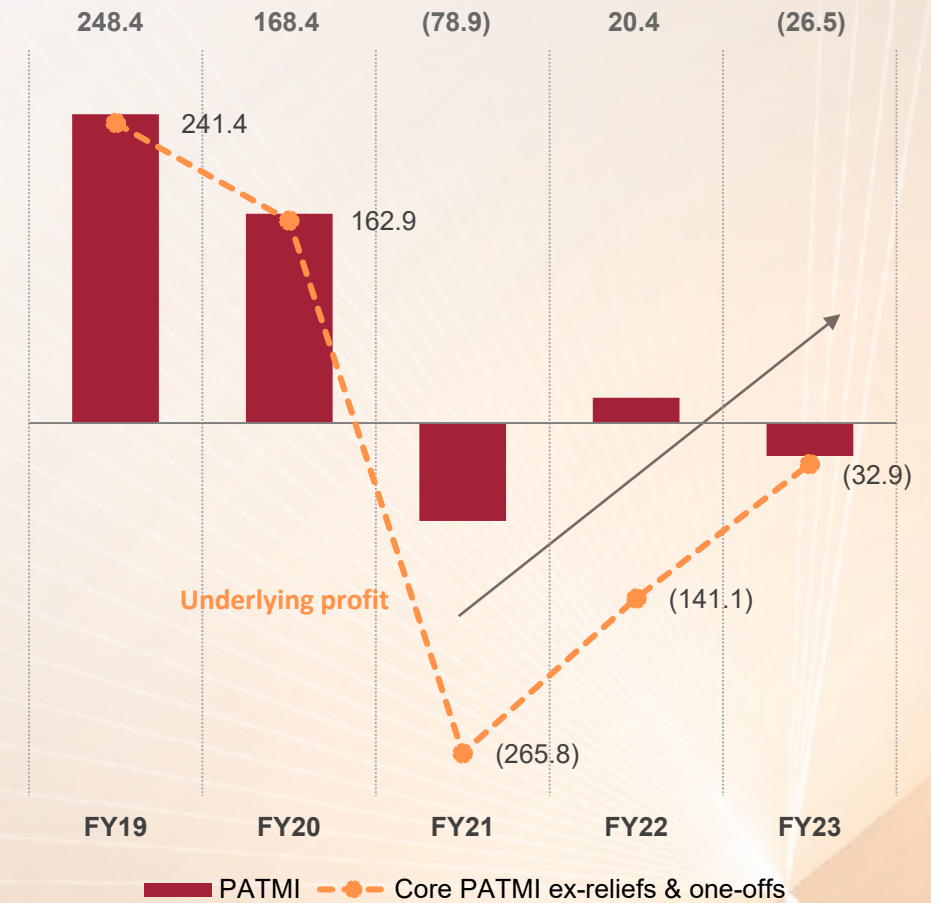


EBITDA (\$\$'M)



*Earnings before interest, taxes, depreciation and amortization, inclusive of SoAJV

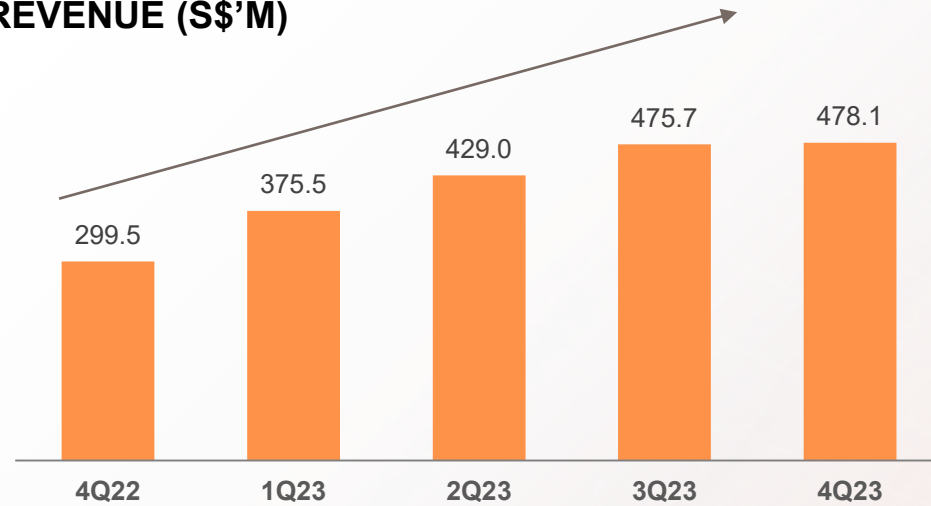
PATMI (\$\$'M)



