



# Capital Markets Day

The Flightpath to FY29

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# Forward Looking Statement – Important Note

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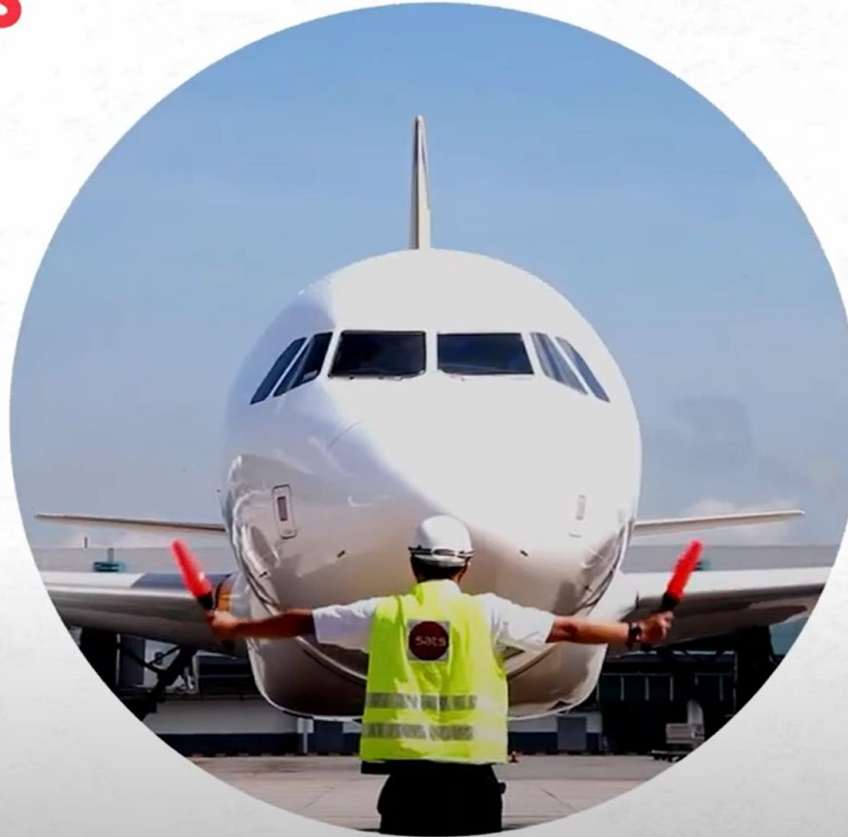


This document may contain forward-looking statements. These statements are based on management's current expectations, beliefs, and assumptions about future events, prevailing economic and market conditions and are subject to uncertainties and risks that could cause actual results to differ materially from those anticipated. Forward-looking statements can often be identified by words such as "expect," "intend," "may," "will," and similar expressions. Some of the statements contained in this presentation are statements of future expectations with respect to SATS's financial condition, results of operations and businesses, and indicative plans and objectives.

These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not and should not be construed as a representation of future performance or commitment of SATS. In particular, any targets should not be regarded as a forecast or projection of future performance of SATS. It should be noted that the actual performance of SATS may vary significantly from such targets.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. All forward-looking statements are qualified in their entirety by this cautionary statement. Actual results may differ materially from those projected due to various factors, including changes in business strategy, market conditions, and other risks and uncertainties.

**Greatness  
doesn't  
exist  
alone.**



# Agenda

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**1** The Flightpath to FY29 – Kerry Mok

