

Capital Markets Day

12 November 2021

**Accelerating
Innovation**

Programme

Time	Topic	Speaker
0830	Event Registration, Breakfast, and Digital Capabilities Showcase	-
1000	Brand Video – Feed and Connect Communities	Spencer Low
1005	Opening Address	Alex Hungate
1015	Strategy Overview & Outlook	Kerry Mok
1030	Food Solutions	Kerry Mok
1040	Gateway Services	Bob Chi
1050	Sustainability	Spencer Low
1100	Financial Performance	Manfred Seah
1120	Q&As	All
1150	Lunch and viewing of Digital Capabilities Showcase	All
1230	End of Event	-



Alex Hungate
President & CEO



Kerry Mok
President & CEO Designate



Bob Chi
COO, Gateway Services



Spencer Low
*Chief Strategy &
Sustainability Officer*



Manfred Seah
Chief Financial Officer



Brand Video



**Accelerating
Innovation**



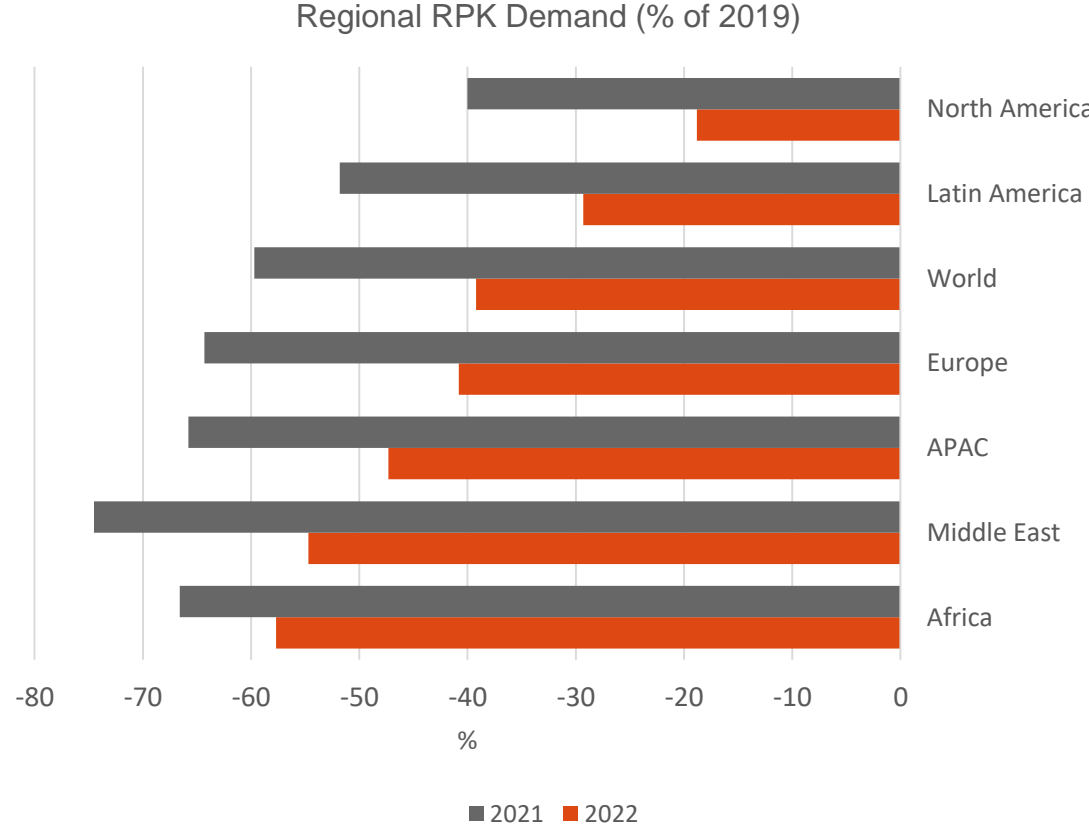
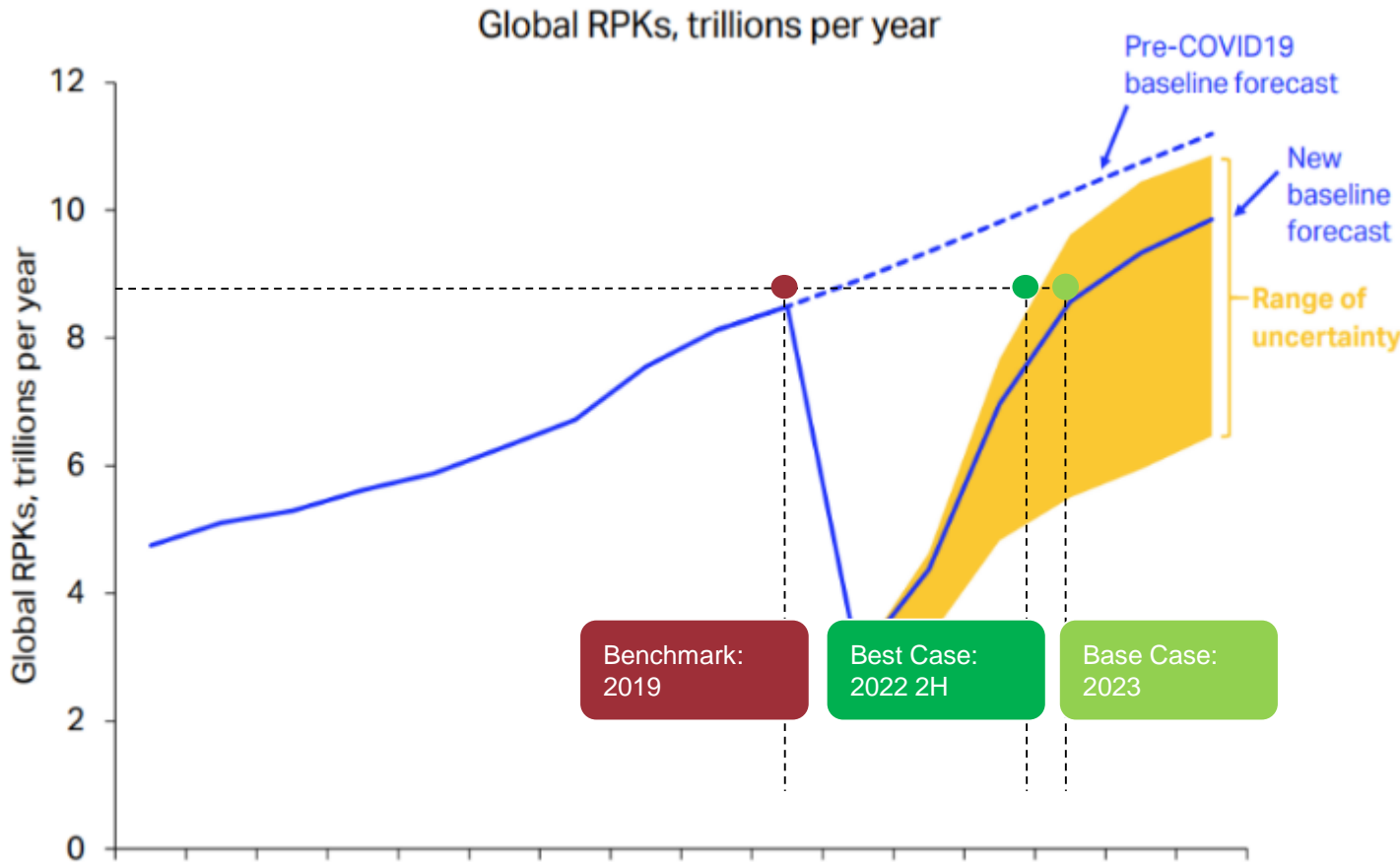
Opening Address

Alex Hungate
President & CEO



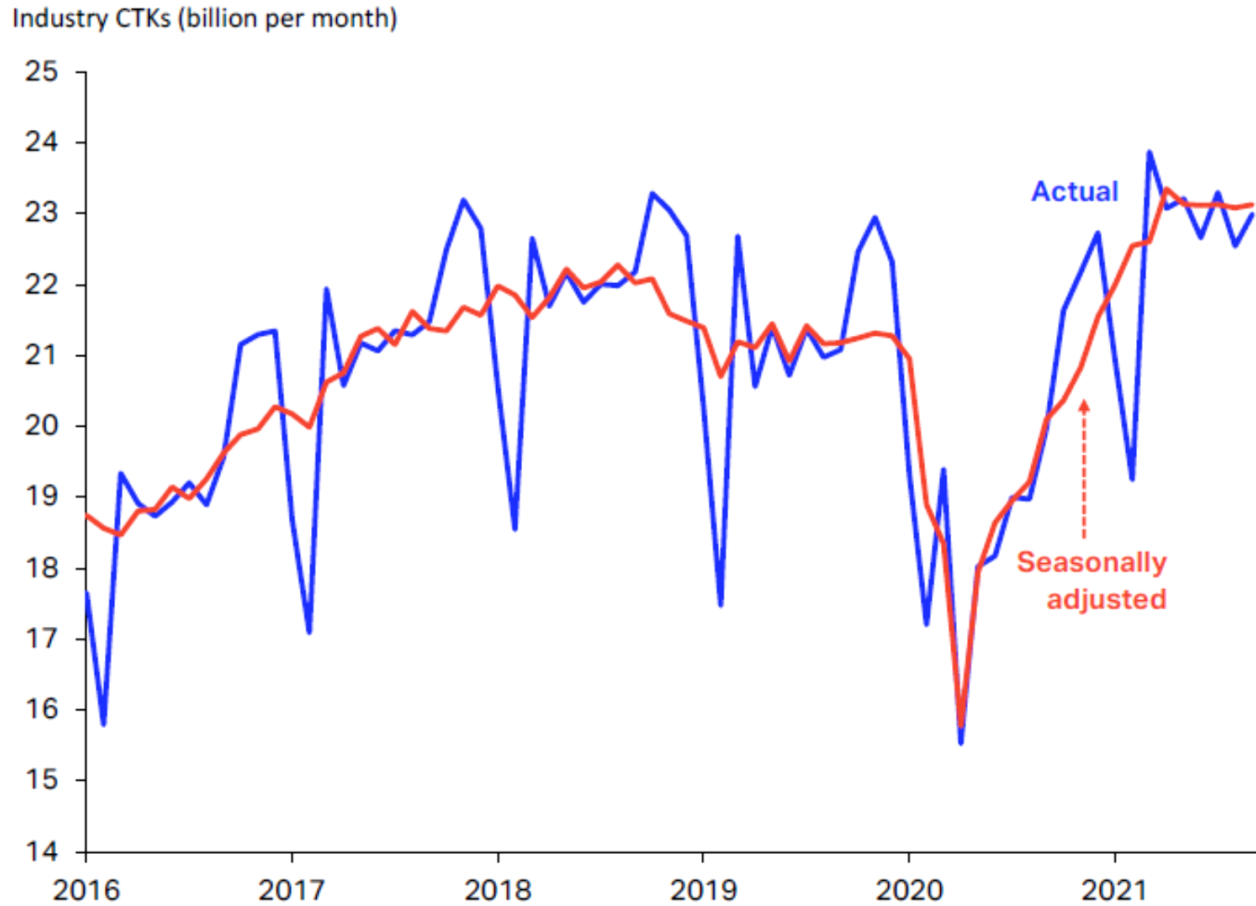
**Accelerating
Innovation**

APAC travel is expected to reach pre-COVID levels by 2024



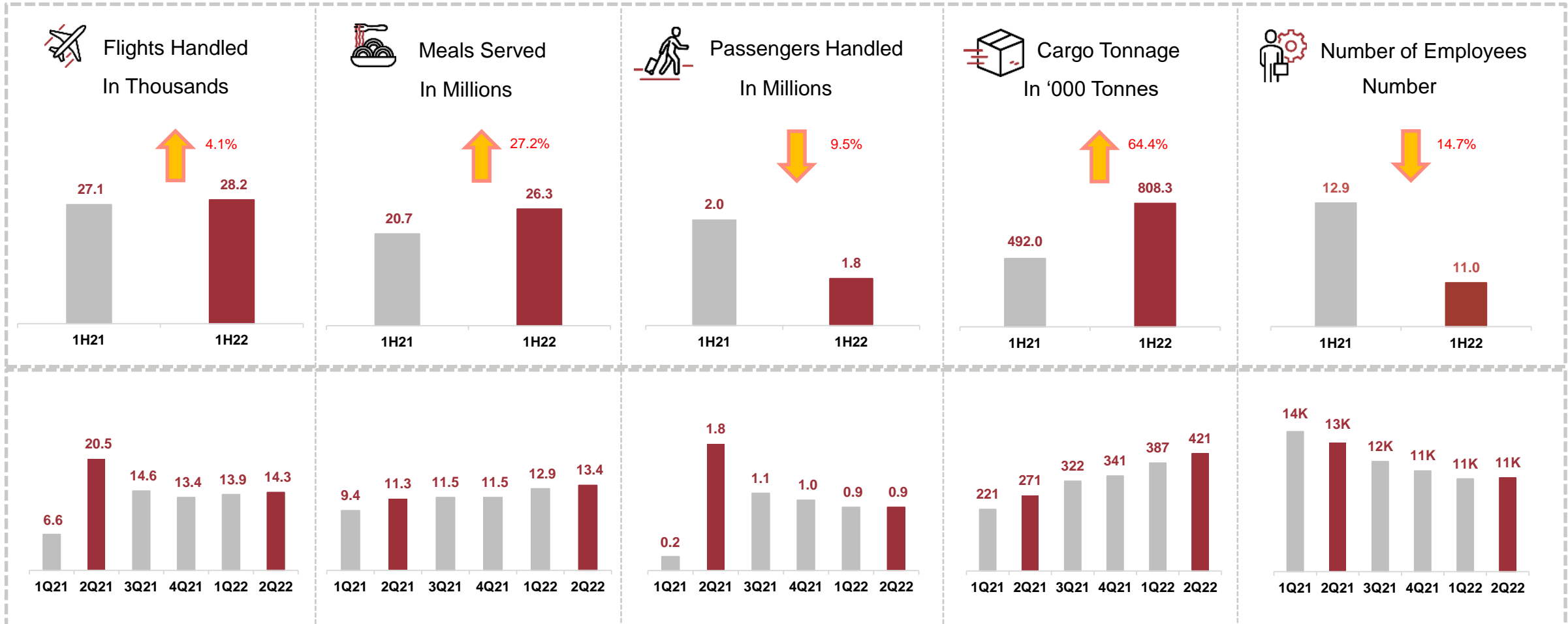
Source: IATA

Air cargo has already exceeded pre-COVID levels



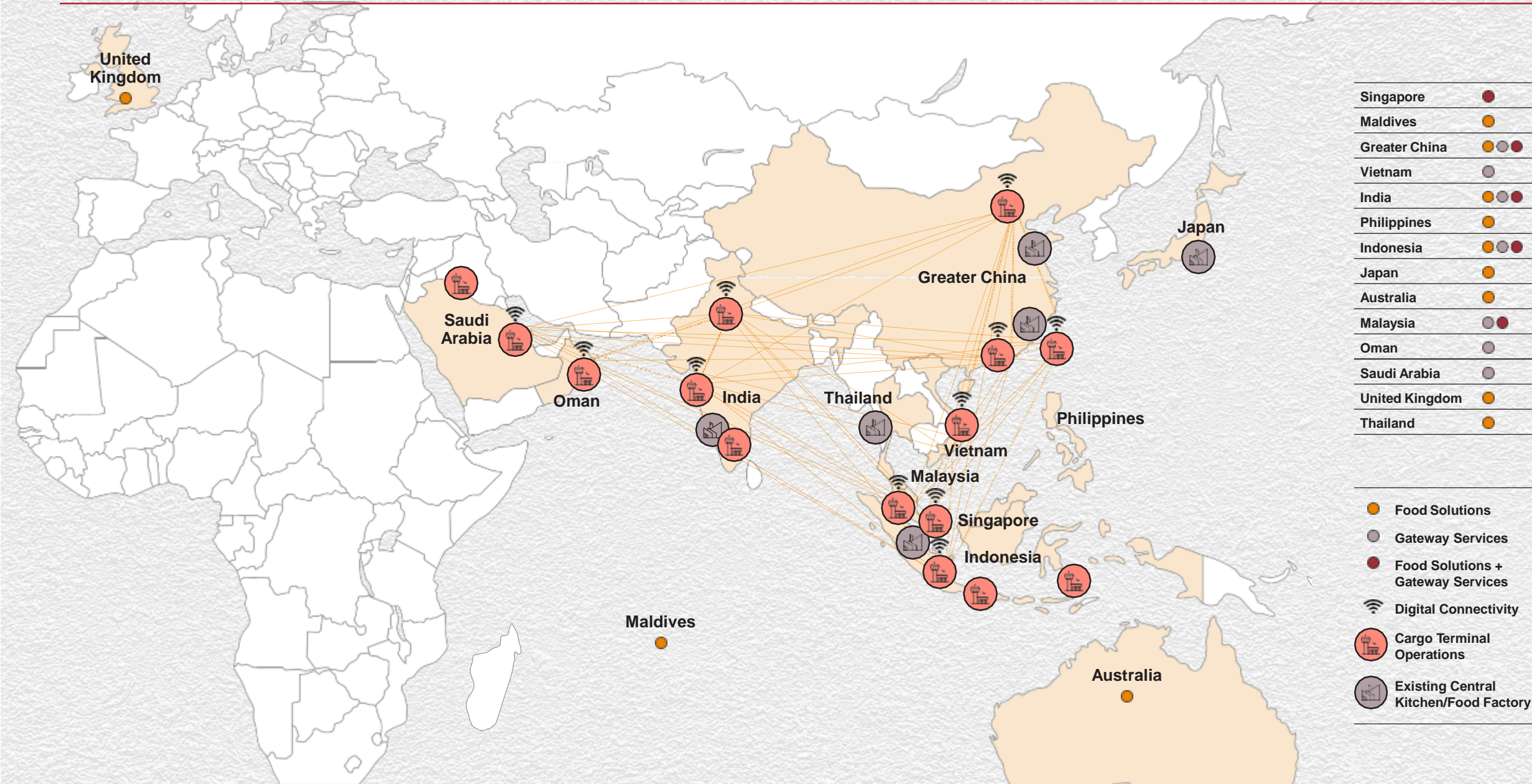
- Global Cargo Tonne Kilometres (CTKs) rose 9.1% above pre-COVID levels in September 2021
- Majority of SATS' cargo associates were profitable in 2Q
- 2Q Cargo revenue improved 45% YoY and 6.3% QoQ

1HFY22 and Q-o-Q Operating Statistics



Note: The above operating statistics cover SATS and its subsidiaries, but exclude JVs and associates.

