



MEDIA RELEASE

SATS POSTS 3Q NET PROFIT OF S\$70.4 MILLION

Highlights of 3Q FY25 (YoY)

- Revenue grew 12.5%¹ to S\$1.52B
- EBITDA margin expanded from 15.7% to 17.3% at S\$263.9M
- Free cash flow² improved from S\$44.7M to S\$118.1M
- Secured S\$92M³ of the targeted S\$100M of EBITDA integration synergies

Singapore, 21 February 2025 – SATS Ltd. (**SATS**) today reports its financial performance for the three months ended 31 December 2024 (3Q FY25) and nine months ended 31 December 2024 (9M FY25), reflecting sustained growth in business volumes, outpacing industry trends.

HIGHLIGHTS OF THE GROUP'S UNAUDITED RESULTS:

Group Financial Results	3Q FY25 (S\$ million)	3Q FY24 (S\$ million)	Favourable / (Unfavourable) YoY Change (S\$ million)	Favourable / (Unfavourable) YoY Change (%)
Revenue	1,523.3	1,354.1	169.2	12.5
Operating expenditure (Excluding D&A)	(1,259.4)	(1,141.7)	(117.7)	(10.3)
EBITDA <i>EBITDA margin</i>	263.9 <i>17.3%</i>	212.4 <i>15.7%</i>	51.5	24.2
Operating profit (EBIT) <i>EBIT margin</i>	127.3 <i>8.4%</i>	83.4 <i>6.2%</i>	43.9	52.6
SoAJV	27.6	34.6	(7.0)	(20.2)
Profit attributable to owners of the Company (PATMI)	70.4	31.5	38.9	123.5

¹ Year-on-year

² Free cashflow refers to net cash from operating activities less capex and lease payment

³ Excluding c. S\$53M of annual financial fiscal savings

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Group Financial Results	9M FY25 (S\$ million)	9M FY24 (S\$ million)	Favourable / (Unfavourable) YoY Change (S\$ million)	Favourable / (Unfavourable) YoY Change (%)
Revenue	4,344.4	3,811.9	532.5	14.0
Operating expenditure (Excluding D&A)	(3,565.7)	(3,251.7)	(314.0)	(9.7)
EBITDA	778.7	560.2	218.5	39.0
<i>EBITDA margin</i>	<i>17.9%</i>	<i>14.7%</i>		
Operating profit (EBIT)	367.4	155.4	212.0	136.4
<i>EBIT margin</i>	<i>8.5%</i>	<i>4.1%</i>		
SoAJV	92.9	79.0	13.9	17.6
Profit attributable to owners of the Company (PATMI)	205.1	23.7	181.4	765.4

Notes:

- (1) FY25 refers to the financial year from 1 April 2024 to 31 March 2025
- (2) 9M FY24 figures were restated retrospectively to reflect discontinued operation due to the disposal of a subsidiary in March 2024
- (3) D&A refers to depreciation and amortisation
- (4) EBITDA refers to earnings before interest, tax, depreciation and amortisation
- (5) SoAJV refers to the share of associates/joint ventures, net of tax



GROUP EARNINGS

3Q FY25 (1 October 2024 to 31 December 2024)

In 3Q FY25, SATS Group's revenue increased by 12.5% to S\$1.52 billion compared to the same period last year due to continued business volume growth and rate increases.

Revenue for Gateway Services increased by 10.1% YoY to S\$1.17 billion, reflecting both favourable market conditions and continued market share gains. Our cargo volumes exceeded IATA's global growth benchmarks, supported by broad-based demand and the shift of some ocean freight to air cargo due to Red Sea disruptions.

Food Solutions' revenue increased by 21.1% YoY to S\$356.7 million driven by the increased demand for inflight meals as travel recovers.

The Group's expenditure (excluding depreciation and amortisation) increased by 10.3% to S\$1.26 billion YoY, in line with the increase in business volume. Included in 3Q FY25 expenditure was an unrealised foreign exchange gain of S\$5.1 million, mainly due to the translation of USD and Euro intercompany loan balances at the end of the third quarter.

In 3Q FY25, SATS operating profit increased by S\$43.9 million to S\$127.3 million YoY. Operating profit margin also improved from 6.2% to 8.4% driven by an increase in operational leverage as revenue growth outpaced the increase in expenditure.