**2** Gateway Services & Singapore Hub – François Mirallié and Henry Low

**3** Food Solutions – Stanley Goh

**4** Sustainability – Véronique Cremades-Mathis

**5** Financial Goals & Capital Management – Manfred Seah

**6** Closing Remarks – Kerry Mok

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# The Flightpath to FY29

Kerry Mok, President and Group CEO

<Public>

# The leading global provider of aviation solutions

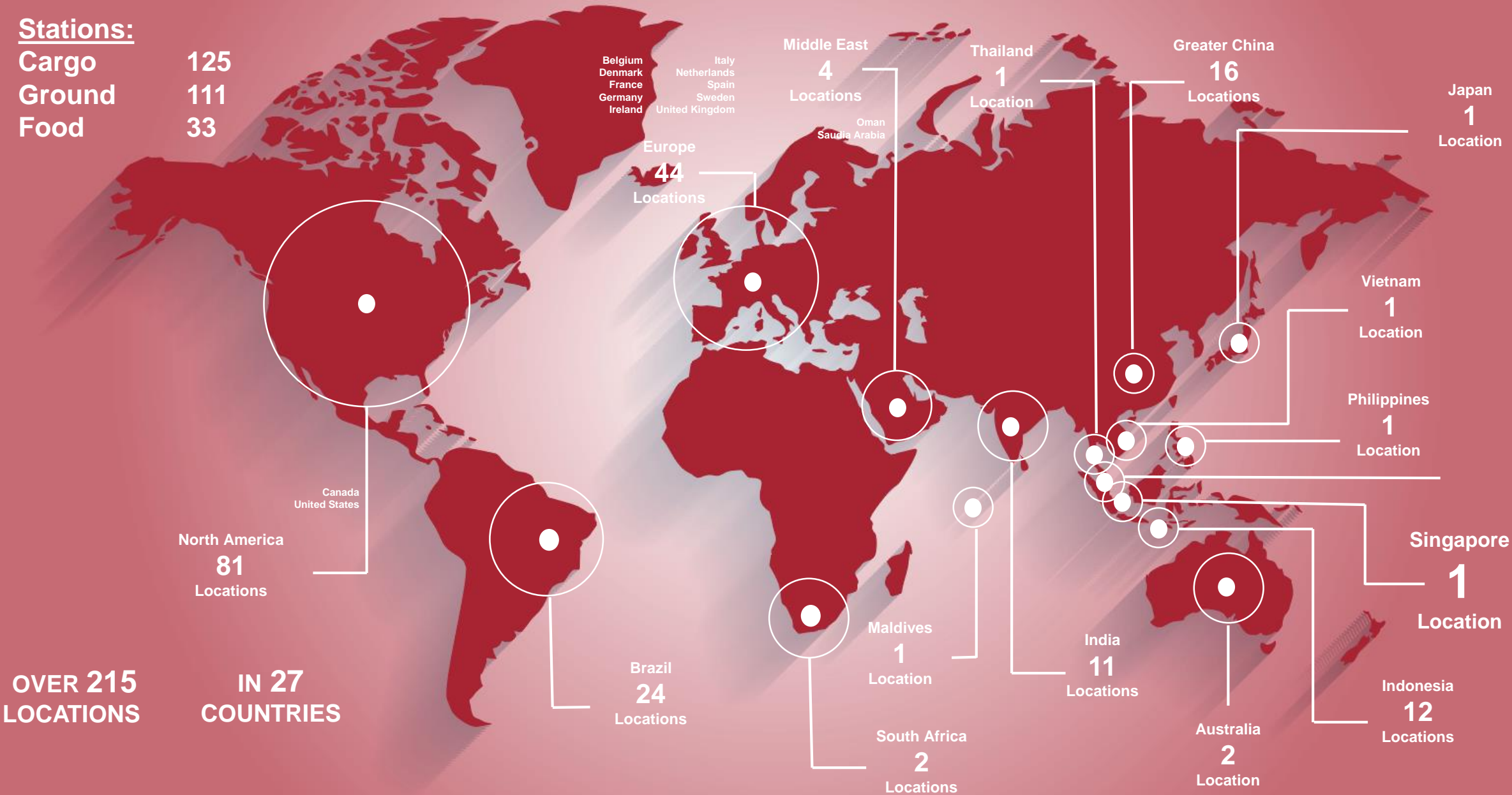




# Our global network today

Stations:

Cargo	125
Ground	111
Food	33



OVER 215 LOCATIONS IN 27 COUNTRIES

# Reinforcing our right to win in the marketplace



**Superior Brand  
& Service  
Quality**



**Best-in-class  
Capabilities**



**Unrivalled  
Global  
Network**



**Strategic Market  
Channels**



**Long-standing  
Global Clientele**





# 4 sustainable tailwinds lifting growth in aviation solutions



**1**

**Unrivalled network to leverage robust global air cargo growth**

**2**

**Singapore hub growth as an essential connector of trade flows around the world**

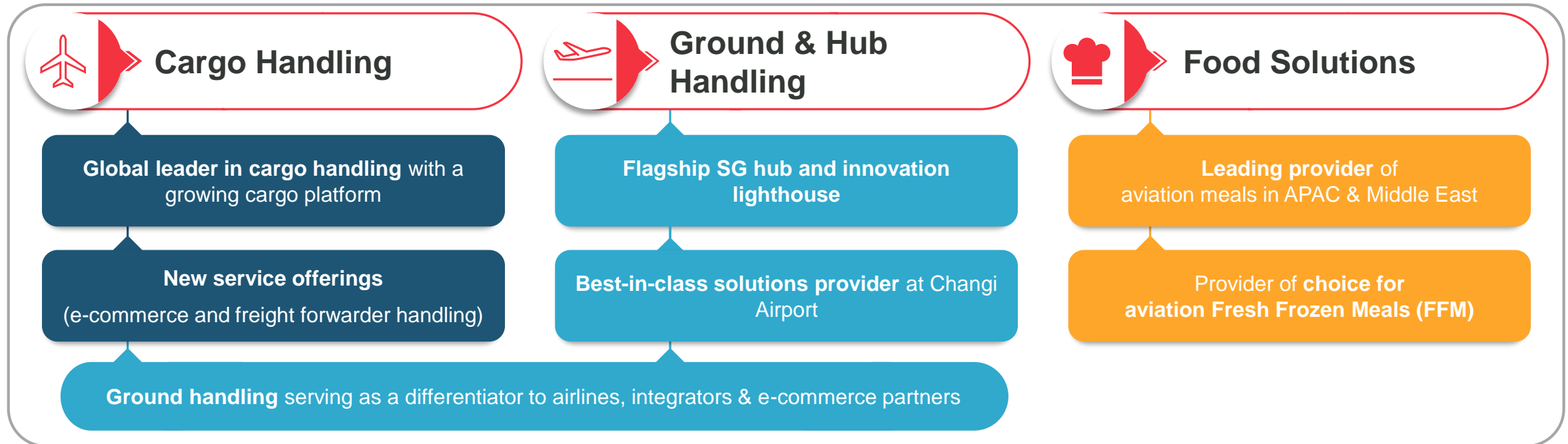
**3**

**Global customers need network-wide solutions**

**4**

**Strong recovery and growth in APAC passenger volumes**

# Flightpath to sustainable growth and value by FY29



**Supported by**



**Market-leading commercial & operational capabilities**



**Advanced technology / AI to deliver best-in-class solutions to customers with efficient cost base**

**To deliver in FY29**

**\$S8bn+**  
Revenue

**20%+**  
EBITDA Margin

**15%+**  
Return on Equity

## **SATS** Gateway Services Strategic Priorities



**Expand SATS cargo handling platform globally**



**Develop new service offerings across the network**



**Pursue operational excellence across the network**

## **SATS** Singapore Hub Strategic Priorities



**Partner in Singapore's ambitions as a global aviation hub**



**Relentless focus on operational excellence**



**Serve as SATS' innovation lighthouse**

## **SATS** Food Solutions Strategic Priorities



**Be the global provider of choice in Fresh Frozen Meals (FFM)**



**Position SATS as APAC's leading aviation caterer**



**Build resilience into the business through non-aviation channels**



# Globally integrated leadership



**Kerry Mok**

*President and Group CEO*



**Manfred Seah**

*Group CFO*



**Véronique  
Cremades-Mathis**

*Chief Strategy and  
Commercial Officer*



**Bob Chi**

*CEO, Gateway Services  
Asia Pacific*



**François Mirallié**

*Deputy CEO, Gateway  
Services Global*



**Stanley Goh**

*CEO,  
Food Solutions*



**Michael Simpson**

*CEO, Gateway Services  
Americas*



**John Batten**

*CEO, Gateway Services  
EMEA*



**Henry Low**

*CEO,  
SATS Singapore Hub*



**Tan Chee Wei**

*Chief Human Capital  
Officer*



**Ian Chye**

*Chief Legal Officer and  
Company Secretary*

# Backed by a 49,000-strong team





# Gateway Services

François Mirallié, Deputy CEO  
(Gateway Services Global)  
Henry Low, CEO  
(SATS Singapore Hub)

# Our positioning in the market

## Gateway Services



**1**

**Global  
Network**

**2**

**Flagship Hub  
in Singapore**

**3**

**Innovation-led  
Capabilities**

**4**

**Proven Track  
Record with  
Global  
Customers**

**5**

**Premium  
Service and  
Execution**

## Our strategic priorities in Gateway Services



1



Reinforce and Expand the Global Network

2



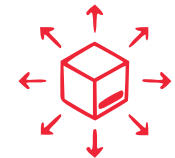
Develop New Service Offerings

3



Pursue Operational Excellence

4



Champion SG as Our Key Hub



# FY2029 Targets

## Revenue | Enhanced Scale and Margin Expansion

**Gateway  
Services**

**~S\$6bn**

v.s.

**S\$4bn**  
*FY24*

## EBITDA Margins

**Gateway  
Services**

**~22%**

v.s.