SATS is Asia's leading provider of food solutions and gateway services with presence in over 55 locations across 14 countries

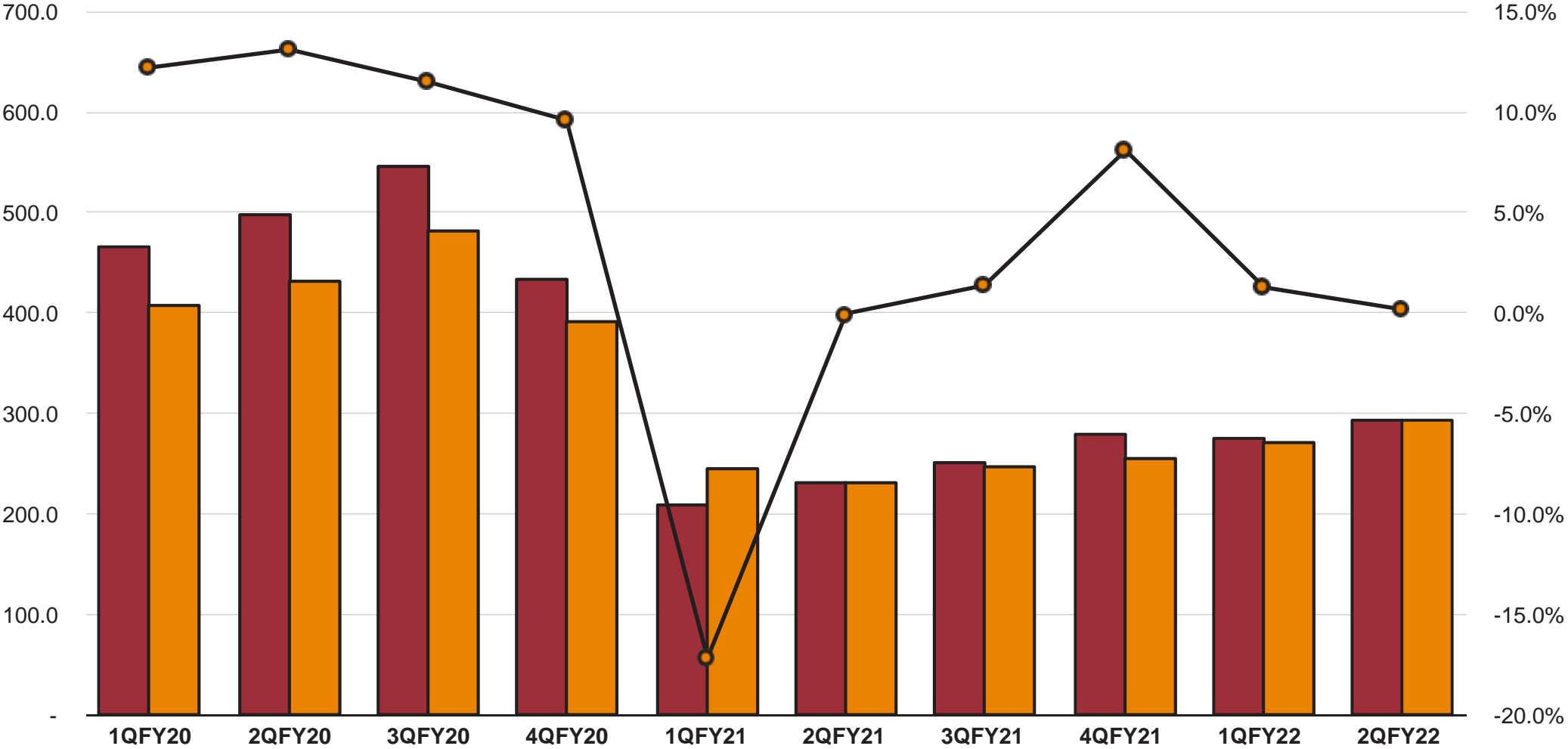


SATS accelerated investments in technology, capabilities, and capacity



FY20 – FY22: Revenue and OPEX Time Series

In S\$'M

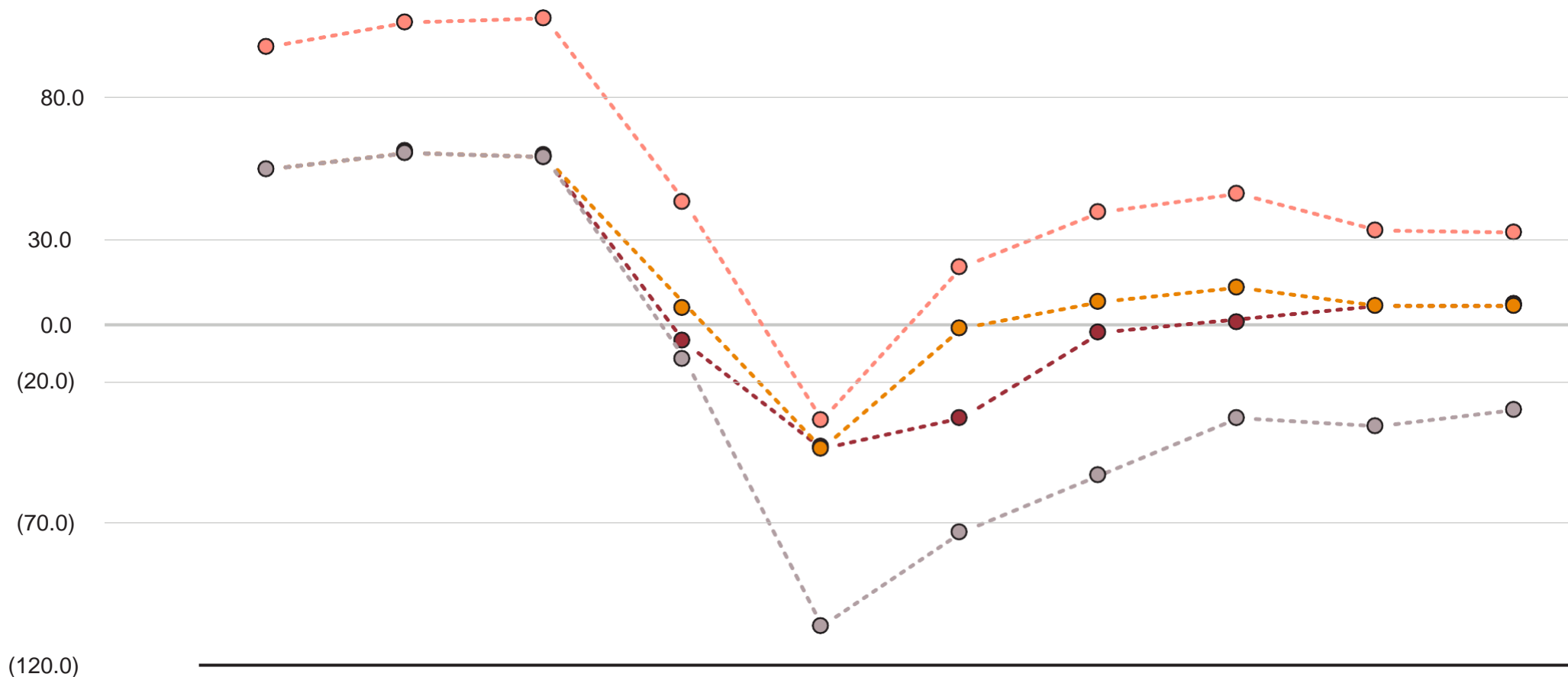


Revenue	465.1	497.4	545.6	433.1	209.4	231.1	251.0	278.5	275.6	293.9
OPEX	408.3	432.4	482.7	391.6	245.4	231.1	247.6	256.0	272.1	293.4
EBIT Margin	12.2%	13.1%	11.5%	9.6%	-17.2%	0.0%	1.4%	8.1%	1.3%	0.2%

FY20 – FY22: PATMI vs Core PATMI



In S\$'M



	1QFY20	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22
PATMI	54.7	60.7	59.3	(6.3)	(43.7)	(33.2)	(2.8)	0.8	6.4	6.8
CorePATMI	54.7	60.7	59.3	5.6	(43.7)	(1.6)	8.2	13.2	6.4	6.8
CorePATMIlex-reliefs	54.7	60.7	59.3	(12.0)	(106.5)	(73.5)	(52.8)	(33.0)	(35.6)	(30.1)
EBITDA	97.8	106.8	108.1	42.9	(33.9)	20.5	39.5	46.2	32.9	32.8

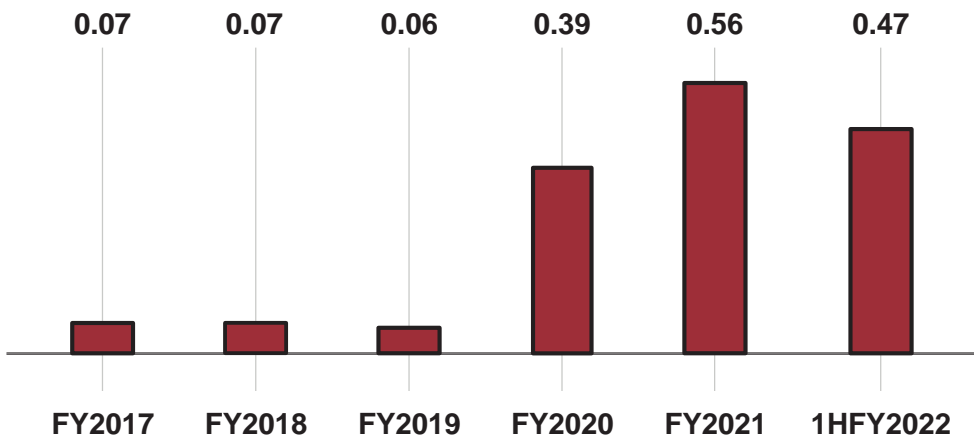
Financial Position Remains Strong

Cash Reserves

\$686M

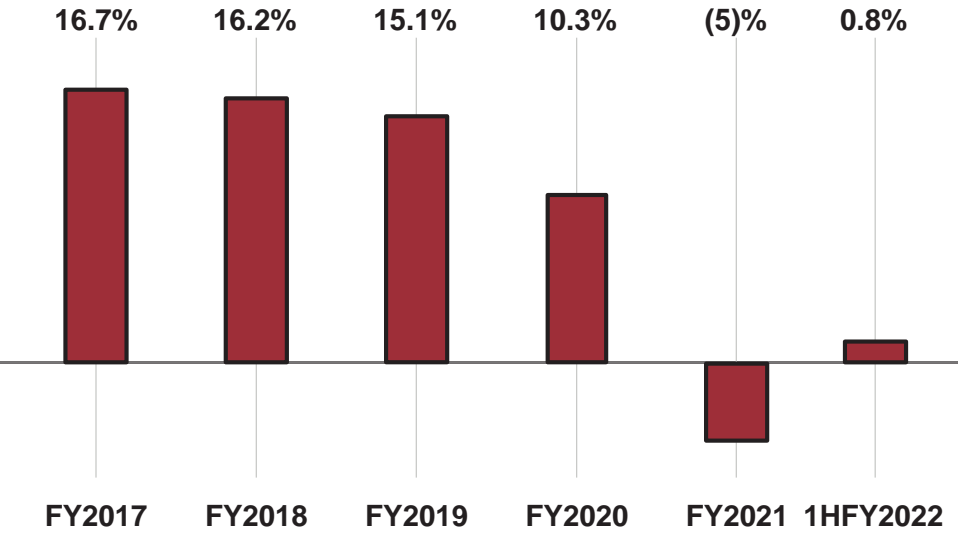
(S\$880M as at 31 Mar 2021)

As at 30 Sep 2021, the Company is in a net cash position.

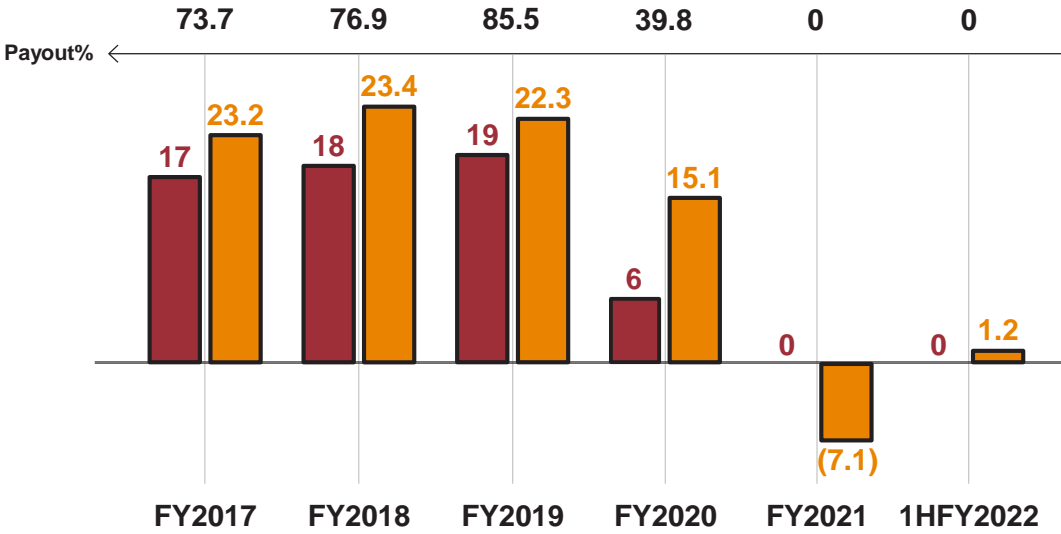


Increase in debt to strengthen liquidity position¹

Return On Equity

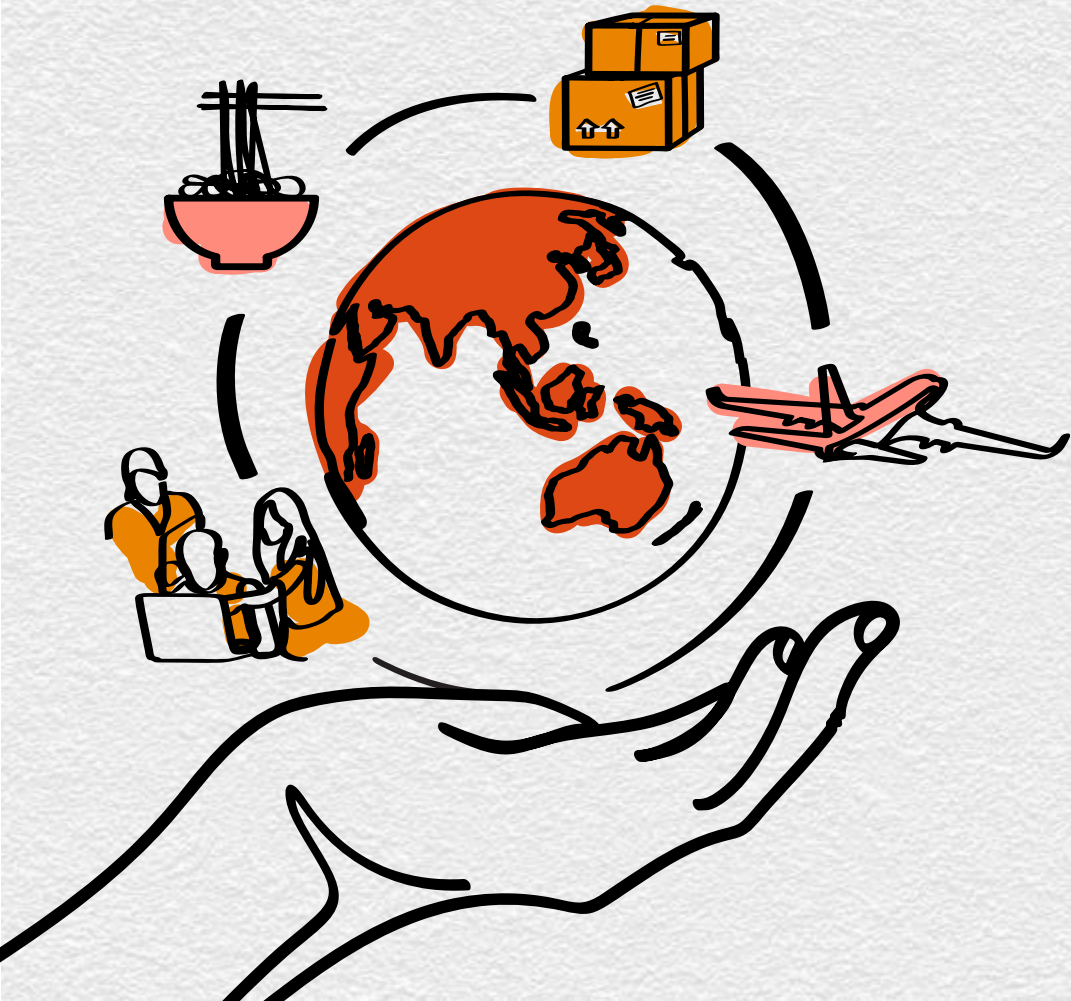


DPS and EPS (Cents)