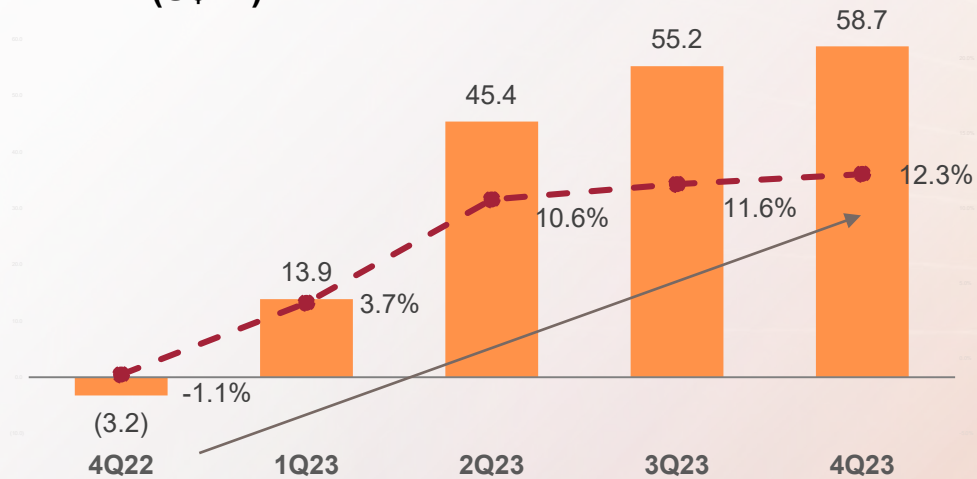
Net Reliefs	—	17.4	241.9	132.6	51.1
One-offs	7.0	(11.9)	(55.0)	28.9	(44.7)

Improving Financials (QoQ)

REVENUE (S\$'M)