**18%**  
*FY24*

## EBIT Margin

**Gateway  
Services**

**~10%**

v.s.

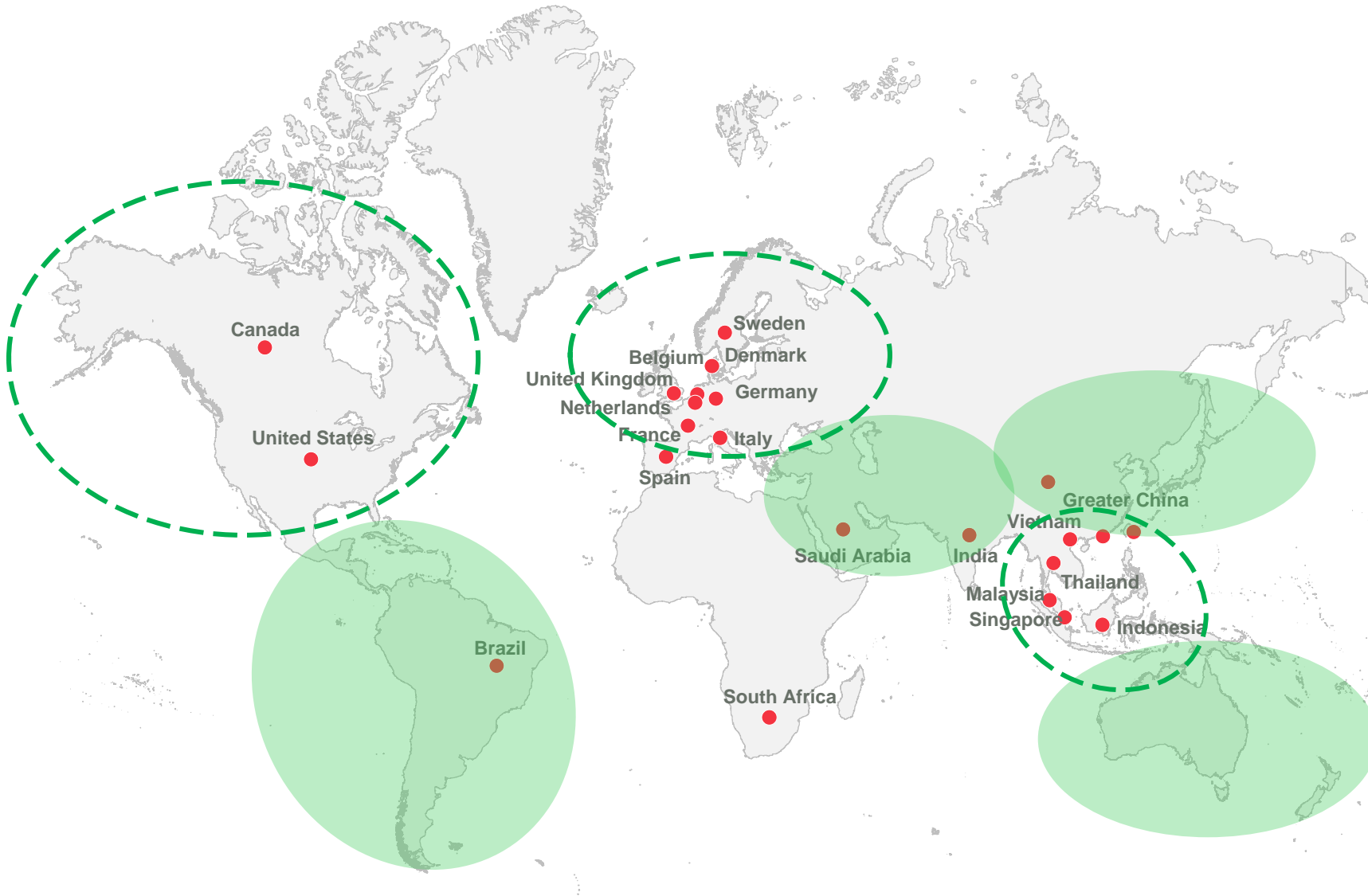
**6%**  
*FY24*

**Our financial targets for  
Gateway Services**



1a

# Strengthen existing network and expand in Americas, ME, and APAC



**Countries where  
SATS is currently  
present**

**White space and  
potentially  
accessible**

- Central / South America
- Middle East
- Oceania
- Japan
- India
- China

1b

# Adapting SATS' capabilities to meet the needs of global airlines



## Next steps to execute global accounts strategy



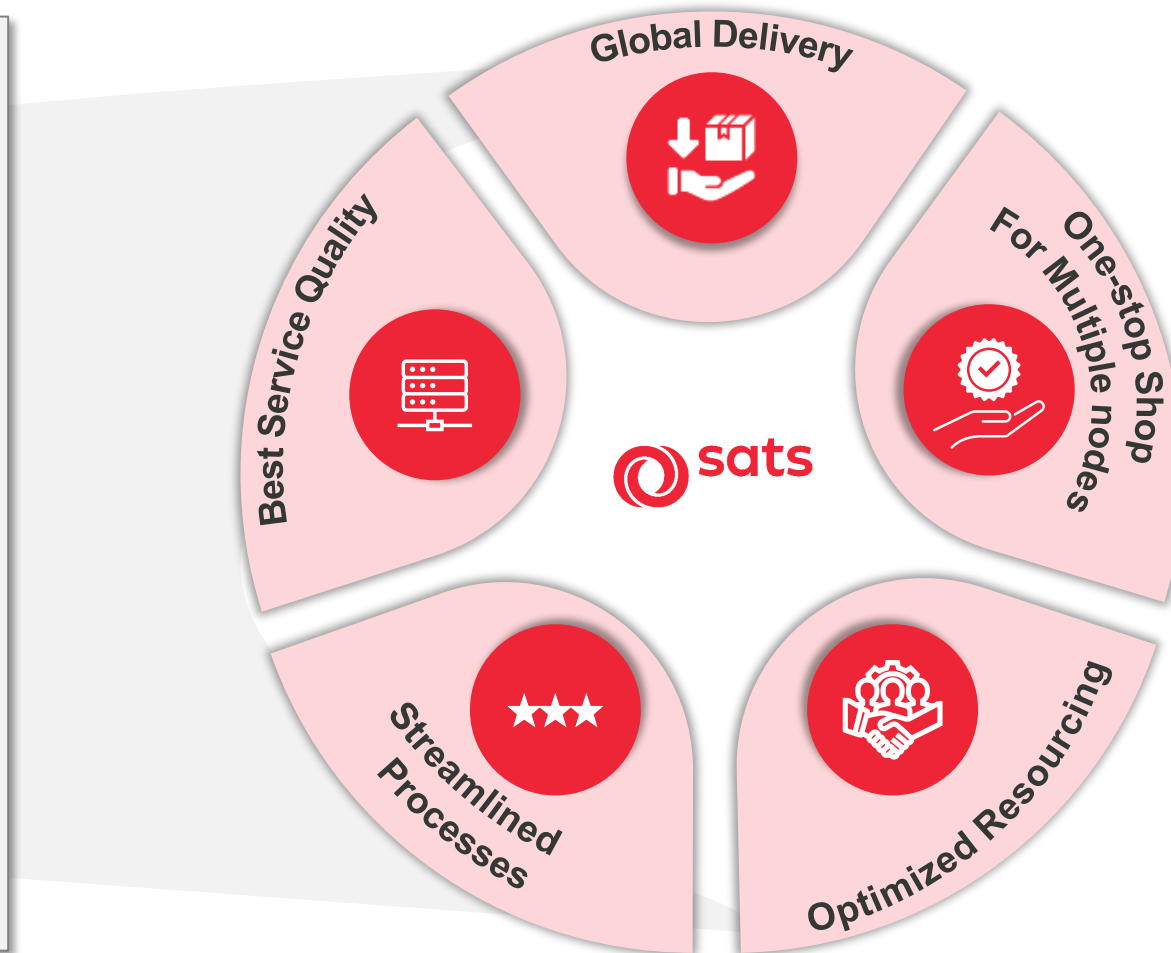
**Enhance ways of working across global accounts by optimising the commercial's models and resourcing**