■ Dividend Per Share
■ Basic Earning Per Share

¹ Excluding the impact of adopting SFRS (I) 16, 1HFY22 debt-equity ratio would have been 0.34 times (FY2020-21: 0.44 times)



Strategy Overview & Outlook

Kerry Mok
PCEO Designate

**Accelerating
Innovation**

Singapore



- Secure **market leadership** in **Singapore** and establish innovation and sustainability excellence for the network



Drive digital transformation in aviation



Strengthen capabilities along the food value chain from processing, production to distribution



Lead food innovation in Singapore



Reinvent security services

Overseas



- Accelerate **food production** in key markets in Asia



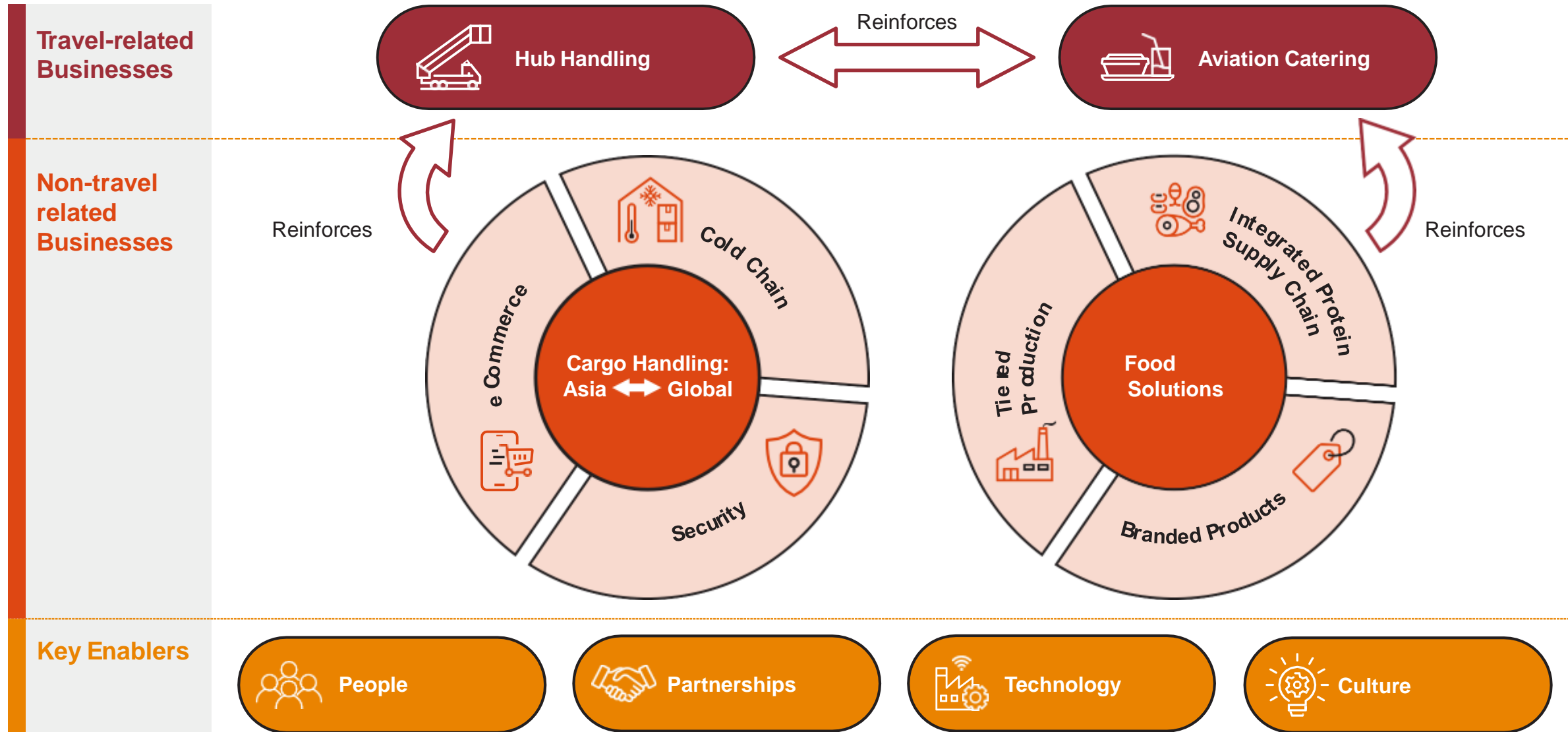
- Expand multi-channel **food distribution network** through partnerships in **the region**



- Grow **adjacent businesses** like eCommerce and perishable handling

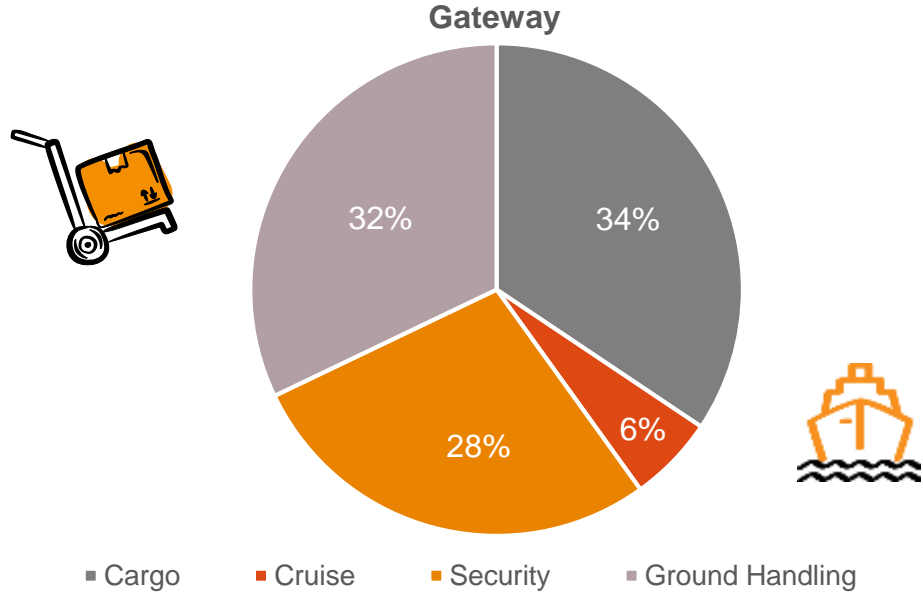
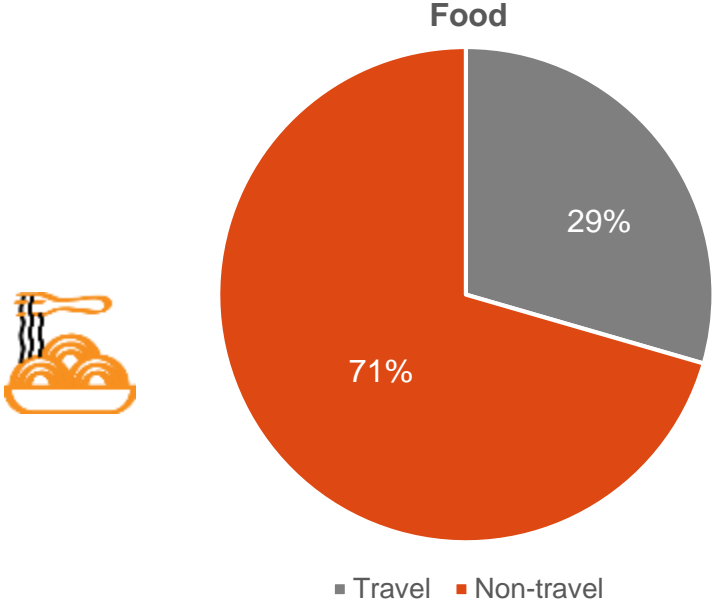
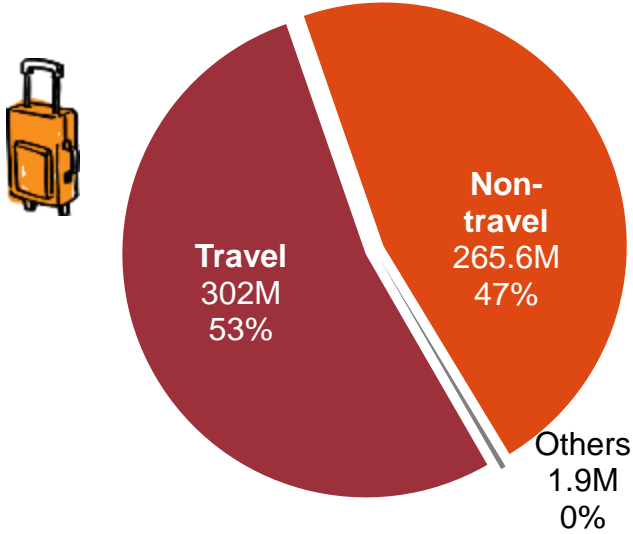
Underpinned and differentiated through SATS' capabilities in culinary authenticity, safety standards, innovation & advanced technologies, and integrated supply chain

Priorities Moving Forward



Key Revenue Drivers for the Future

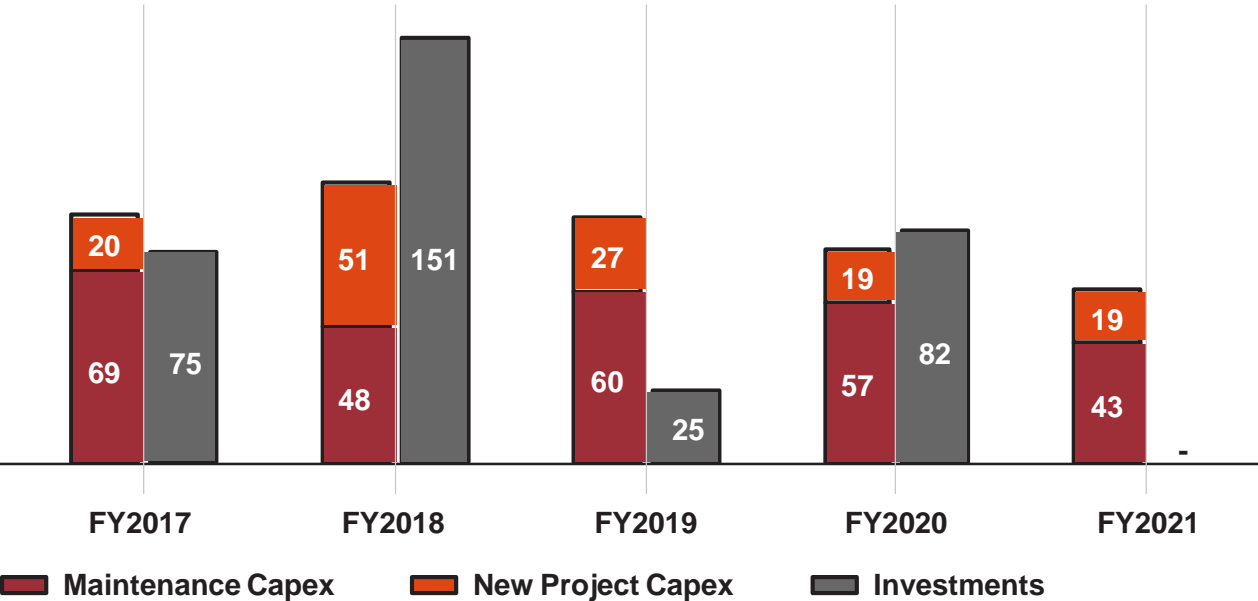
1H FY22



Note: All figures are unaudited and in S\$ m unless otherwise stated.