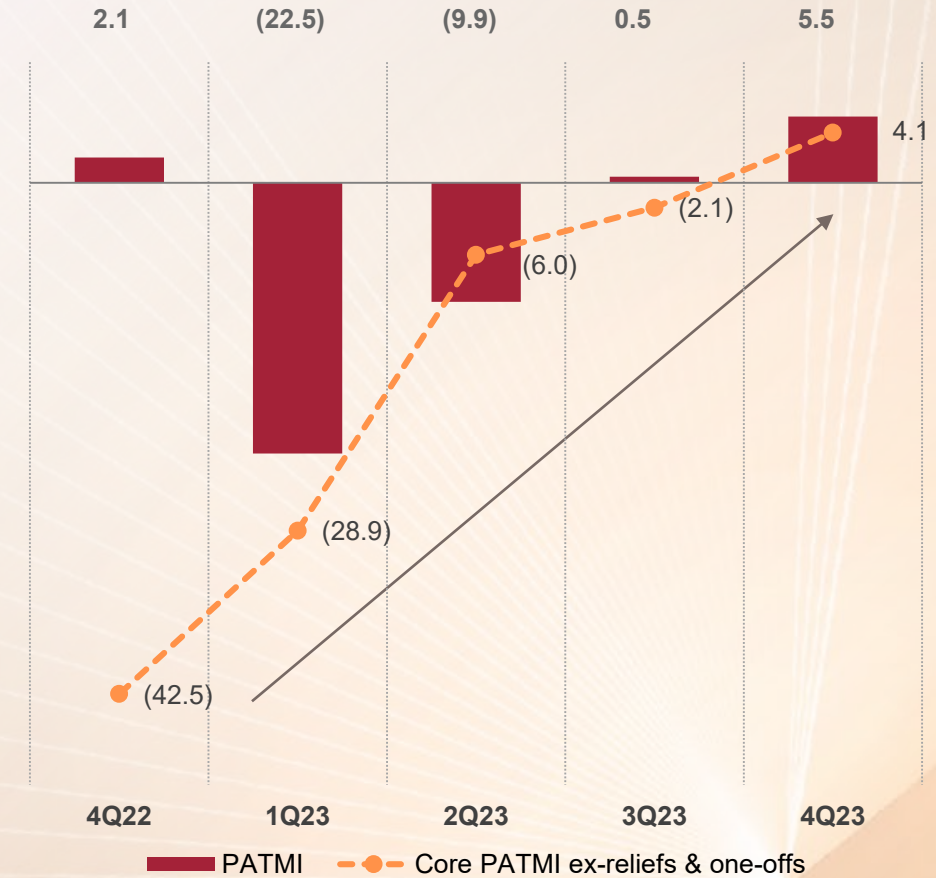


EBITDA (S\$'M)



*Earnings before interest, taxes, depreciation and amortization, inclusive of SoAJV

PATMI (S\$'M)

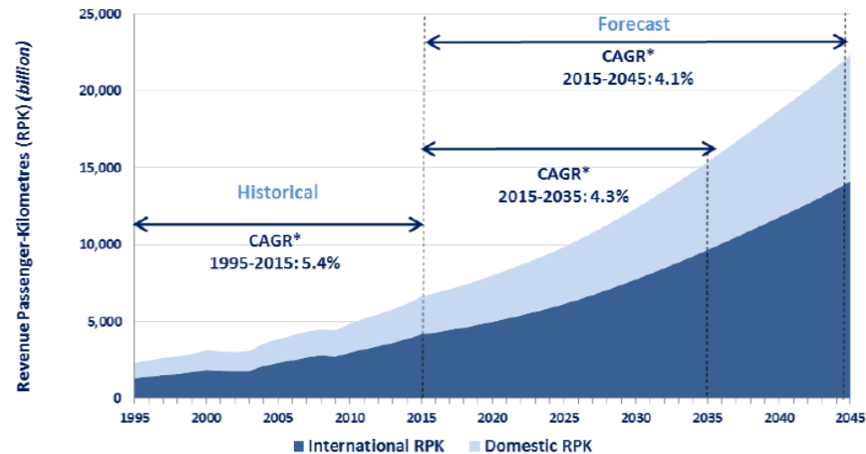


Net Reliefs	15.7	9.4	9.8	14.2	17.7
One-offs	28.9	(3.0)	(13.7)	(11.7)	(16.3)

SEIZING OPPORTUNITIES: RESTORING PROFITABILITY AND POSITIONING FOR GROWTH

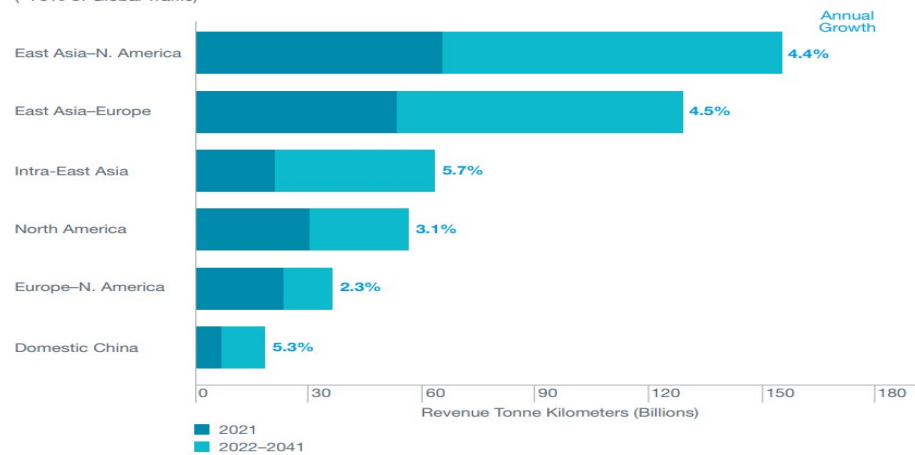


Aviation Industry Set for Sustained Growth



Source: ICAO

Top Air Cargo Traffic Flows Forecast
(~70% of Global Traffic)