**Develop single view of operational SLAs & KPIs to present as 'one network' to customers**



**Implement technology enablers including CRM and interface with customer systems**



## 2 Gateway product innovation strategy



*We are building an air cargo logistics ecosystem beyond standard services to meet evolving customer needs*

***Broadening the customer base...***



Airlines



Freight Forwarders & Integrators



E-commerce Service Providers  
(including postal)



Ocean Liners

***...and developing specialised services and value-added solutions***

Freight Forwarding  
Handling

Trucking  
Solutions

Multi-Modal  
Solutions

eCommerce  
Handling

Time Critical  
Solutions

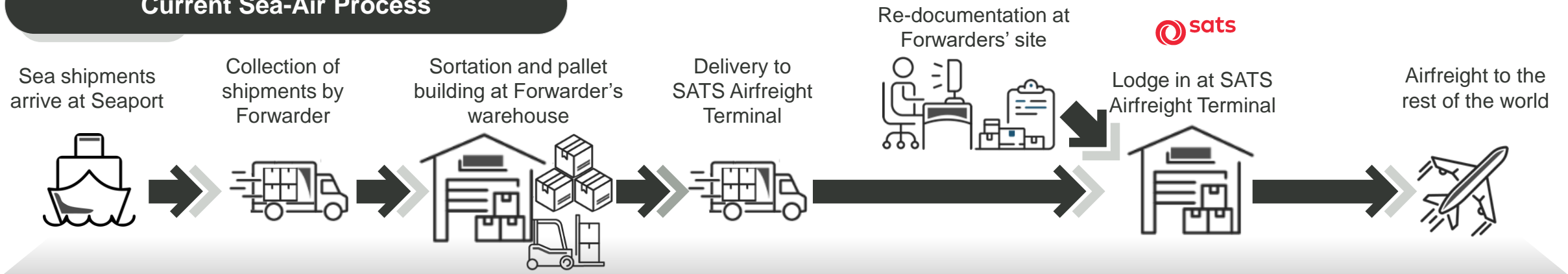
Customs  
Facilitation

*And many more...*

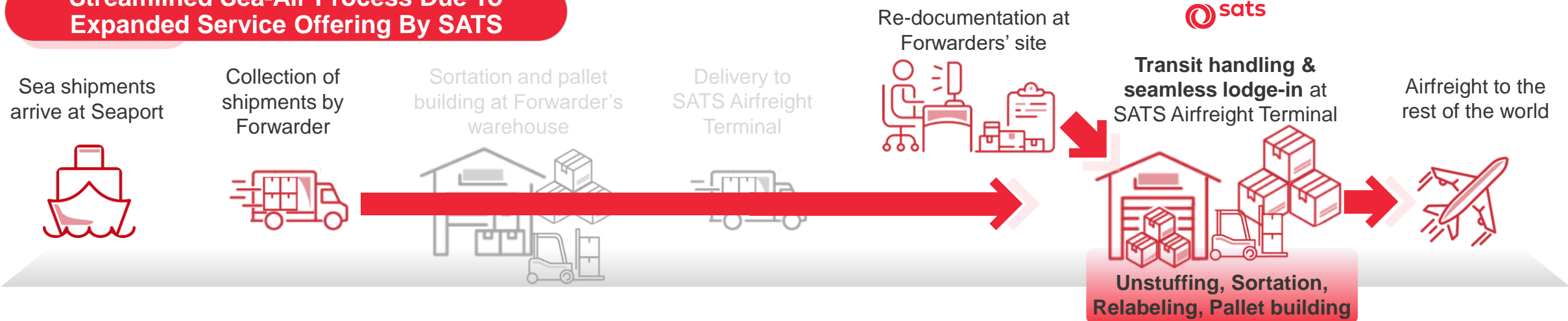
# Case Study: New multi-modal Sea-Air solution designed to streamline processes for freight forwarders



## Current Sea-Air Process



## Streamlined Sea-Air Process Due To Expanded Service Offering By SATS





3

# Continuous drive to achieve operational excellence



## Operational Excellence Objectives



### Develop New Solutions

*Experiment with POCs and emerging technologies to develop scalable new solutions*



### Scale Continuous Improvement

*Optimise global processes to enhance efficiency and efficacy*



### Upgrade Operating Foundations

*Develop global operating policies & frameworks to drive business goals*



### Empower Our Workforce

*Equip teams with the right infrastructure and tools to perform their roles safely & efficiently*

## Recent Operating Initiatives

Sep 2023



Automated forklifts in Barcelona Airport

Jan 2024



3D Modelling Software for 100% of "Fit to Fly" Unit Load Devices (ULDs)