The share of earnings of associates and joint ventures decreased by 20.2% to S\$27.6 million YoY partially due to adjustment relating to purchase price allocation in the prior period contributing positively to the results last year.

In 3Q FY25, SATS posted PATMI of S\$70.4 million reflecting an improvement of S\$38.9 million YoY. This better performance was attributed to scale and operating leverage derived from higher business volume and rate increases from customers.



Compared to 2Q FY25, there was a catch up on additional bonus provision in this quarter. The bonus provision contributed to cost increases but underscores the company's commitment to rewarding performance-driven outcomes.

9M FY25 (1 April 2024 to 31 December 2024)

9M FY25 Group revenue increased by 14.0% to S\$4.34 billion YoY due to business volume growth as well as rate increases from customers.

Revenue for Gateway Services increased by 10.8% YoY to S\$3.32 billion. This growth reflects robust air cargo volumes across multiple sectors, including high-tech shipments, e-commerce and other cargo streams, complemented by volume shifts from ocean freight due to ongoing geopolitical uncertainties.

Food Solutions' revenue improved by 25.9% to S\$1.02 billion as aviation travel continues to recover and the demand for inflight meals increased.

The Group's expenditure (excluding depreciation and amortisation) increased by 9.7% to S\$3.57 billion YoY, in line with the increase in business volume. Included in 9M FY25 expenditure was a charge of S\$17.9 million for unrealised foreign exchange losses, mainly due to translation of USD and Euro intercompany loan balances at the end of the period.

SATS's 9M FY25 operating profit increased YoY to S\$367.4 million from S\$155.4 million. Operating profit margin also expanded from 4.1% to 8.5% driven by favourable operating leverage as revenue growth outpaced that of expenditure.

The share of earnings of associates and joint ventures increased by 17.6% to S\$92.9 million, driven by travel recovery and higher cargo volumes.

In 9M FY25, SATS posted PATMI of S\$205.1 million reflecting a significant improvement of S\$181.4 million YoY. This improved performance was credited to the scale and operating leverage derived from handling of a higher volume of business, and rate increases from customers.



GROUP FINANCIAL POSITION (as at 31 December 2024)

Total equity increased by S\$155.0 million, reaching S\$2.71 billion as of 31 December 2024, compared to 31 March 2024. This increase was primarily attributed to the profit generated in 9M FY25.

Non-current assets decreased by S\$69.1 million to S\$6.46 billion as of 31 December 2024. This reduction was mainly due to lower right-of-use assets and intangible assets resulting from foreign exchange translation. The reduction was partially offset by the addition to fixed asset during the year.

Current assets increased by S\$152.7 million to S\$2.1 billion, driven by higher trade and other receivables and cash balance.

Total liabilities decreased by S\$71.4 million to S\$5.85 billion, primarily due to lower trade payables balance.

For 9M FY25, operating cash flow increased to S\$516.9 million, compared to S\$247.8 million recorded in the corresponding period last year. SATS' free cash flow¹ for 9M FY25 was positive S\$48.8 million, reflecting an improvement of S\$215.5 million YoY, driven mainly by higher YoY operating profit for the year.

3Q FY25 free cash flow⁴ was positive S\$118.1 million, which was a S\$73.4 million improvement YoY.

¹ Free cashflow refers to net cash from operating activities less capex and lease payment



OUTLOOK

While geopolitical uncertainties weigh on the general business environment, with tariff increases possibly having a negative impact on trade flows, we are confident we have the resilience to navigate the challenges.

We note that IATA anticipates an 8% increase in global passenger traffic in 2025, which will support our Asian food and overall ground-handling business. While the outlook for the cargo business may be volatile, we will continue to leverage our network, expertise, and market leadership position to help our customers adapt to the demand for air cargo logistics services as supply chains worldwide adjust to the new operating environment.

Kerry Mok, President and Chief Executive Officer of SATS, said, *“Scale and operating efficiencies, boosted by strong seasonal demand, delivered profitability for the SATS Group. The recovery of passenger volumes at Changi Airport in 2024 to 99.1% of pre-pandemic levels also contributed to our improved performance.*

We remain focused on pursuing our strategy to grow our network, enhance operational excellence and work with our customers and partners to develop innovative and specialised services. With our global network, we are in a good position to support our customers in their response to short-term adjustments in this period of volatility while keeping long-term opportunities in mind.”