Growth through Capital Investments

Capital spending for the past 5 years



Historical
5 years

Capex
\$413m

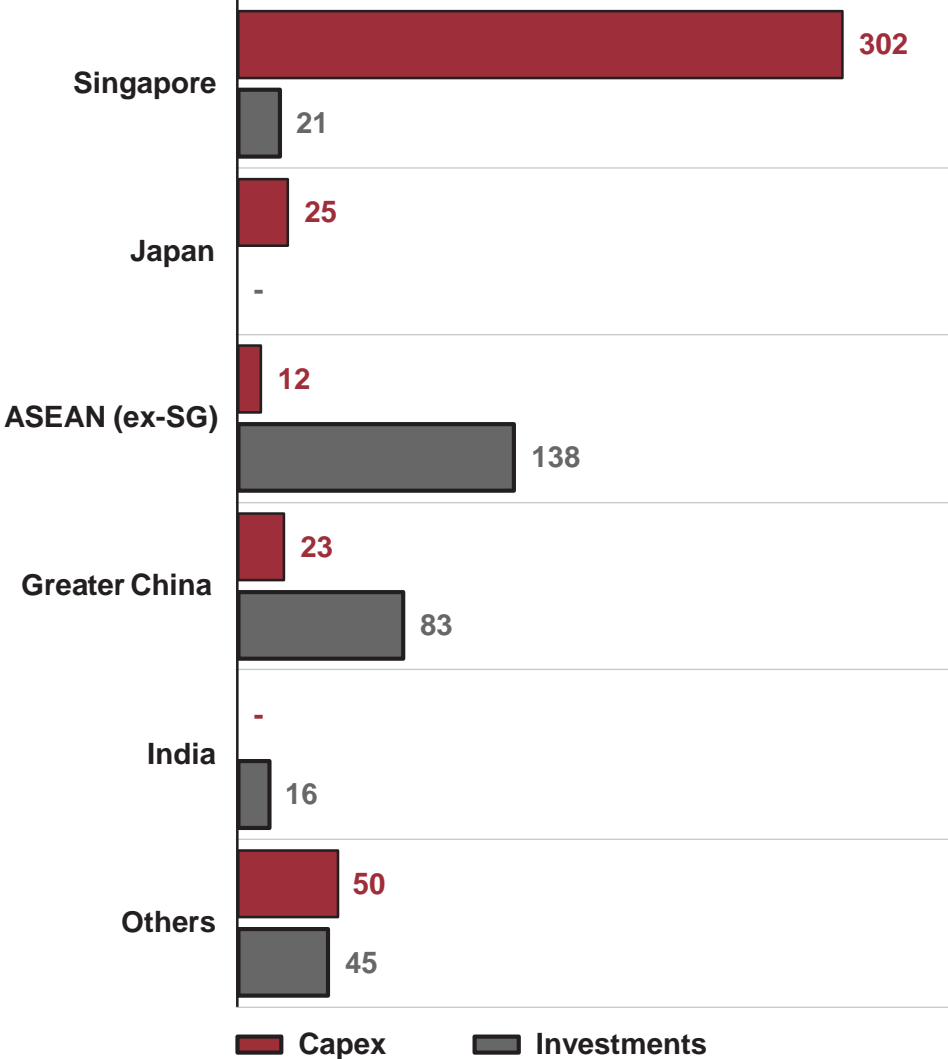
Investments
\$333m

Within next
3 years

To achieve
target of c.
\$1b
Capex and
Investment

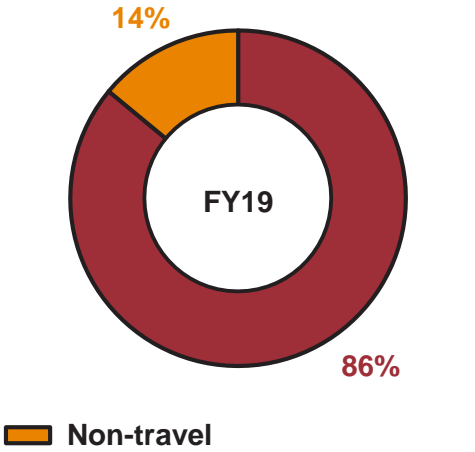
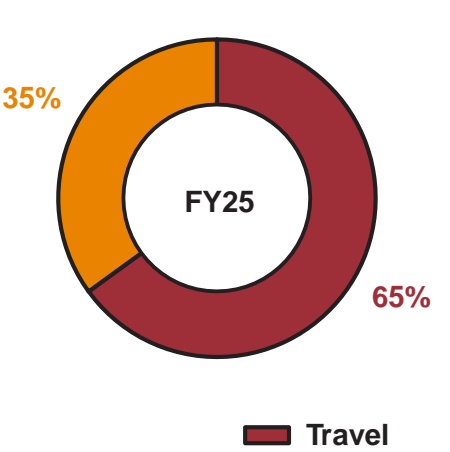
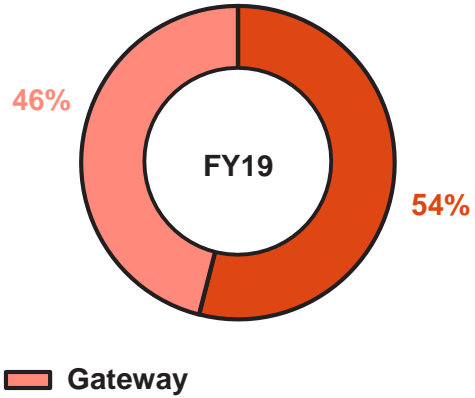
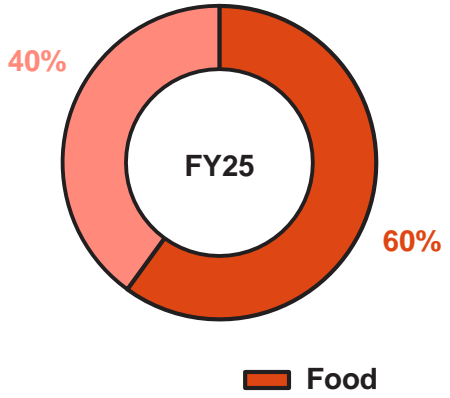
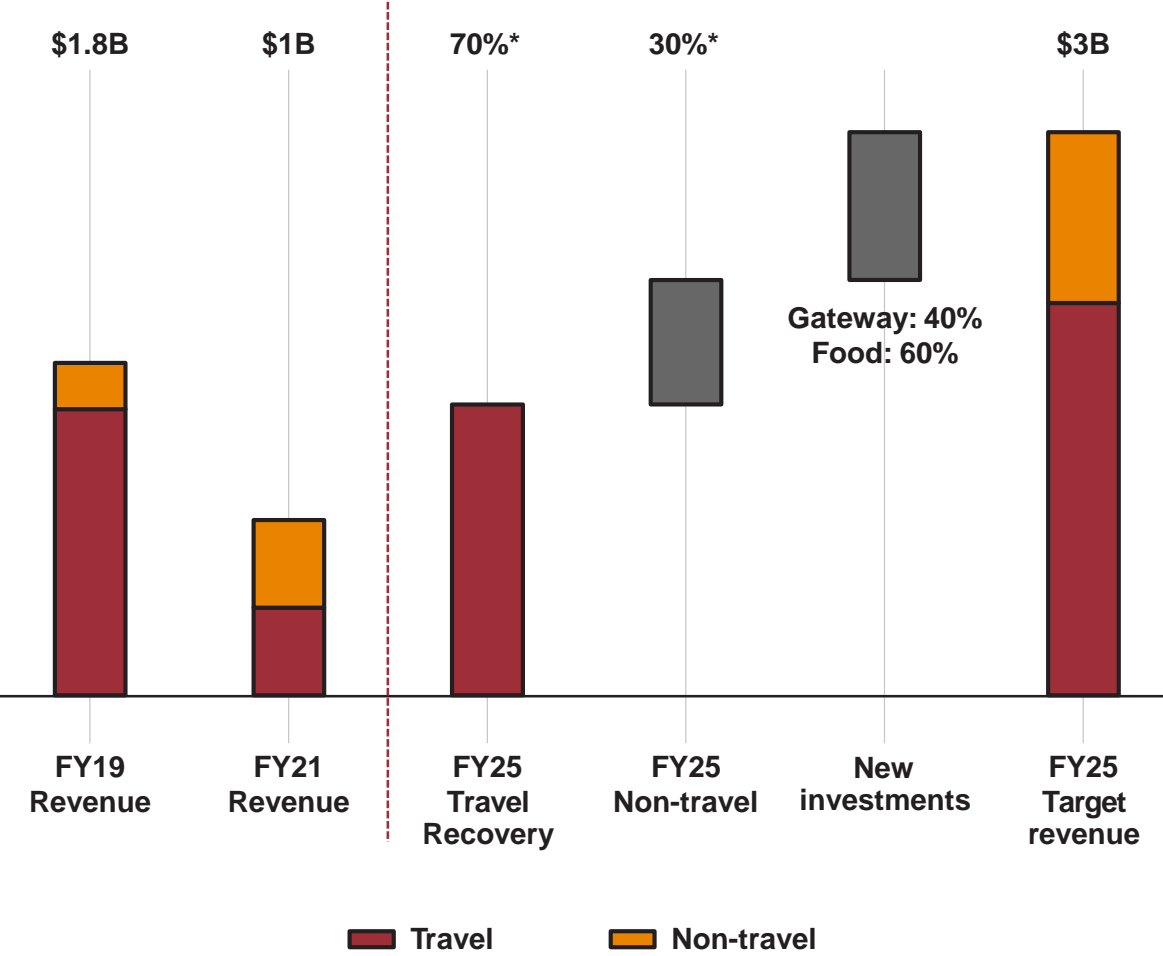
Note: Figures in S\$ m unless otherwise stated.

Past 5 years capital spending by region

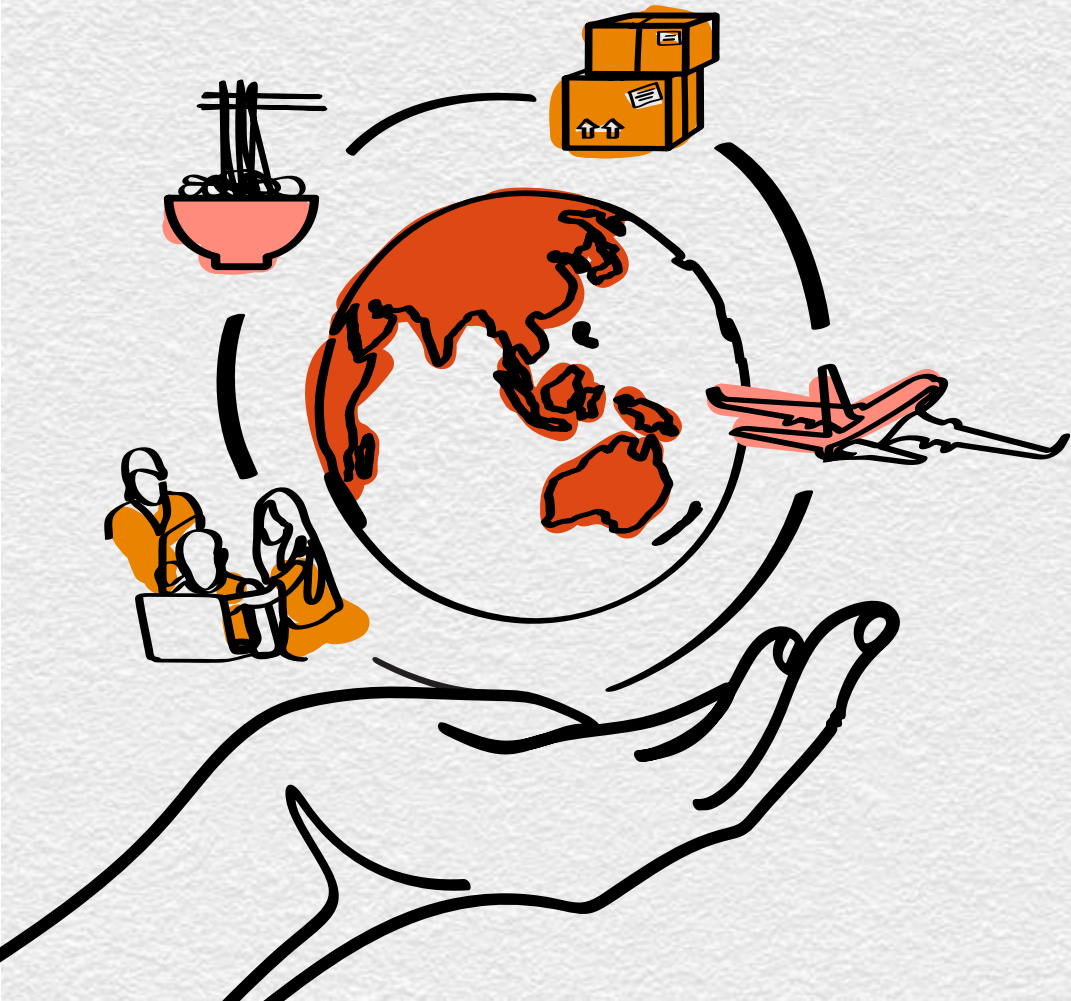


FY25 Revenue Targets

In S\$M



* Based on Business as Usual revenue excluding new investments.



Food Solutions

Kerry Mok
PCEO Designate

**Accelerating
Innovation**

Strengthening Food Solutions' Value Chain Presence

Augmenting value creation from our products and food services



Strategic Supply & Sourcing

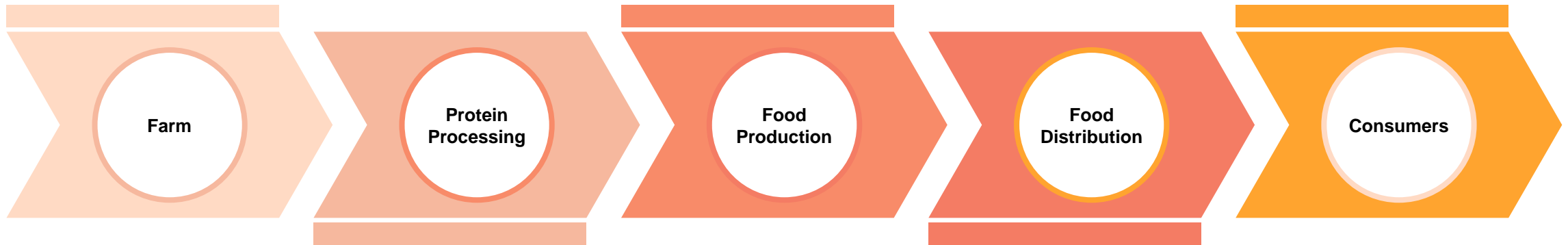
Establishing supply partnerships and diversifying food sources to strengthen access and supply chain resilience

3-Tier Production Network

Operationalising and expanding network of food factories, central kitchens and assembly centres to leverage cross-geographical efficiencies and scale

Responsiveness to Market

Harnessing insights on trends and preferences through direct-to-consumer food service models to enhance portfolio development and innovation



Value-added Offerings

Investing to capture protein demand in regional markets while building adjacent capability in growing alternative proteins category



Channel Expansion

Penetrating new and existing segments in Singapore and key overseas markets to distribute expanded portfolio of food services & products



Expanding Food Solutions' Footprint

Pursuing growth and building resilience through a global network



Location / Facility	Production (tons / day)
TH Production Facility	50
CN Central Kitchens	80
IN Central Kitchen	40
JP Central Kitchen	30
SG Central Kitchen	40

Strategic Supply & Sourcing
Australia, New Zealand, Europe, Asia, North & South America

Protein Processing & 3-Tier Production
Thailand, China, India, Japan, Singapore

Distribution Channels
Southeast Asia, China, India, Japan, Singapore

SATS Global Innovation Centre
Singapore, UK

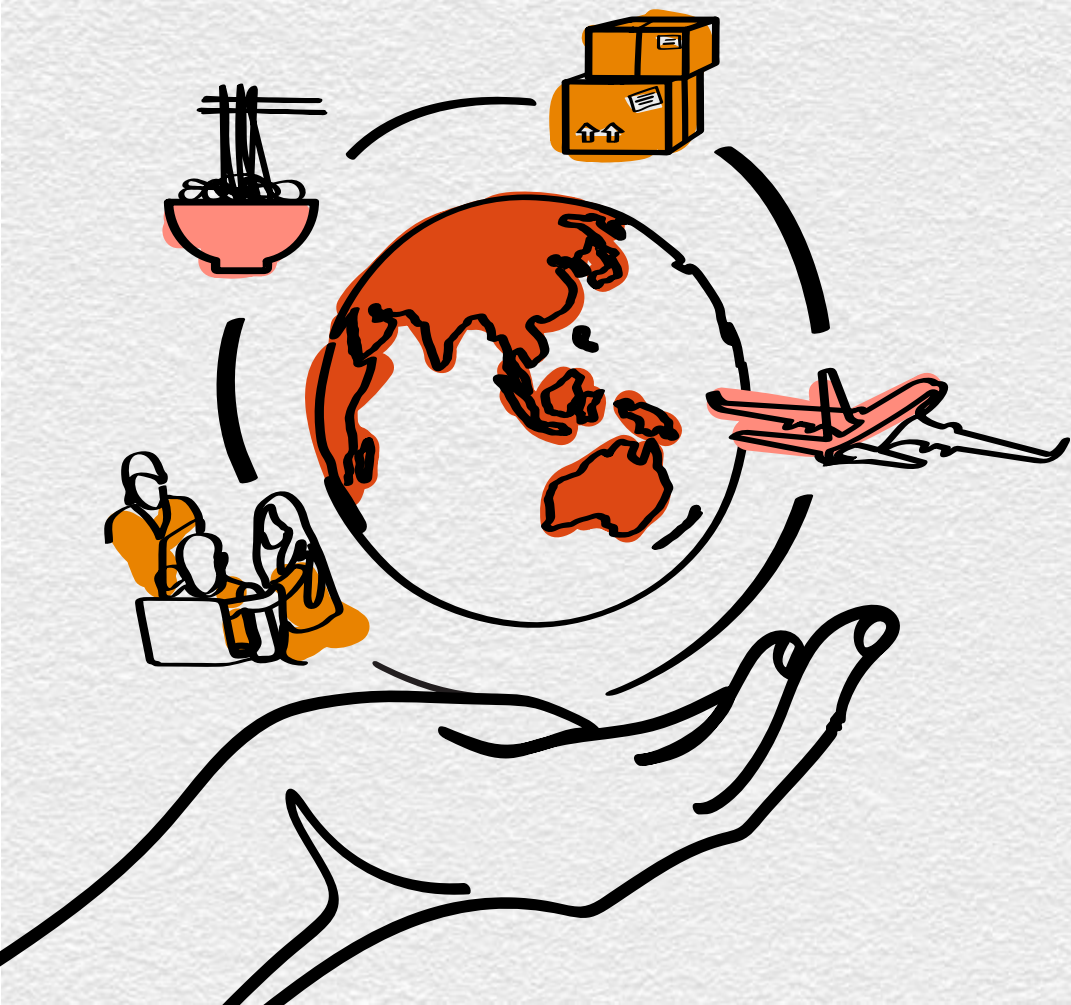
Differentiating Food Solutions' Product Repertoire

Cementing our core customers and penetrating wider consumer segments



Leveraging Food Solutions' Innovations





Gateway Services

Bob Chi
COO, Gateway Services

**Accelerating
Innovation**

Gateway Strategy

Post COVID-19: Continue to Re-Shape & Re-Invent Cost Structures

Grow Gateway Businesses				
	eCommerce	Cold Chain	Integrators/ Freight Forwarders	Security