Mar 2024



IATA One Record Digital Data Sharing Standard

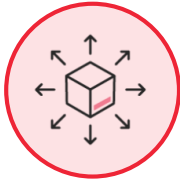
July 2024



Autonomous buses trial at Changi Airport

4

## Leverage and enhance capabilities for SG Hub



### Leverage Scale & Strength

*of SATS' network and bring in global best practices*



### Establish Changi Airport's

*position and volume flow as a key logistics hub*



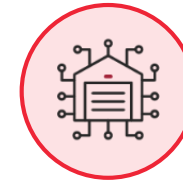
### Champion Singapore Hub

*as SATS' innovation lighthouse*



### Consistent Investment

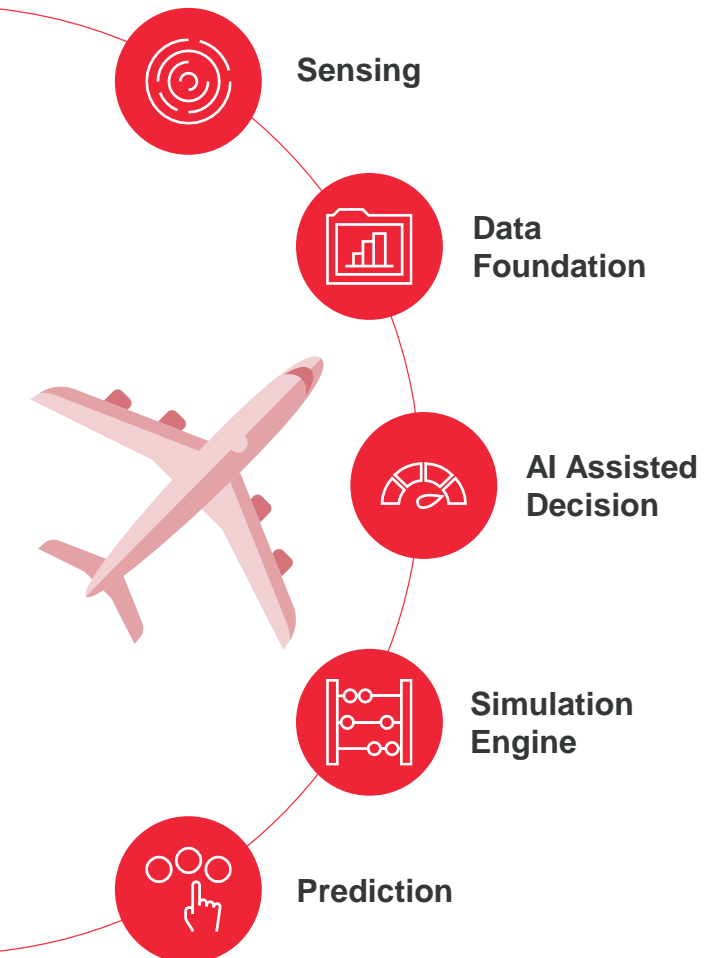
*in workforce & capabilities*



### Collaborate

*with Singapore's aviation ecosystem*

# Deep Dive: Developing advanced capabilities for SG Hub



## Key Enablers

- ✓ Advance staffing and equipment capacity planning
- ✓ Proactive scheduling and rostering with optimal resource sharing
- ✓ Day of Ops execution with Incident and disruption management
- ✓ Frontline performance monitoring and intervention orchestration

## Airport Eco-system Benefits



**Drive innovation in aviation** leveraging automation and AI for workforce planning, tasks allocations and process optimization



**Develop a future-ready and resilient workforce** with significant productivity improvements



**Transforming airport operations** with task-based operations management and predictive workforce management

# Food Solutions

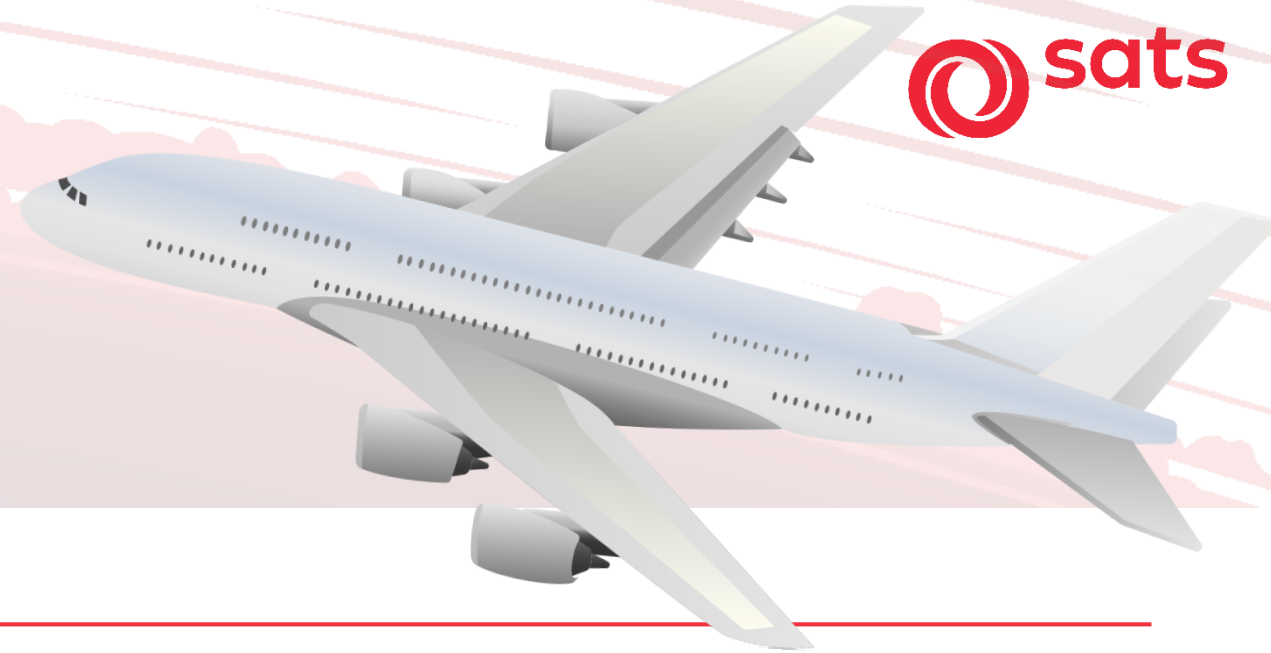
Stanley Goh, CEO (Food Solutions)

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# Our positioning in the market

## Food Solutions



**1**

**Singapore  
Champion**

**2**

**Highest  
Quality and  
Innovation**

**3**

**Leading Brand  
Equity in Asian  
Cuisine**

**4**

**Best-in-Class  
Capabilities and  
Partnership in  
FFM**

**5**

**Asia Network  
Kitchen  
Capacity  
Upside**

Note: FFM refers to fresh frozen meals



## Our strategic priorities in Food Solutions



Note: FFM refers to fresh frozen meals

1



Capture aviation fresh-frozen meal (“FFM”) market opportunity in existing facilities

2



Expand aviation catering presence in APAC and Middle East

3



Synergistic approach to non-aviation fresh-frozen meals and Singapore institutional catering for resilience

# FY2029 Targets

## Enhanced Scale and Margin Expansion

Revenue

~S\$2bn

v.s.