Source: Boeing

Near term:

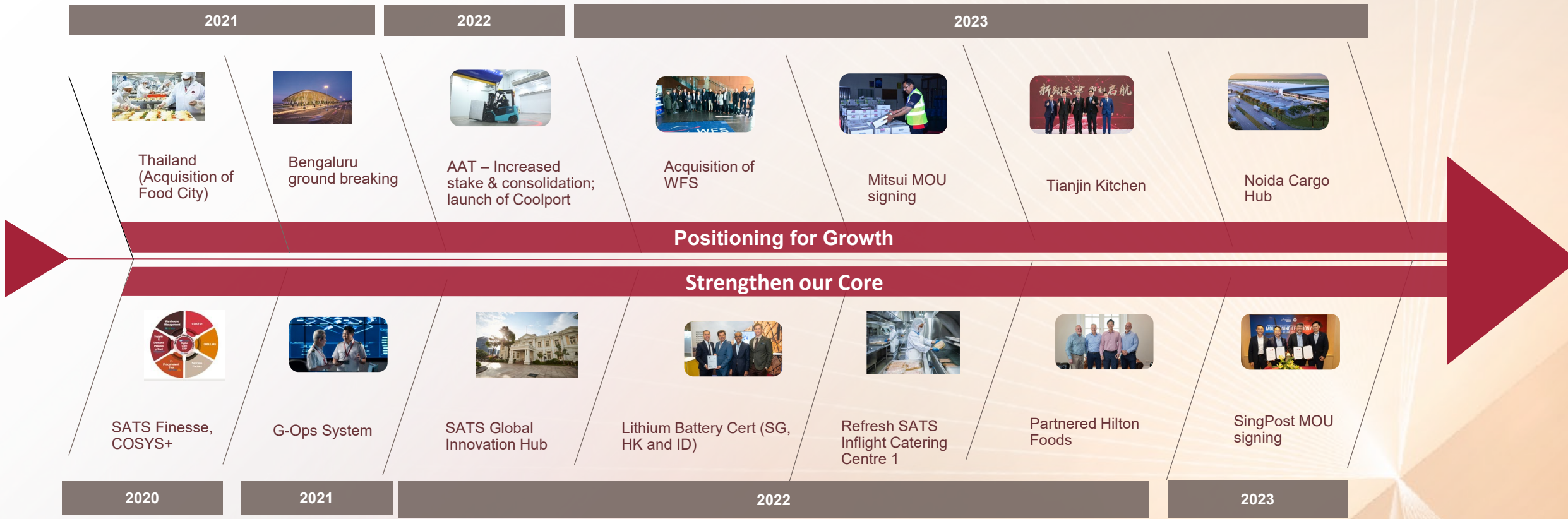
- IATA expects 2023 **global passenger traffic** to reach 88% and 100% of pre-pandemic levels in 2023 and 2024 respectively.
- IATA expects global air cargo traffic to narrow to 4% in 2023, versus 8% in 2022 as recovery momentum continues.

Long-term:

- ICAO expects **global passenger traffic** to grow at CAGR of 4.3% (2015-2035).
- Boeing estimates **global air cargo traffic** to grow at 4.1% CAGR (2022- 2041) with intra-east Asia traffic to grow at CAGR of 5.7%.

Executing Twin-Engine Growth Strategy

SATS is **positioning for growth** and **strengthening our core** pursuing industry leadership in international markets.



Cost and Yield Management Through Operational Excellence

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Driving productivity to improve operating margins:

- Driving productivity as a service driven industry with staff cost forming 56% of OPEX.
- Leveraging technology and innovative solutions to deliver and maintain quality of service.
- Harnessing new digital ground operating system, G-Ops. across network.