External Growth				
	China	India	Saudi Arabia	Malaysia

Trusted Hub			
	Support SIA Group	Digitalisation	Replicate SIN Hub Model

Building Enablers & Capabilities				
	Technology	Infrastructure	Service	People

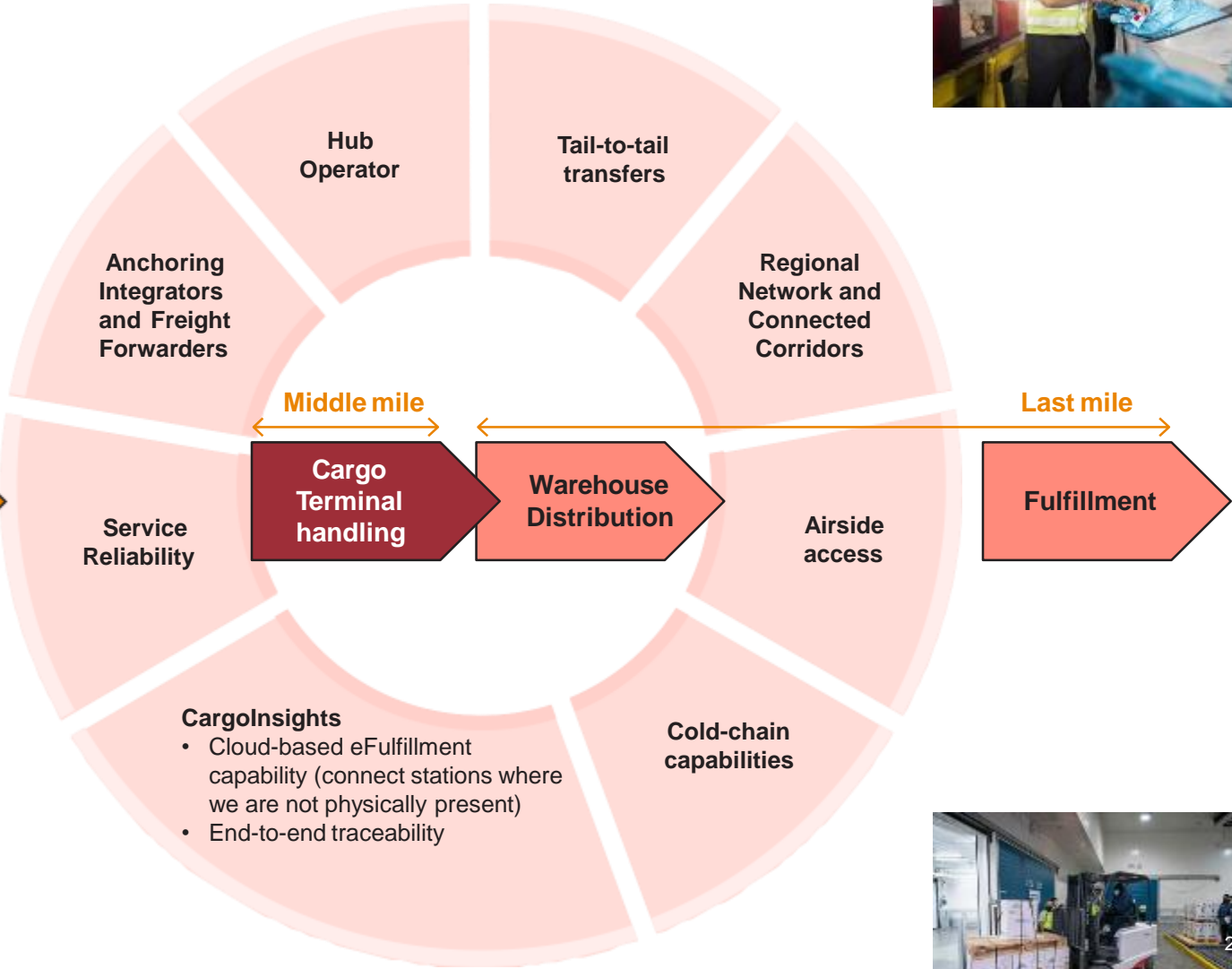
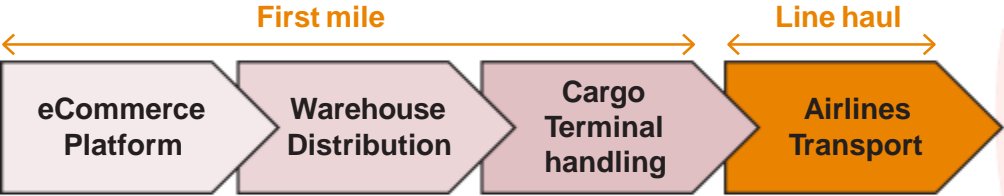
Accelerating Innovation and Diversification

Innovate with Key Customers to Strengthen USPs

Underpinned by Data

Growing the Cargo Business

- Collaborate with eCommerce players
- Deepen partnership with national postal services, airlines, eCommerce players, and integrators
- Enhance cold chain capabilities across network



Market Trends

Cross border eCommerce logistics spend in ASEAN is expected to reach **US\$7B (GMV)** by 2025

Global cold chain is forecasted to grow to US\$70B at **10.4% CAGR**

Both markets remain key drivers for air freight growth with knock-on effects on air freight carriage

Cargo Connectivity



Corridors

38	55	27	10
Cold Chain	RFID	eFulfillment	Valuable

Addressable Market:
eCommerce cross-border logistics: **US\$4B**

	Cargo Handling Capacity (tonnes per annum)	
	Overall	Cold Chain Facility
China	PEK: 630,000 PKX: 600,000	PEK: 16,000
Hong Kong	HKG: 1,500,000	HKG: 70,000
India	BLR: 210,000 BOM: 700,000	BLR: 40,000 BOM: 1,300 (one time storage capacity)
Indonesia	CGK: 300,000 DPS: 50,000 SUB: 30,000	CGK: 32,000
Malaysia	KUL: 240,000	KUL: 5,800
Middle East	MCT: 350,000 DMM: 150,000 RUH (Main): 300,000	MCT: 50,000 DMM: 40,000 RUH (Main): 40,000
Vietnam	SGN: 350,000	SGN: 30,000

Growing Non-travel Businesses – Security [\[click image to load video\]](#)



CARGO & SECURITY COMMAND CENTRE



Sustainability

Spencer Low
Chief Strategy & Sustainability Officer



**Accelerating
Innovation**



Purpose

Feed and Connect Communities

Vision

// **To be the market leader by delighting customers with innovative food solutions and seamless connections.** //

Mission



Using innovative food technologies and resilient supply chains, we create tasty, quality food in sustainable ways for airlines, foodservice chains, retailers and institutions.









With heartfelt service and advanced technology, we connect people, businesses and communities seamlessly through our comprehensive gateway services for customers such as airlines, cruise lines, freight forwarders, postal services and eCommerce companies.



Core Values



Sustainability Framework

OUR SUSTAINABILITY THEMES	UNSDGs	OUR 2030 AMBITIONS
<p>DEVELOP SMART INFRASTRUCTURE</p>  <p>Build and deploy smart infrastructure that includes airport ground support equipment and facilities.</p>	 	<ul style="list-style-type: none"> Convert 100% of ground support equipment (GSE) in Singapore hub to sustainable energy resources (example electrification) by 2030¹. Reduce Singapore-based carbon footprint by 50% by 2030 from FY2018-19 baseline (Scope 1 and 2).
<p>REDUCE FOOD AND PACKAGING WASTE</p>  <p>Reduce and process food & packaging waste responsibly.</p>	 	<ul style="list-style-type: none"> Halve food wastage in all operations from 2021 baseline by 2028. Introduce 100% sustainable food packaging by 2030.
<p>NURTURE SKILLS FOR THE FUTURE</p>  <p>Develop and share culinary, nutritional, service and technological expertise that will enable our people and the communities we serve to develop to their fullest potential.</p>		<ul style="list-style-type: none"> Increase average value-add per employee (VAPE)² across all subsidiaries by 50% by 2030. Touch a million lives by sharing our expertise with the communities in which we operate, by 2030 (from FY2018-19 baseline)

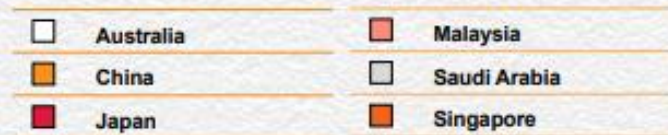
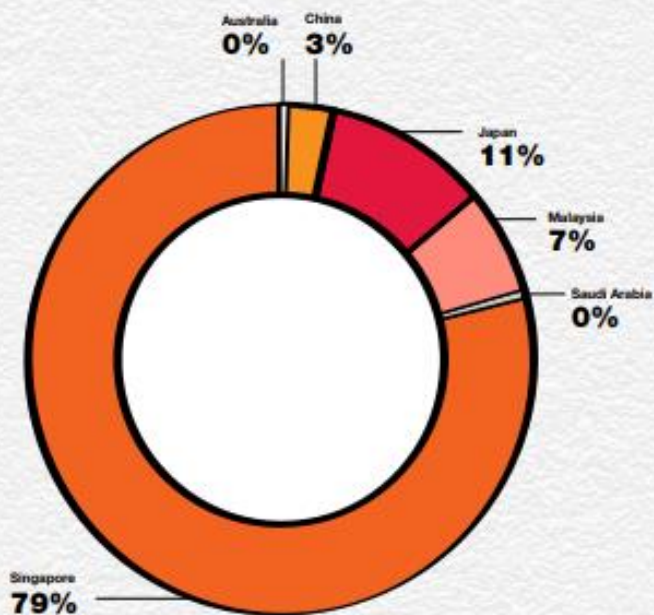
→ **Scope 1 & 2**

→ **Scope 3**

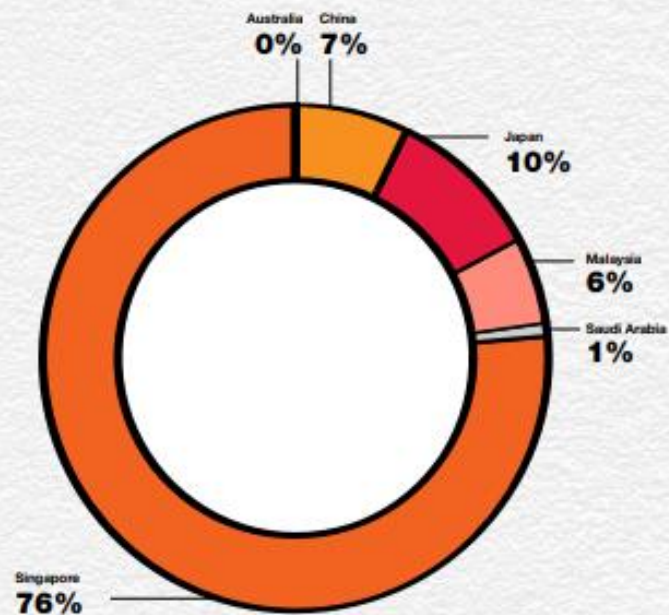
- *Waste generated in operations*
- *Processing & use of sold products*
- *End-of-life treatment of sold products*

Energy Use and Emissions Across the Region

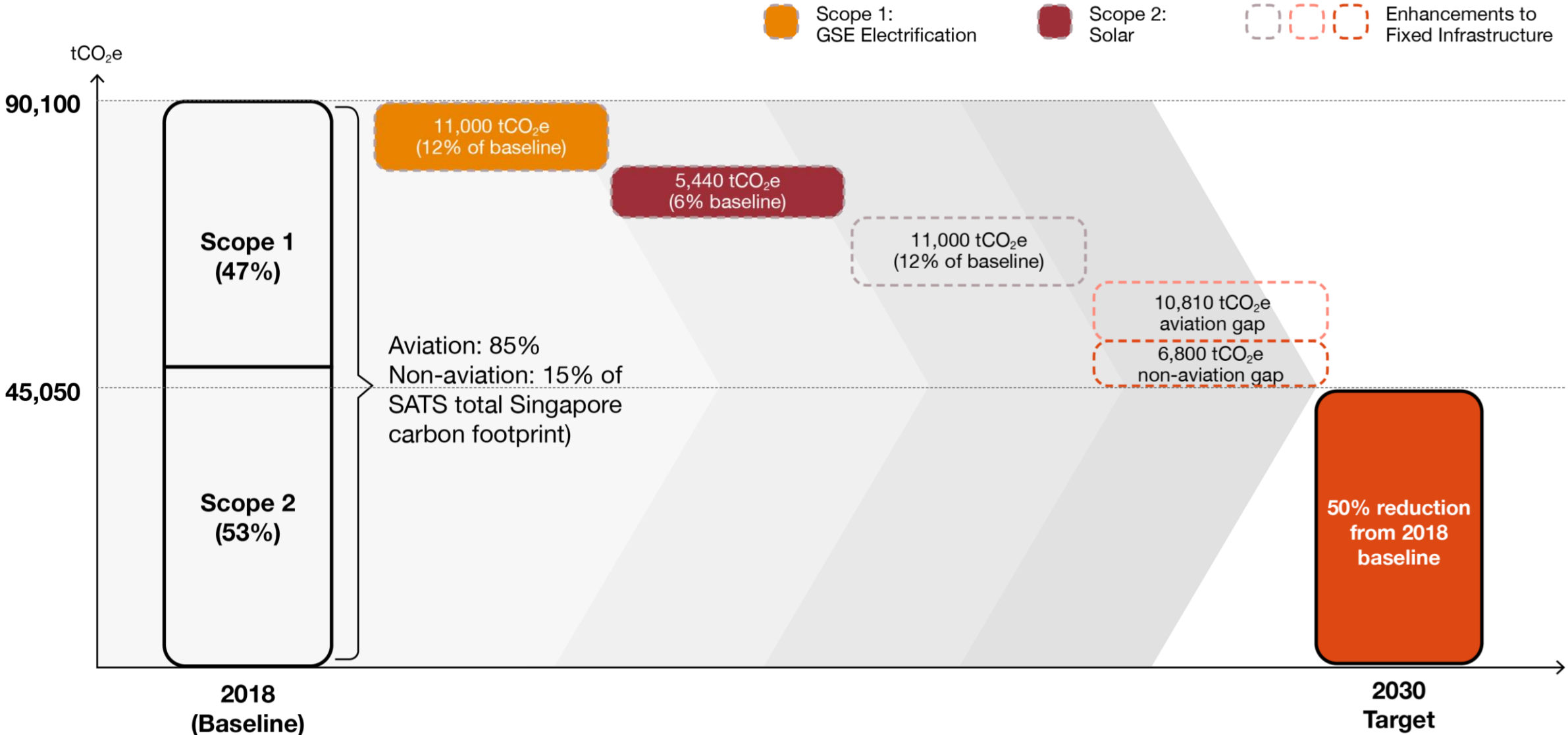
Energy Breakdown by Country



Emissions Breakdown by Country



Carbon Reduction Roadmap



Environmental Initiatives



AI-enabled
Waste
Tracking



Onsite
2-tonne
Biodigester



Solar
Expansion



Electric
Tractors



Sustainable
Food
Packaging



Electric
Skyloader



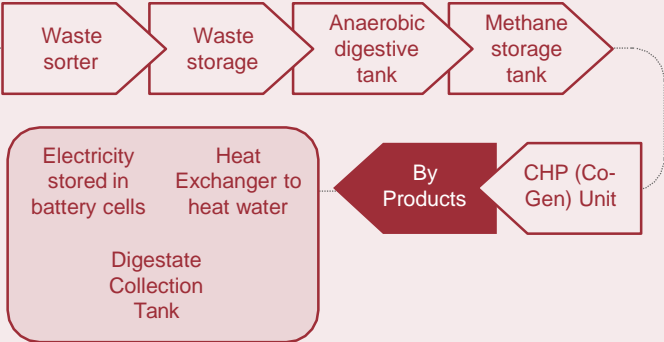
Electric
Forklifts

Key Projects Identified to Drive Down Carbon Intensity



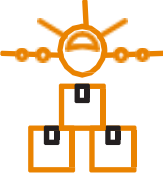
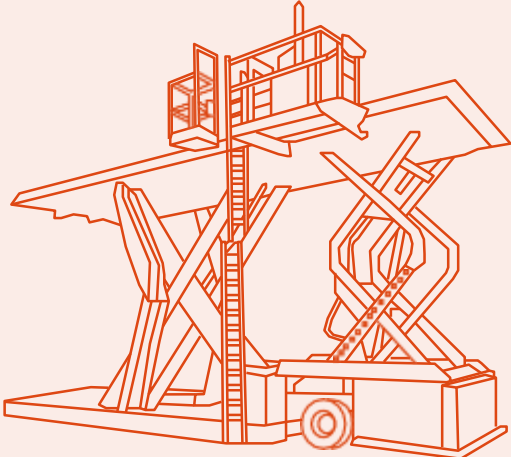
Meals

- Waste to energy
- Economiser for boilers
- BBP Energy Audit / Study
- Electric vans
- Electric hi-lifts
- Solar generation on SICCC1 and 2



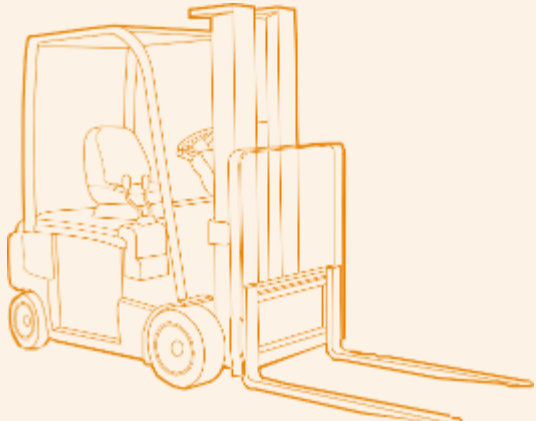
Flights

- eGSEs
- Solar expansion on SATS Maintenance Centre



Cargo

- Electric forklifts
- Coolport optimisation
- High bay light replacement
- Solar generation on AFT 1 – 6 and Cargo Transshipment Centre
- Building management system upgrade for AFT 5 – 6



Social Scorecard



Skills for the Future	2030 Target	2020
Average value-added per employee across all subsidiaries	50%	\$27,041 (baseline for 2030 target)
Touch lives by sharing our expertise (culinary/nutritional, service and technology) with the communities in which we operate	1M lives	338,863 (33.8%)*
Employee engagement	80%	81%
Critical and key positions filled by internal talent	70%	65.8%
Female leadership (VP and above)	40%	24.0%

*Total cumulative 2018-2020

2021 INITIATIVES



Note: All years refer to fiscal years starting on 1 April of any given year



Governance Trends and Developments

Singapore Governance and Transparency Index inches to new high; SATS, Ascott Residence Trust lead the pack

“For the second year running, **SATS** emerged as the top performer in the general category with 128 points out of a maximum total of 143.”