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ABOUT SATS LTD.

Headquartered in Singapore, SATS Ltd. is one of the world's largest providers of air cargo handling services and Asia's leading airline caterer. SATS Gateway Services provides airfreight and ground handling services including passenger services, ramp and baggage handling, aviation security services, aircraft cleaning and aviation laundry. SATS Food Solutions serves airlines and institutions, and operates central kitchens with large-scale food production and distribution capabilities for a wide range of cuisines. SATS is present in the Asia-Pacific, the Americas, Europe, the Middle East and Africa, powering an interconnected world of trade, travel and taste. Following the acquisition of Worldwide Flight Services (WFS) in 2023, the combined SATS and WFS network operates over 215 stations in 27 countries. These cover trade routes responsible for more than 50% of global air cargo volume. SATS has been listed on the Singapore Exchange since May 2000. For more information, please visit www.sats.com.sg

ANNOUNCEMENT INFORMATION

The complete 3Q FY25 results of SATS are available at www.sats.com.sg.

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ANNEX A: GROUP FINANCIAL STATISTICS

Financial Results (S\$)	3Q FY25	3Q FY24	9M FY25	9M FY24
Per Share Data				
Earnings per share (cents)				
- Basic ^{R1}	4.7	2.0	13.8	1.2
- Diluted ^{R2}	4.7	2.0	13.6	1.2
Return on turnover (%) ^{R3}	4.6	2.3	4.7	0.6
Financial Position (S\$ million)				
	As at	As at		
	31 Dec 2024	31 Mar 2024		
Total equity	2,714.5	2,559.5		
Total assets	8,563.6	8,480.0		
Total debt	4,111.1	4,092.1		
Gross debt/equity ratio (times) ^{R4}	1.51	1.60		
Net asset value per share (\$) ^{R5}	1.69	1.59		

Notes:

The Group financial statistics should be read in conjunction with the explanatory notes found on page 3 of this media release.

- ^{R1} Earnings per share (basic) is computed by dividing profit attributable to owners of the Company by the weighted average number of fully paid shares in issue.
- ^{R2} Earnings per share (diluted) is computed by dividing profit attributable to owners of the Company by the weighted average number of fully paid shares in issue after adjusting for dilution of shares under various employee share plans.
- ^{R3} Return on turnover is computed by dividing profit attributable to owners of the Company by total revenue.
- ^{R4} Gross debt/equity ratio is computed by dividing total debt by total equity.
- ^{R5} Net asset value per share is computed by dividing equity attributable to owners of the Company by the number of ordinary shares (excluding treasury shares) in issue.



ANNEX B: OPERATING STATISTICS

	3Q FY25	3Q FY24	Change (%)	9M FY25	9M FY24	Change (%)
Flights Handled ('000)	161.2	151.0	6.8	476.8	450.2	5.9
- APAC	85.1	74.9	13.5	246.9	225.1	9.6
- EMEAA	7.9	11.7	(32.6)	24.2	35.7	(32.1)
- Americas	68.3	64.4	6.0	205.7	189.4	8.6
Cargo/Mail Processed ('000 tonnes)	2,374.8	2,066.2	14.9	6,753.1	5,792.1	16.6
- APAC	703.3	634.8	10.8	2,042.3	1,766.0	15.6
- EMEAA	914.6	780.4	17.2	2,595.5	2,132.2	21.7
- Americas	756.9	651.0	16.3	2,115.3	1,893.9	11.7
Gross Meals Produced ('M)	26.1	23.9	9.2	80.7	71.1	13.6
- Aviation meals	16.3	13.5	20.1	48.6	39.2	24.0
- Non-aviation meals	9.8	10.4	(5.1)	32.2	31.9	0.9
Ship Calls Handled	71	83	(14.5)	170	214	(20.6)

Notes:

- Reduction in flights handled volume in EMEAA due to loss of two (2) ground handling licences in Spain.
- The above operating data cover SATS and its subsidiaries, but does not include joint ventures and associates.