Achieving scale benefits through centralised production

- Relaunched Singapore SATS Inflight Catering Centre 1 with ramped up capacity.
- Launched Tianjin Kitchen with IoT capability to serve ready-to-eat market in China.
- Increasing capacity in SATS' factory in Thailand.



Improving yield through gain sharing and right pricing:

- Tackling inflationary cost pressures by pricing re-adjustments with some contract adjustments including terminal charges.

Enhancing Free Cash Flow



Achieve sustainable and recurring savings to reduce leverage:

- Refinanced WFS' 3 series of Senior Secured Notes due 2027 - annual savings of S\$40m in interest costs.
- Ongoing Treasury management to reduce cost of borrowings.
- Proactive monitoring of investments to ensure investment returns are optimised.

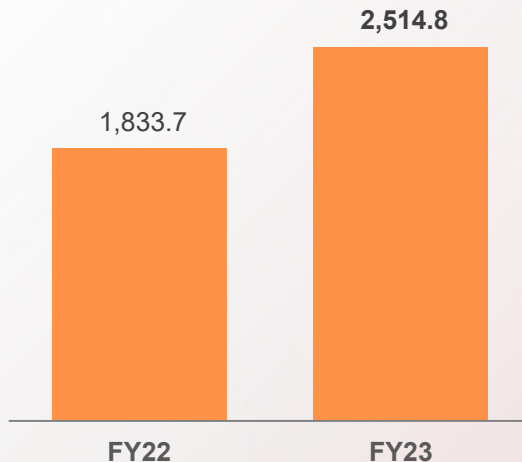
Managing Cash and Optimising Debt Levels

Cash Reserves

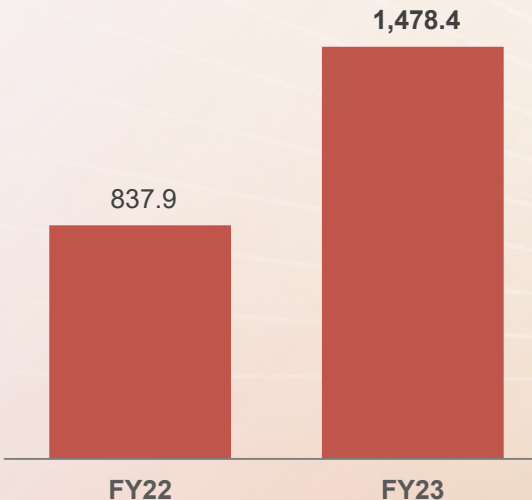
S\$374M (Last year: S\$786M)

Decline in cash mainly due to acquisition of WFS.

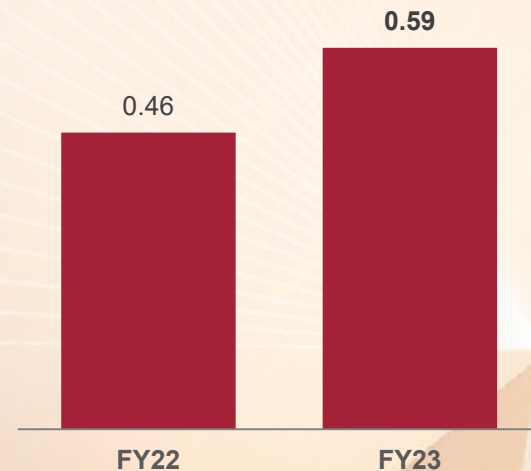
EQUITY (S\$'M)



DEBT (S\$'M)