– **The Business Times**



“This year, the Securities Investors Association Singapore (Sias) recognised in-flight caterer and ground handler SATS...for the diversity of [its] board. **SATS**, which won the top award for board diversity, has 5 female directors on its 11-person board. Non-Chinese directors make up 27.3 per cent of the board.”

– **The Business Times**

- Singapore Corporate Governance Award (Diversity), **2021 Winner**
- Shareholder Communications Excellence Award, **2021 Runner-Up**



Group Financial Review

2Q & 1H FY2021-22

Manfred Seah
Chief Financial Officer



**Accelerating
Innovation**

Executive Summary: 2Q FY22 Performance

- 2Q22 Revenue increased by 27.2% to \$293.9M against 2Q last year due mainly to growth in cargo, non-travel food, and security services
- Compared to 1Q22, revenue grew by 6.6% or \$18.3M
- 2Q22 PATMI of \$6.8M, reflecting third consecutive quarter of profitability
- Without government reliefs, 2Q22 PATMI would have been a loss of \$30.1M
- Share of results from associates & JVs turned positive to \$2.1M from a loss of \$12.8M in 2Q21
- EBITDA remained positive at \$32.8M
- 2Q22 EPS improved 3.6 cents to 0.6 cents per share

2Q FY22 Highlights

	2Q FY22 Act	2Q FY21 Act	Change		Commentary
			\$/ppt	%	
Revenue	293.9	231.1	62.8	27.2	<ul style="list-style-type: none"> • Gateway (+\$42.5M; 48.4%) and Food (+\$23.4M; 16.8%) • Travel (+\$36.6M; 30.8%) and non-travel (+\$29.3M; 27%)
OPEX	(293.4)	(231.1)	(62.3)	(27.0)	<ul style="list-style-type: none"> • Higher staff cost (+\$39.3M) due to lower grants and higher contract services • Includes govt. reliefs of \$40.6M
EBIT	0.5	0.0	0.5	n.m.	
<i>EBIT (%)</i>	0.2%	0.0%			
Share of results of Associates/JVs (SoAJV)	2.1	(12.8)	14.9	116.4	<ul style="list-style-type: none"> • Improved performance posted by associates • Gateway (+\$8.2M), Food (+\$6.7M)
PATMI	6.8	(33.2)	40.0	120.5	
<i>PATMI (%)</i>	2.3%	(14.4%)			
Core PATMI	6.8	(1.6)	8.4	525.0	<ul style="list-style-type: none"> • One-off impairment losses of \$31.6M recognised in 2Q21
<i>Core PATMI (%)</i>	2.3%	(0.7%)			
EBITDA	32.8	20.5	12.3	60.0	
<i>EBITDA (%)</i>	11.2%	8.9%			
Basic EPS (cents)	0.6	(3.0)	3.6	120.0	

Note: All figures are unaudited and in S\$ m unless otherwise stated.

EBIT represents Operating Profits

EPS represents Earnings per share

1H FY22 Highlights

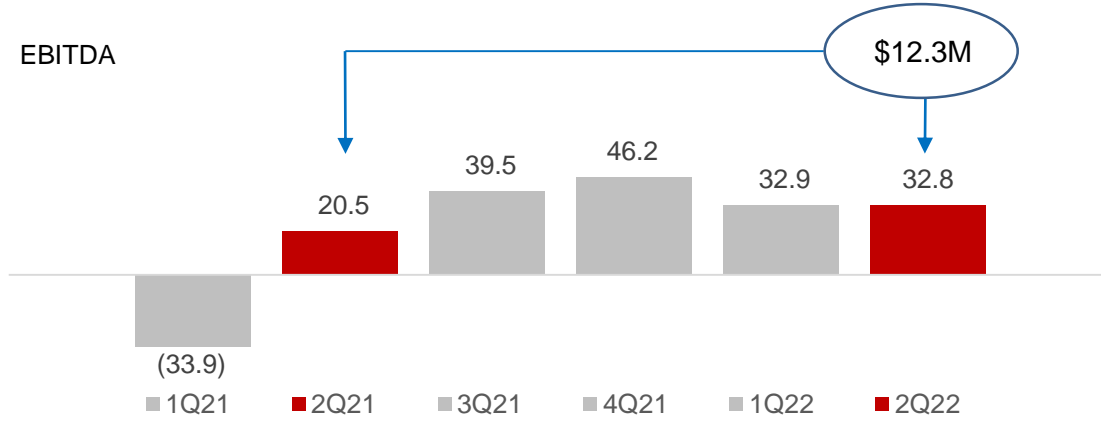
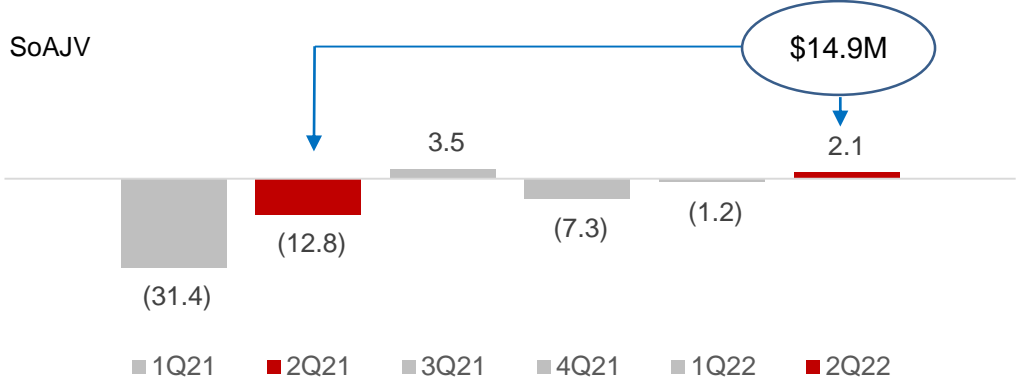
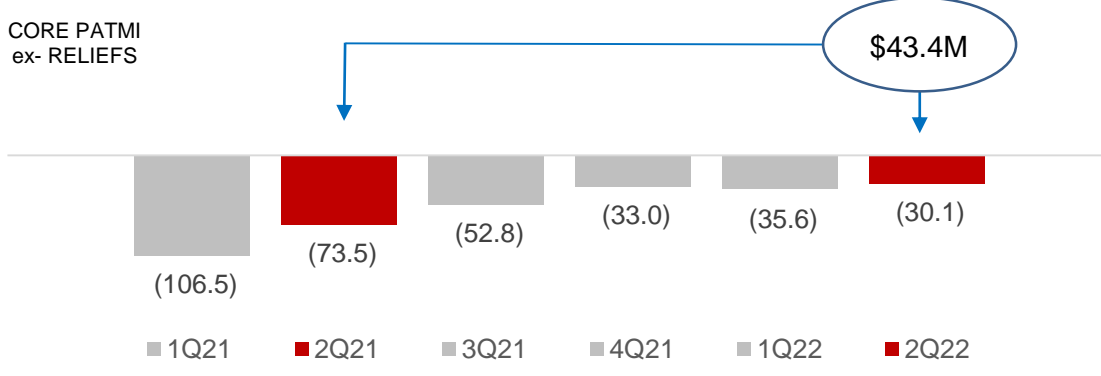
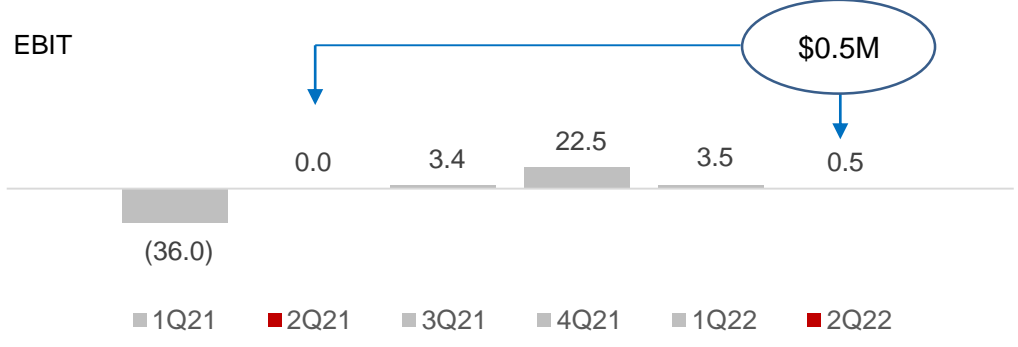
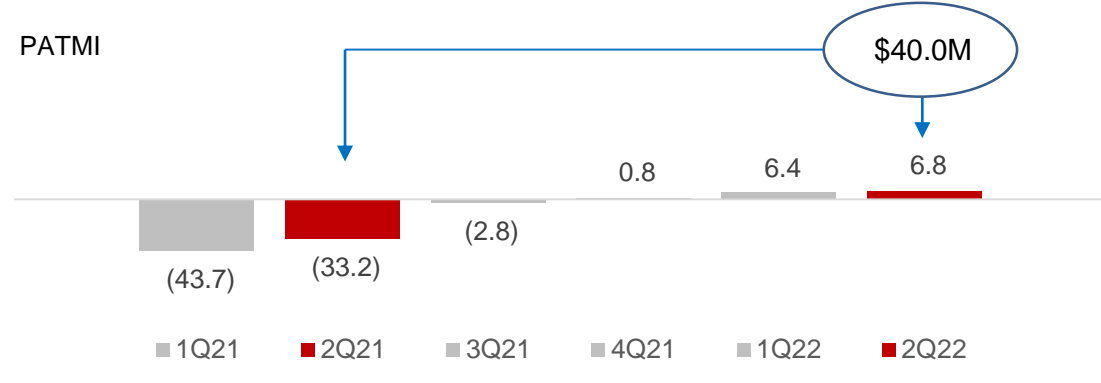
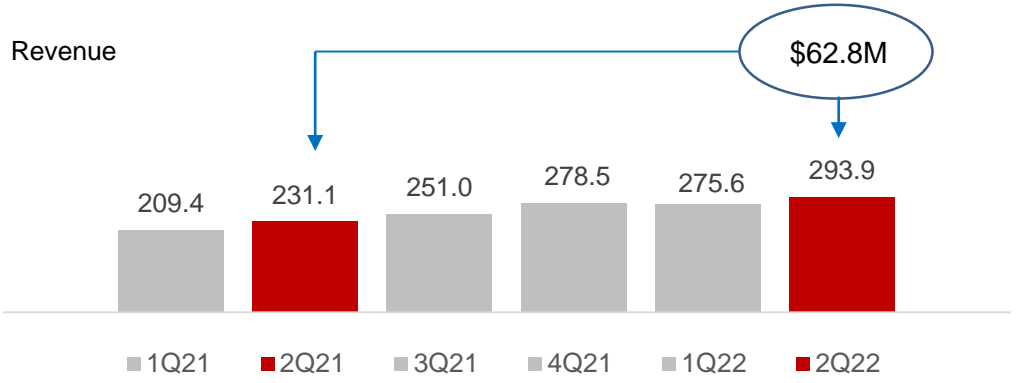
	1H FY22 Act	1H FY21 Act	Change \$/ppt	Change %	Commentary
Revenue	569.5	440.5	129.0	29.3	<ul style="list-style-type: none"> • Gateway (+\$97.9M; 61.4%) and Food (+\$34.8M; 12.6%) • Travel (+\$79.8M; 35.9%) and non-travel (+\$52.9M; 24.8%)
OPEX	(565.5)	(476.5)	(89.0)	(18.7)	<ul style="list-style-type: none"> • Higher staff cost (+\$57.4M) due to lower grants and higher contract services • Includes govt. reliefs of \$86.1M
EBIT	4.0	(36.0)	40.0	111.1	
<i>EBIT (%)</i>	0.7%	(8.2%)			
Share of results of Associates/JVs (SoAJV)	0.9	(44.2)	45.1	102.0	<ul style="list-style-type: none"> • Improved performance posted by associates • Gateway (+\$30.2M), Food (+\$14.9M)
PATMI	13.2	(76.9)	90.1	117.2	
<i>PATMI (%)</i>	2.3%	(17.5%)			
Core PATMI	13.2	(45.3)	58.5	129.1	• One-off impairment losses of \$31.6M recognised in 2Q21
<i>Core PATMI (%)</i>	2.3%	(10.3%)			
EBITDA	65.7	(13.4)	79.1	590.3	
<i>EBITDA (%)</i>	11.5%	(3.0%)			
Basic EPS (cents)	1.2	(6.9)	8.1	117.4	

Note: All figures are unaudited and in S\$ m unless otherwise stated.

EBIT represents Operating Profits

EPS represents Earnings per share

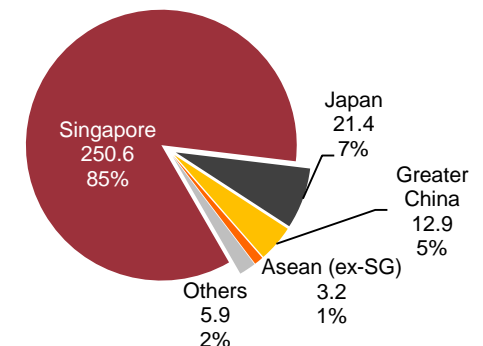
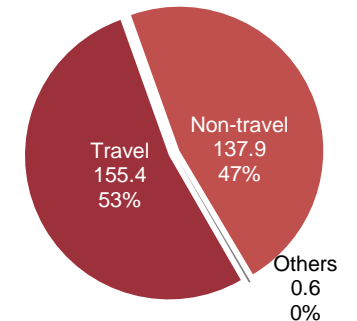
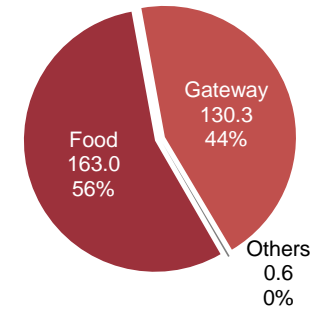
FY22 Quarterly Trending



Note: All figures are unaudited and in S\$ m unless otherwise stated. EBIT represents Operating Profits

Group Segmented Revenue – 2Q

Revenue	2Q FY22	%	2Q FY21	%	Change (%)
By Business:					
Food Solutions	163.0	55.5	139.6	60.4	16.8
Gateway Services	130.3	44.3	87.8	38.0	48.4
Others	0.6	0.2	3.7	1.6	(83.8)
Total	293.9	100.0	231.1	100.0	27.2
By Industry:					
Travel	155.4	52.9	118.8	51.4	30.8
Non-travel	137.9	46.9	108.6	47.0	27.0
Others	0.6	0.2	3.7	1.6	(83.8)
Total	293.9	100.0	231.1	100.0	27.2
By Region					
Singapore	250.6	85.3	197.3	85.4	27.0
Japan	21.4	7.3	16.4	7.1	30.5
Greater China	12.9	4.4	9.2	4.0	40.0
Asean (ex-SG)	3.2	1.1	6.2	2.7	(48.9)
Others	5.9	1.9	2.0	0.8	195.0
Total	293.9	100.0	231.1	100.0	27.2



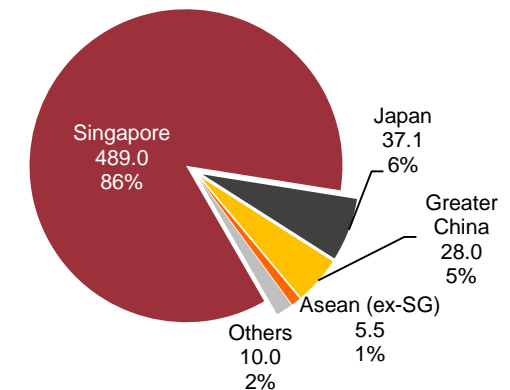
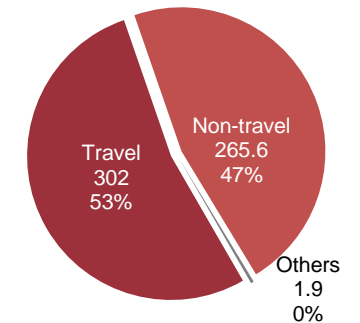
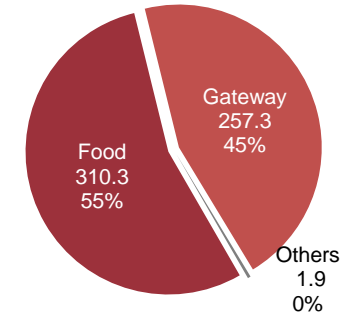
Note: All figures are unaudited and in S\$ m unless otherwise stated.

n.m. – not meaningful

* Prior year figures have been restated to be consistent with current year's presentation