S\$1.1bn

FY24

EBITDA  
Margin

~17%

v.s.

7%

FY24

EBIT  
Margin

~13%

v.s.

3%

FY24

Our financial targets for  
Food Solutions



# 1 Capture aviation FFM market opportunity

## Aviation FFM Value Proposition

The aviation FFM market in Asia is relatively underserved and underpenetrated compared to developed aviation markets



### Airlines

- ✓ **Cost savings**, particularly in expensive locations
- ✓ **Consistency in taste, quality and presentation of the meal**
- ✓ **High quality Asian meals**, SPML and VGML in this region



### Caterers

- ✓ **Capture growth** without needing further significant capex
- ✓ **Focus on higher-margin premium products** vs. economy meals
- ✓ **Preservation of EBITDA contribution**



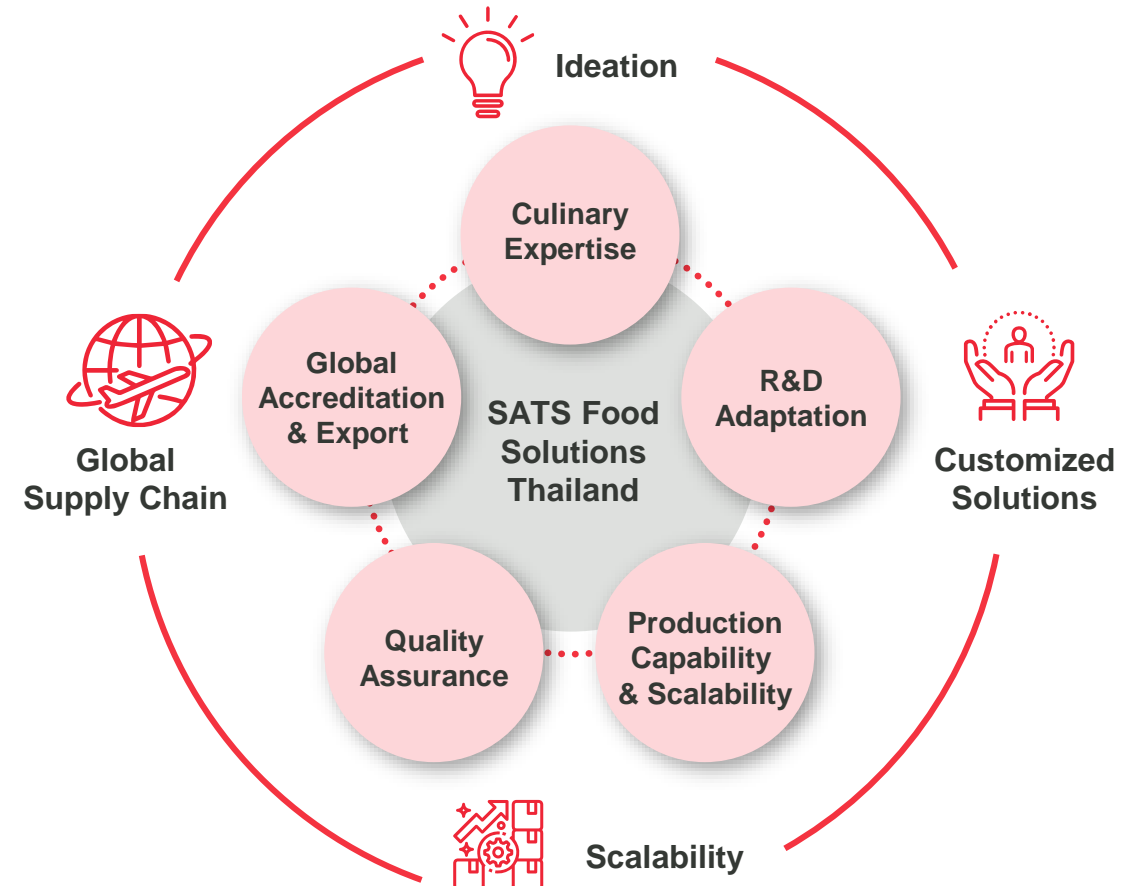
### FFM producers

- ✓ **Capture healthier EBITDA margins** (vs. 10-15% traditional catering margins in Asia and ME)
- ✓ **Enter high-cost, high-risk markets** with reduced capex intensity and exposure
- ✓ **Serve our airline customers** and increase share of wallet **without needing a catering license**

Note: FFM refers to fresh frozen meals; SFST refers to SATS Food Solutions Thailand

## Deep Dive: SFST Capabilities & Service Offerings

Renowned “one-stop shop” for frozen meal development for airline customers



# Deep Dive: Established network of kitchen facilities ready to deliver fresh frozen meals across the region



## SATS' Hub-and-Spoke Kitchen Network



1. Capacity expected to reach 108k by 3Q FY26

## Potential to expand aviation catering in APAC and Middle East



**SATS currently present (via subsidiary or JV)**

**Potential for expansion**

***Flexibility to enter markets through organic growth, partnerships, JVs or acquisitions, depending on the opportunities that arise***





3

# Build resilience through non-aviation FFM business



## Strategic Partnership



MITSUI & CO.

SATS launched a partnership with Mitsui in August 2024 to establish an **end-to-end Food Solutions value chain** that can address non-aviation channels



■ Mitsui's value proposition

Opportunity to leverage Mitsui's sourcing, supply chain, and demand network in combination with SATS capabilities to expand both partners' business with **major retailers and F&B players in key markets across Asia**

## Going Deeper and Wider in Institutional Catering



**Defence**

- ◆ Proven ability to leverage SATS' culinary and operational excellence know-how
- ◆ Benefitting from SATS' synergistic capacity & resources



**Other  
Ministry of  
Home Affairs  
Channels**

- ◆ Leveraging SATS' long term partnership with Defence to expand into adjacent channels



Sports Hub



Healthcare



Educare

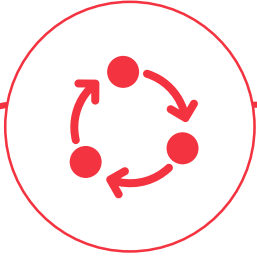


Business &  
Industries

# Sustainability

Véronique Cremades-Mathis, Chief Strategy and  
Commercial Officer

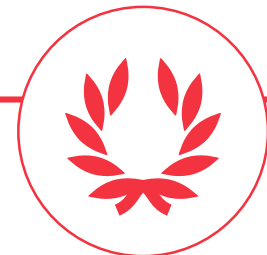
# Why ESG is paramount for SATS



License to  
**OPERATE**



License to  
**GROW**



Strategic driver of long-term value creation

# Our ESG ambitions focus on 8 priorities



8 ESG priorities defined forming our license to operate and grow



## Environment

- Decarbonisation
- Waste & Packaging



## Social

- Safety & Security
- Diversity & Inclusion
- Human Capital Development



## Governance

- Cybersecurity & Data Protection
- Sustainable Sourcing
- Governance & Business Ethics