DEBT-EQUITY RATIO



Debt-Equity Ratio

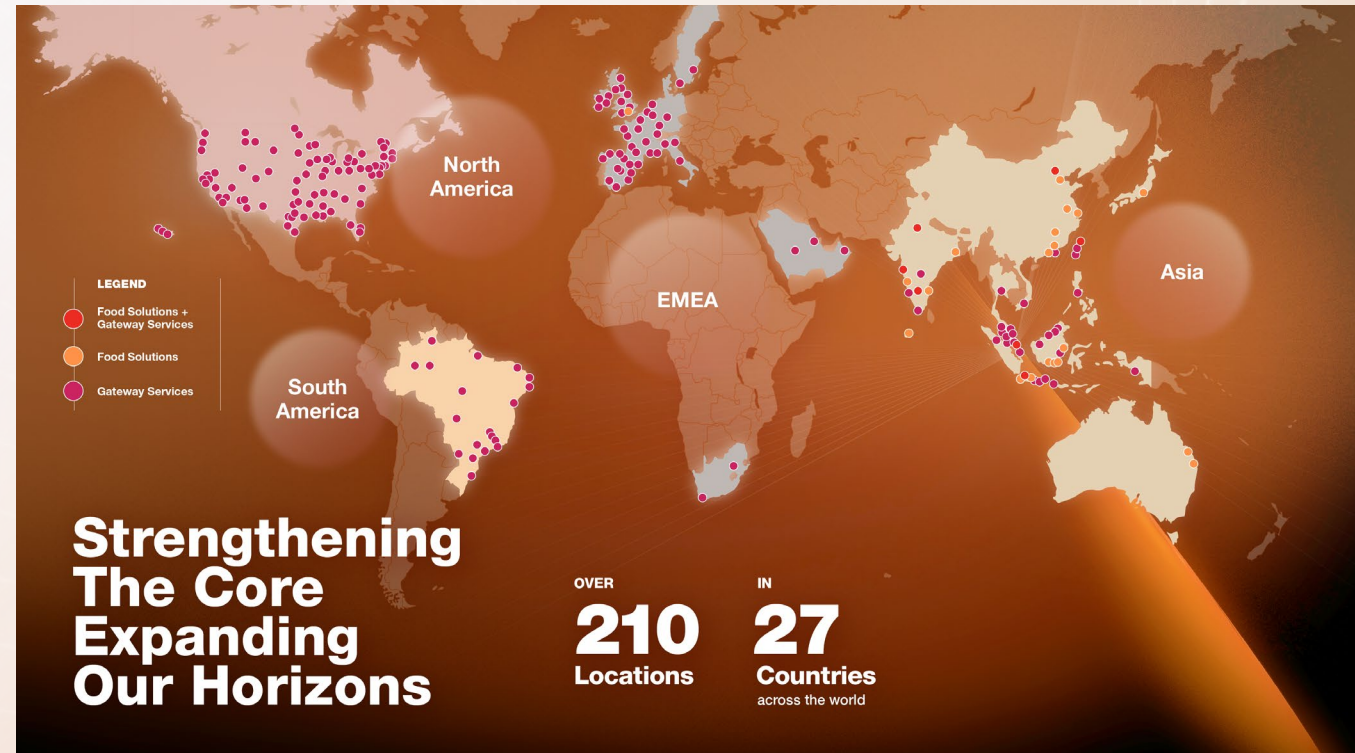
0.59 (Last year: 0.46)

Debt raised €500M, and Rights raised S\$784M.

Driving Synergies of the Expanded Gateway Services Network

- Cross-sell and develop new value-added & end-to-end solutions for our customers
- Gain efficiencies in global procurement, automation and digitalisation
- Leverage network to enhance global eCommerce cargo partnerships
- Reinforce downstream cargo logistics business across geographies

Expanded gateway services network to achieve potential incremental EBITDA in excess of S\$100M within 5 Years



SATS is poised for a New Era of Growth

- WFS has transformed SATS from a Singapore-centric company to a global gateway services provider serving customers in more than 210 locations in 27 countries.
- The enlarged SATS Group is now more resilient and has another pathway to growth.
- We have now a distinctive platform to scale our business, develop our people, and grow our profitability, aligning well with our purpose to feed and connect communities.
- Our gateway services business enables global trade while our food solutions business ensures food security, keeping SATS relevant on the global stage.
- Priority is to restore profitability and create long-term value for our stakeholders.



Thank you

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