Group Segmented Revenue – 1H

Revenue	1H FY22	%	1H FY21	%	Change (%)
By Business:					
Food Solutions	310.3	54.5	275.5	62.5	12.6
Gateway Services	257.3	45.2	159.4	36.2	61.4
Others	1.9	0.3	5.6	1.3	(66.1)
Total	569.5	100.0	440.5	100.0	29.3
By Industry:					
Travel	302.0	53.1	222.2	50.4	35.9
Non-travel	265.6	46.6	212.7	48.3	24.8
Others	1.9	0.3	5.6	1.3	(66.1)
Total	569.5	100.0	440.5	100.0	29.3
By Region					
Singapore	489.0	85.9	383.2	87.0	27.6
Japan	37.1	6.5	29.1	6.6	27.3
Greater China	28.0	4.9	12.8	2.9	115.8
Asean (ex-SG)	5.5	1.0	7.5	1.7	(27.1)
Others	10.0	1.7	7.9	1.8	26.6
Total	569.5	100.0	440.5	100.0	29.3

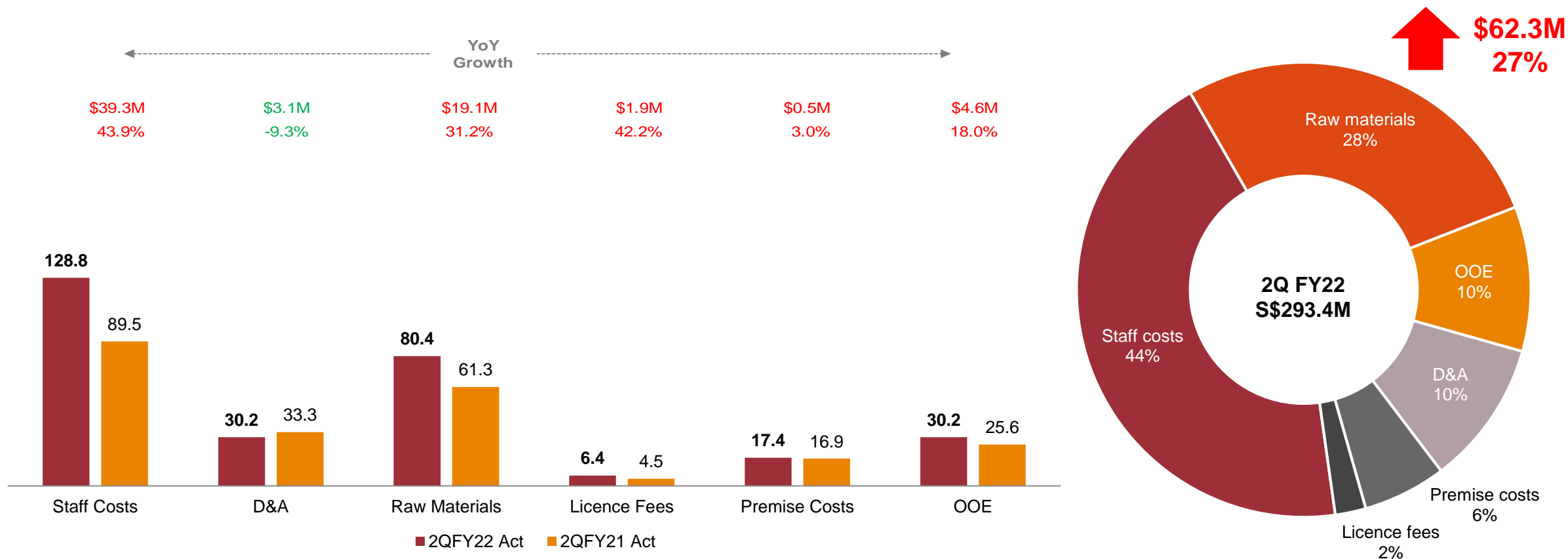


Note: All figures are unaudited and in S\$ m unless otherwise stated.

n.m. – not meaningful

* Prior year figures have been restated to be consistent with current year's presentation

2Q FY22 Group Expenditure



- The higher staff costs was due to lower government reliefs (\$23.8M), higher contract services due to implementation of additional safety measures at Changi Airport.
- The higher cost of raw materials and licence fees is in line with the higher business volumes.
- Premise costs increased due to higher utilities expenses.
- OOE costs increased was due to higher professional fees, fuel costs, IT expenses & lower government grants.

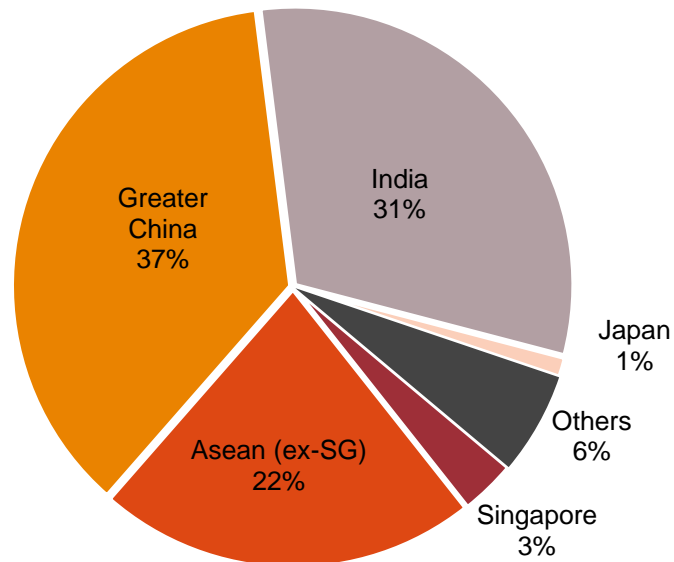
*Note: All figures are unaudited and in S\$ m unless otherwise stated.
D&A represents Depreciation & Amortisation
OOE represents Other Operating Costs*

Summary Financials – Associates and Joint Ventures (AJVs)

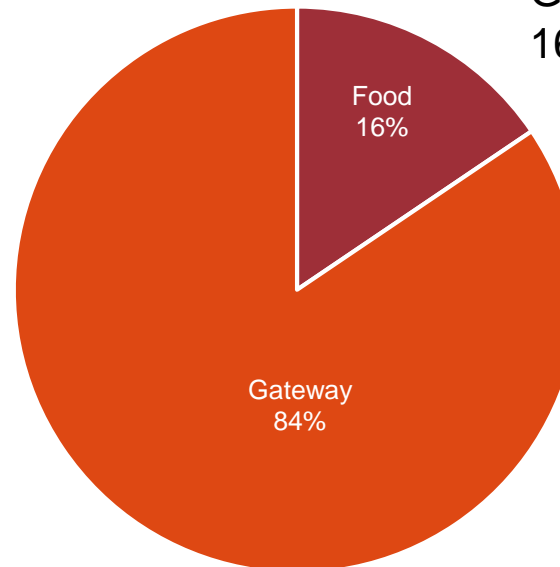
S\$'M	2Q FY22	2Q FY21	% change
SATS Share of Revenue (SSOR)	84.3	67.0	25.8
Share of results / losses	2.1	(12.8)	116.4

Segmental SSOR – Associates and JVs

Geographical



Business

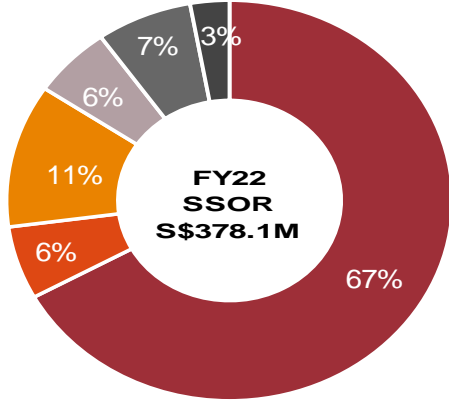
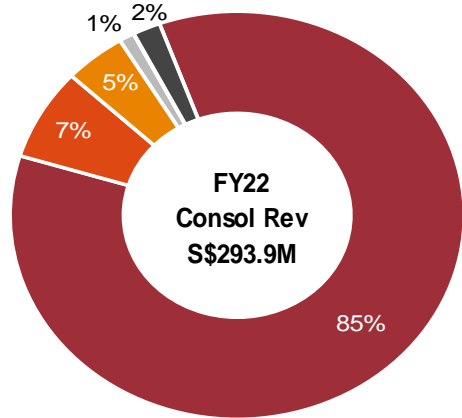


OVERVIEW

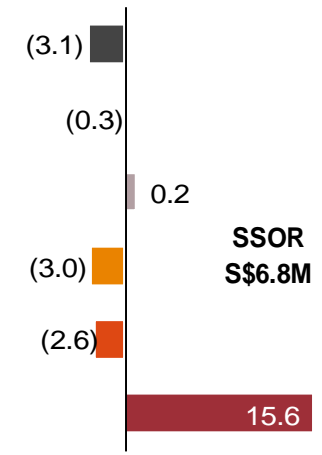
- 2Q SSOR increased 25.8% yoy.
- Share of results turned positive to \$2.1M from a loss of \$12.8M last year.
- Greater China and India are the two largest markets of our AJVs.
- Gateway and Food AJVs represented 84% and 16% of the SSOR, respectively.

2Q FY22 Revenue (Consol & SSOR) and PATMI by region

	Consol Revenue		SSOR		PATMI		YoY %
	2Q FY22	YoY %	2Q FY22	2Q FY21	2Q FY22	2Q FY21	
Singapore	250.6	27.0	253.3	199.2	15.6	25.2	(38.1)
Japan	21.4	30.5	22.3	17.6	(2.6)	(5.3)	50.9
Asean (ex-SG)	3.2	(48.9)	21.8	18.4	0.2	(42.0)	100.5
Greater China	12.9	40.0	43.7	39.6	(3.0)	(2.9)	(3.4)
India	0.1	7.9	26.3	19.5	(0.3)	(2.4)	87.5
Others	5.8	192.3	10.7	3.8	(3.1)	(5.8)	48.3
Total	293.9	27.2	378.1	298.1	6.8	(33.2)	120.5



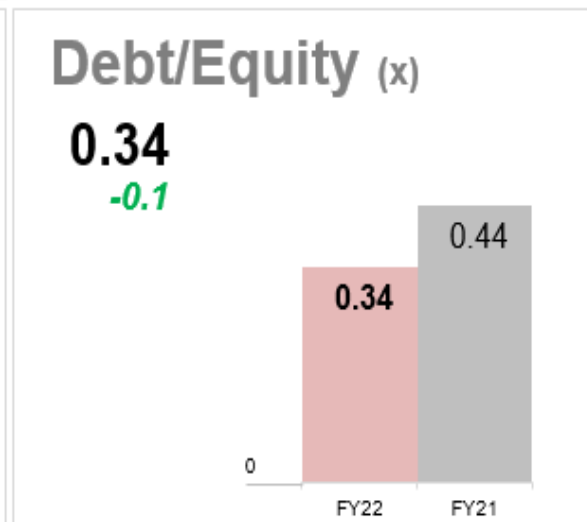
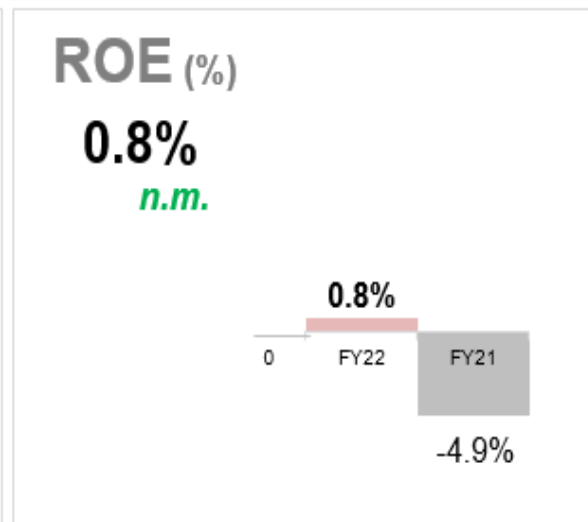
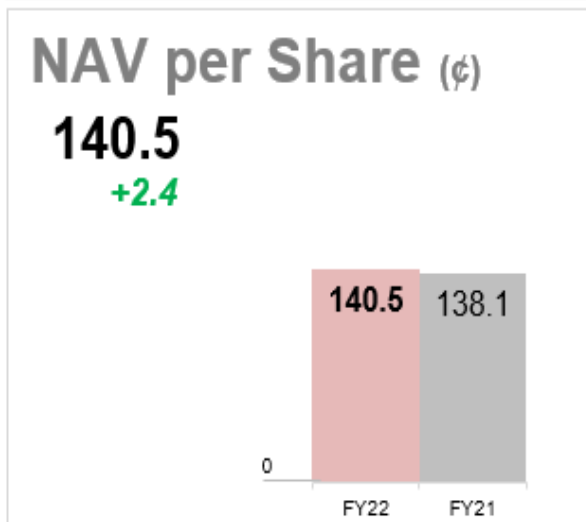
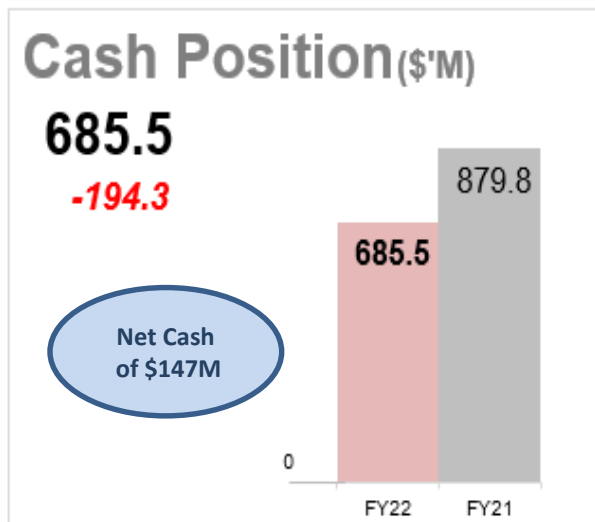
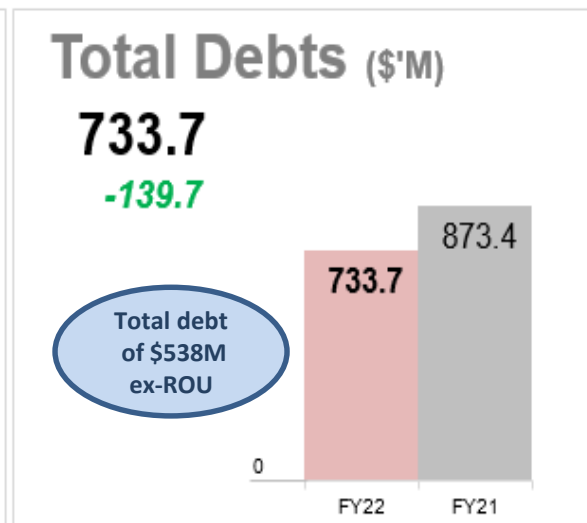
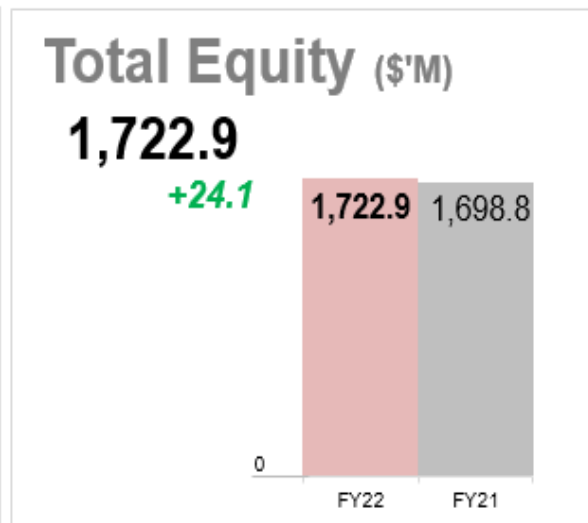
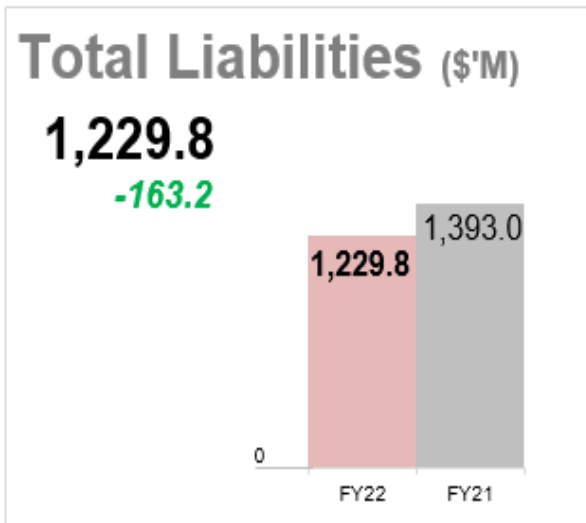
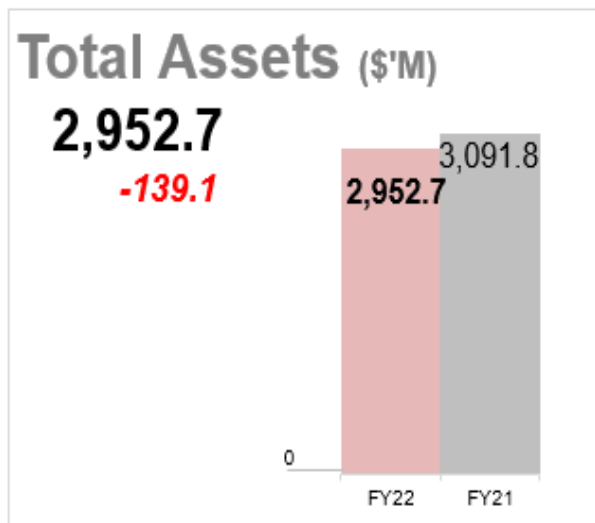
SATS Share of PATMI