# Our decarbonisation commitments

**2030**

Reduce our Scope 1 and 2 emissions by 50%

**2040**

Carbon neutral

**2050**

Achieve Net Zero



# Our 3-stage ESG approach

## COMPLY

**We do it right**

Ensure compliance with the highest environmental, safety, and governance standards across all markets



## OPTIMIZE

**We do it better**

Scale-up and replicate best practices to streamline operations, reduce emissions, and cut waste



## TRANSFORM

**We do it differently for the best**

Embed sustainability in all Group functions to strengthen leadership position, and meet stakeholders' expectations



### Key Enablers



Compliance



Risk  
management



Process improvement  
& operational  
excellence



Sustainable  
procurement



Innovation



Partnerships



Strategic  
financing



Sustainable  
culture



# Financial Goals & Capital Management

Manfred Seah, Group CFO

# Bigger, stronger and more resilient



Revenue

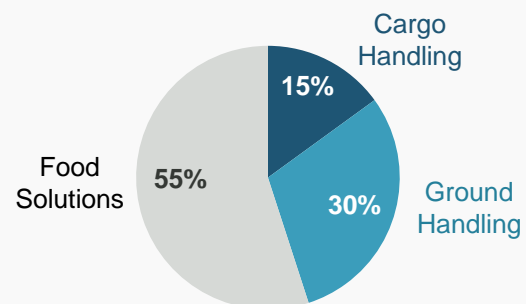
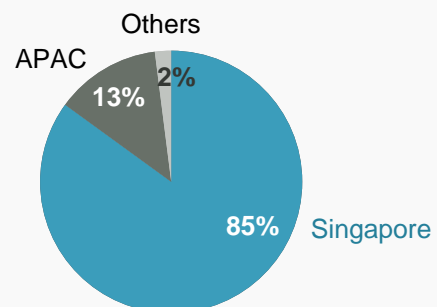
EBITDA /  
Margin%Balanced  
Regional MixDiversified  
Business MixIntegration  
Synergy

FY22

Pre WFS

S\$1,177M

S\$77M / 7%

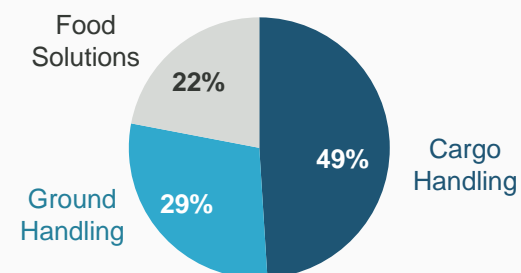
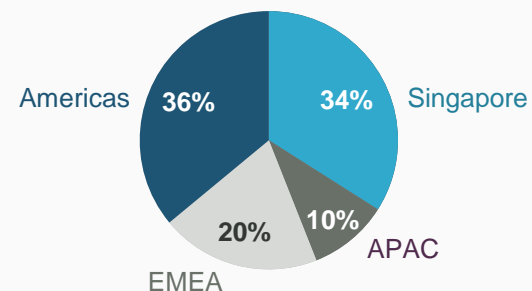


FY24

Post WFS

S\$5,150M

S\$781M / 15%



1H FY25 Results

S\$2,821M

S\$515M / 18%

S\$240M / 8%  
EBIT / Margin %S\$65M  
SoAJVS\$135M / 5%  
PATMI / Margin %S\$118M Synergies  
Unlocked

S\$68M (EBITDA)

Commercial ~\$48M, Operational ~\$20M



S\$50M

Financial savings

# Global “market-canvas” to paint on after WFS integration



**S\$5.1bn**

*FY24 Revenue  
Full post-COVID recovery in FY25*



**S\$6.0bn**

*Current Market Capitalisation*



**49,000+**

*Employees*



**215**    **27**  
*Locations*    *Countries*



**8M+**

*Cargo Tonnes Handled*



**600,000+**

*Flights Handled*



**34**

*Kitchens across Asia<sup>1</sup>*



**96M+**

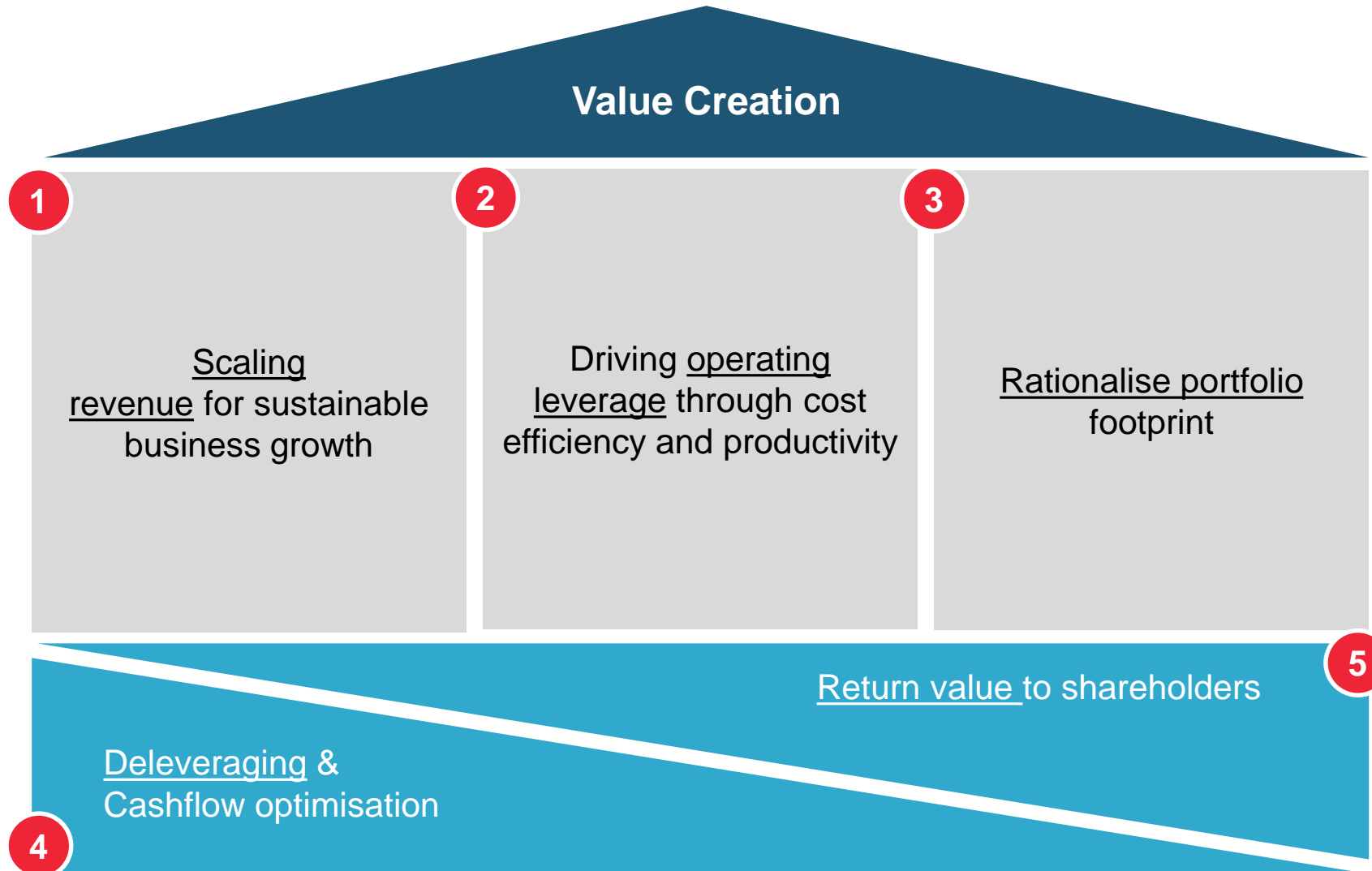
*Meals Served*

Note: Operating metrics as of FY24

1. Includes subsidiaries, joint ventures and associates



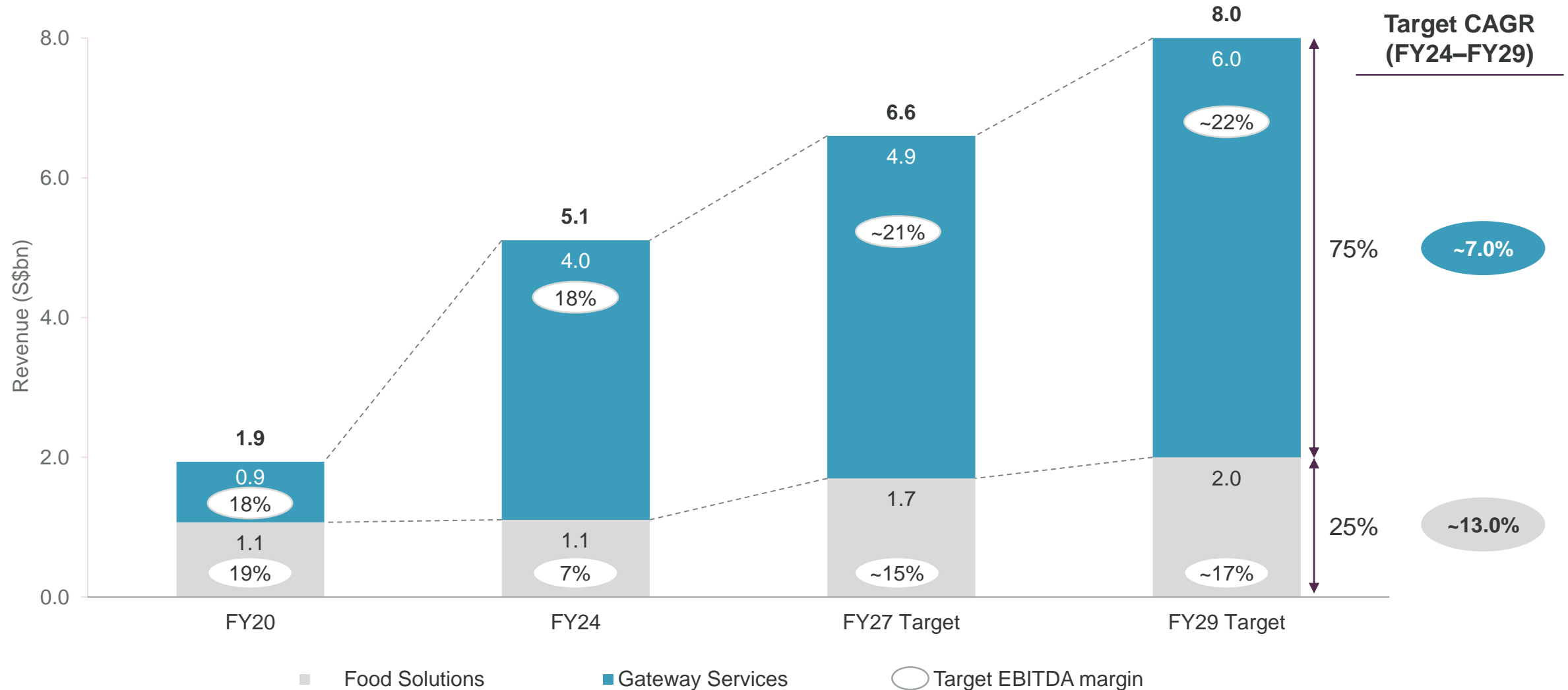
# Clear strategic priorities to unlock value



We continue to deliver on our commitment to **restore and enhance profitability**, to pursue our three R initiatives:

1. **Repay** loans
2. **Reinvest** in capex
3. **Reward** dividends

# Growing scale, enhancing margins



# Financial goals & ratios

## Profitability

■ FY24 ■ FY29 Target

EBITDA Margin

>20%

15.2%

EBIT Margin

>10%

4.7%

SoAJV Run-rate

>S\$150M

S\$110M

PATMI Margin

>5.0%

1.1%

## Balance Sheet Health

Total Assets

~S\$10.0bn

S\$8.5bn

Equity

~S\$3.5bn

S\$2.4bn

Total Debt

<S\$4.0bn

S\$4.1bn

## Capital Management

ROE

>15.0%

2.4%

Gross Debt/  
EBITDA (x)

<3.5

5.2

Operating Cash  
Flow (AL)<sup>1</sup>

>S\$750M

S\$137M

Our FY29 targets for  
SATS Group



1. Operating cash flow (AL) = Operating cash flow after lease repayment

# 5 Year CAPEX Plan Group Spend

FY25 to FY29

Total Spend:  
~5% of  
revenue

=

Maintenance:  
~3% of  
revenue

+

Growth:  
~2% of  
revenue

70%

Gateway Services

30%

Food Solutions

# Closing Remarks

Kerry Mok, President and Group CEO



# Flightpath to sustainable growth and value by FY29

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**1**

**A right to win delivered by the global network, infrastructure and expertise**

**2**

**Focused strategy to gain market share and enhance margins**

**3**

**Best-in-class capabilities and continued operational excellence**

**4**

**A highly experienced global management team**

**5**

**A clear path to deliver our FY29 financial objectives**