■ Singapore ■ Japan ■ Greater China ■ Asean (ex-SG) ■ India ■ Others

Note: All figures are unaudited and in S\$ m unless otherwise stated. n.m. – not meaningful

1H FY22 Group Financial Position



- FY22 Debt/Equity: 0.34x. With the SFRS (I) 16, Debt/Equity ratio will be 0.47x

Note: All figures as at 30 September 21 are unaudited and in S\$ m unless otherwise stated.
n.m. – not meaningful

Group Balance Sheet

\$M	AS AT 30 SEP 21	AS AT 31 MAR 21	Change %	Commentary
Non-Current Assets	1,770.0	1,769.1	0.1	Nominal increase in Non-Current Assets.
Current Assets	1,182.7	1,322.7	(10.6)	Decreased \$140M mainly due to repayment of term loan of \$150M fully prepaid ahead of its maturity.
Total Assets	2,952.7	3,091.8	(4.5)	
Non-Current Liabilities	772.5	827.7	(6.7)	Fell \$55.2M due to the repayment of term loan of \$150M partly offset by the reclassification of loan from short-term liabilities.
Current Liabilities	457.3	565.3	(19.1)	Decreased \$108M due to reclassification of loan to long term loan upon refinancing.
Total Liabilities	1,229.8	1,393.0	(11.7)	
Equity Attributable to Shareholders	1,576.7	1,546.3	2.0	The higher equity of \$30.4M was attributable to profit for the period.
Non-Controlling Interests	146.2	152.5	(4.1)	
Total Equity	1,722.9	1,698.8	1.4	

Note: All figures as at 30 September 21 are unaudited and in S\$ m unless otherwise stated.
n.m. – not meaningful

Group Cash Flow Statement

\$M	1H FY22	1H FY21	Difference
Net Cash (used in)/from Operating Activities	(9.1)	19.0	(28.1)
Net Cash used in Investing Activities	(28.5)	(5.2)	(23.3)
<i>Capital expenditure</i>	<i>(31.5)</i>	<i>(25.8)</i>	
<i>Dividends from associates/joint ventures</i>	<i>21.4</i>	<i>15.7</i>	
<i>Proceeds from disposal of property, plant and equipment</i>	<i>0.1</i>	<i>1.2</i>	
<i>Other investing activities</i>	<i>(18.5)</i>	<i>3.7</i>	
Net Cash (used in)/from Financing Activities	(156.3)	255.8	(412.1)
<i>Repayment of term loans</i>	<i>(150.0)</i>	<i>(206.4)</i>	
<i>Repayment of lease liabilities</i>	<i>(12.1)</i>	<i>(11.3)</i>	
<i>Proceeds from borrowings</i>	<i>8.2</i>	<i>478.5</i>	
<i>Other financing activities</i>	<i>(2.4)</i>	<i>(5.0)</i>	
Net (decrease)/increase in Cash & Cash Equivalents	(193.9)	269.6	(463.5)
Effect of exchange rate changes	(0.4)	(0.3)	
Cash & Cash Equivalents at beginning of financial period	879.8	549.2	
Cash & Cash Equivalents at end of financial period	685.5	818.5	
Free Cash Flow *	(40.6)	(6.8)	

Note: All figures are unaudited and in S\$ m unless otherwise stated.

* Free Cash Flow refers to net cash from operating activities less cash purchases of capital expenditure.



Outlook



**Accelerating
Innovation**

Outlook

The launch of vaccinated travel lanes by the Singapore government and the easing of border restrictions in the region are starting to boost aviation volumes. While SATS reshaped operations at the start of the pandemic to grow non-travel related revenues, we made sure that we retained deep domain capabilities to support this rebound in travel.

Throughout the pandemic, we continued to invest in mission-critical innovations. For example, we have established dedicated, digitally-connected command centres to enable SATS and our customers to optimise real-time decision-making together by sharing relevant data. In addition, we expanded our market leadership in cargo handling in the region with investments in cargo terminals in Riyadh and Jeddah. The first offering from our brand accelerator programme in food solutions resulted in the well-received launch of famous hawker fare aboard Singapore Airlines.

To serve new customer segments, we are setting up new central kitchens in Tianjin, China and Bengaluru, India, and recently acquired a large-scale food production facility, Food City, in Thailand. Non-travel related revenue grew 15% in the first half YoY and now represents 47% of the total, laying a strong foundation for growth in the non-travel market segments going forward.



Appendix:
2Q & 1H FY2021-22 Results



**Renewed
Vigour**



Group Segmented P&L – 2Q

	Food Solutions	Gateway Services	Others	FY22 Total	Food Solutions	Gateway Services	Others	FY21 Total
Revenue	163.0	130.3	0.6	293.9	139.6	87.8	3.7	231.1
EBIT (Loss)/profit	(10.3)	9.4	1.4	0.5	(12.3)	8.9	3.4	-
Net finance expense	(1.0)	(1.0)	(1.6)	(3.6)	(1.4)	(1.1)	(2.0)	(4.5)
Share of results of Associates/JVs (SoAJV)	(4.3)	6.4	-	2.1	(11.0)	(1.8)	-	(12.8)
Impairment loss on investment in Associates & LT investment	-	-	-	-	(19.1)	-	(12.5)	(31.6)
Other non-operating income/ (expense)	(0.3)	(0.3)	0.2	(0.4)	(0.6)	(0.3)	0.3	(0.6)
(Loss)/profit before tax	(15.9)	14.5	-	(1.4)	(44.4)	5.7	(10.8)	(49.5)
Income tax credit/(expense)	3.4	1.3	0.1	4.8	7.1	5.1	(2.7)	9.5
(Loss)/profit for the period	(12.5)	15.8	0.1	3.4	(37.3)	10.8	(13.5)	(40.0)
EBITDA	(1.7)	32.5	2.0	32.8	(8.6)	25.1	4.0	20.5
<i>EBITDA (%)</i>	<i>(1.0%)</i>	<i>24.9%</i>	<i>333.3%</i>	<i>11.2%</i>	<i>(6.2%)</i>	<i>28.6%</i>	<i>108.1%</i>	<i>8.9%</i>

Note: All figures are unaudited and in S\$ m unless otherwise stated.

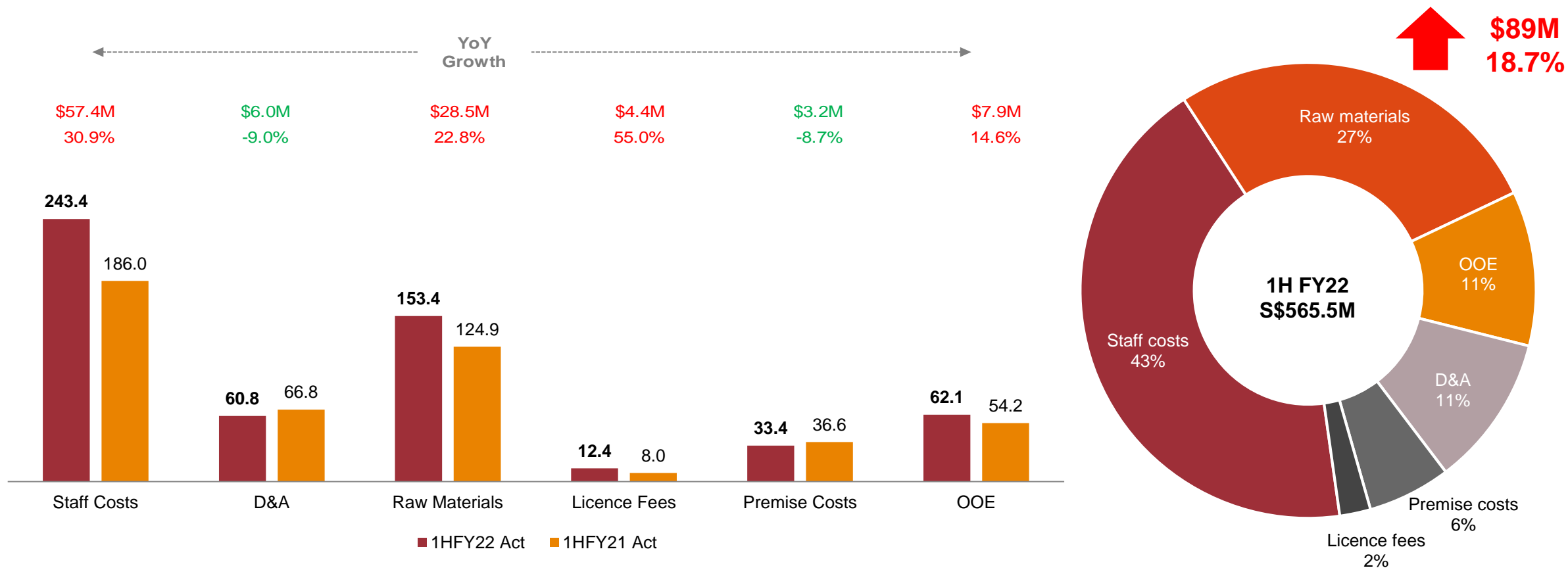
n.m. – not meaningful

Group Segmented P&L – 1H

	Food Solutions	Gateway Services	Others	FY22 Total	Food Solutions	Gateway Services	Others	FY21 Total
Revenue	310.3	257.3	1.9	569.5	275.5	159.4	5.6	440.5
EBIT (Loss)/profit	(21.8)	20.4	5.4	4.0	(33.1)	(9.1)	6.2	(36.0)
Net finance expense	(1.7)	(1.9)	(3.4)	(7.0)	(2.8)	(2.1)	(2.7)	(7.6)
Share of results of Associates/JVs (SoAJV)	(9.2)	10.1	-	0.9	(24.1)	(20.1)	-	(44.2)
Impairment loss on investment in Associates & LT investment	-	-	-	-	(19.1)	-	(12.5)	(31.6)
Other non-operating income/ (expense)	(0.7)	(0.5)	0.4	(0.8)	-	(0.6)	0.6	-
(Loss)/profit before tax	(33.4)	28.1	2.4	(2.9)	(79.1)	(31.9)	(8.4)	(119.4)
Income tax credit/(expense)	8.7	2.8	(2.6)	8.9	15.4	14.1	(4.5)	25.0
(Loss)/profit for the period	(24.7)	30.9	(0.2)	6.0	(63.7)	(17.8)	(12.9)	(94.4)
EBITDA	(4.7)	63.9	6.5	65.7	(27.6)	6.8	7.4	(13.4)
<i>EBITDA (%)</i>	<i>(1.5%)</i>	<i>24.8%</i>	<i>n.m.</i>	<i>11.5%</i>	<i>(10.0%)</i>	<i>4.3%</i>	<i>132.1%</i>	<i>(3.0%)</i>

Note: All figures are unaudited and in S\$ m unless otherwise stated.
n.m. – not meaningful

1H FY22 Group Expenditure



- The higher staff costs was due to lower government reliefs (\$39M), higher contract services due to implementation of additional safety measures at Changi Airport.
- The higher cost of raw materials and licence fees was in line with the higher business volumes.
- Premise costs decreased due to reduction in discretionary spending in view of group-wide cost containment measures.
- OOE costs increased was due to fuel costs and lower government grants.

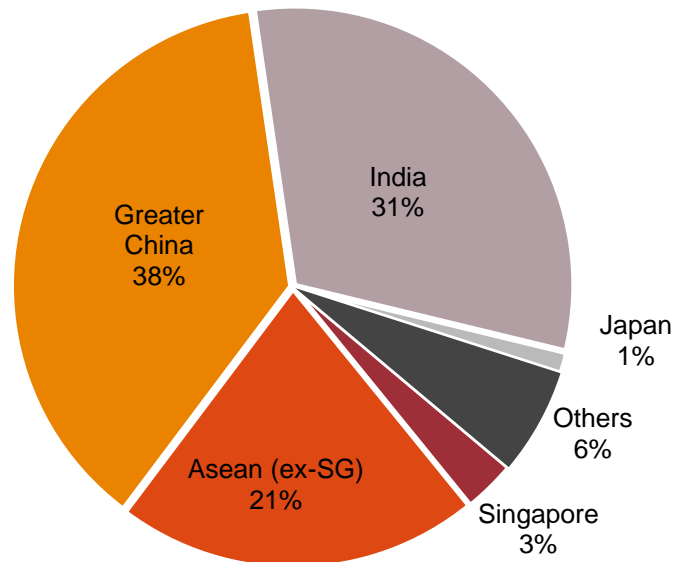
*Note: All figures are unaudited and in S\$ m unless otherwise stated.
 D&A represents Depreciation & Amortisation
 OOE represents Other Operating Costs*

Summary Financials – Associates and Joint Ventures (AJVs)

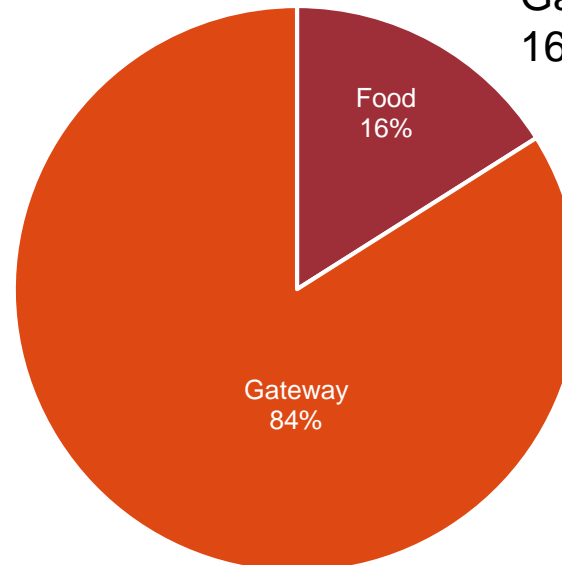
S\$'M	1H FY22	1H FY21	% change
SATS Share of Revenue (SSOR)	162.4	136.6	18.9
Share of results / losses	0.9	(44.2)	102.0

Segmental SSOR – Associates and JVs

Geographical



Business



OVERVIEW

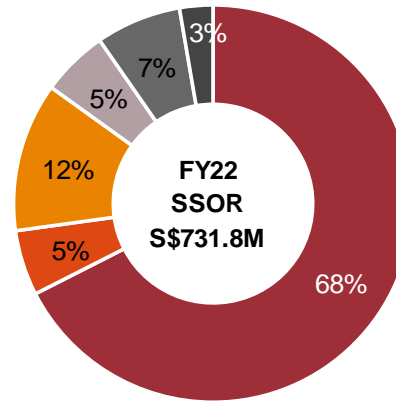
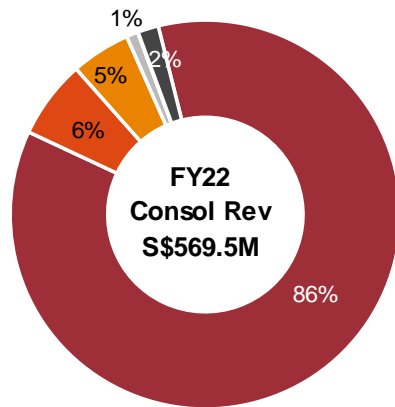
- 1H SSOR increased 18.9% yoy.
- Share of results turned positive to \$0.9M, reversing from a loss position last year.
- Greater China and India are the 2 largest markets of our AJVs.
- Gateway and Food AJVs represented 84% and 16% of the SSOR, respectively.

1H FY22 Revenue (Consol & SSOR) and PATMI by region

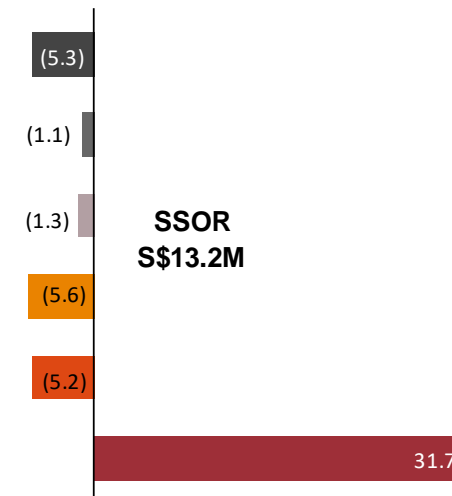
	Consol Revenue	YoY
	1H FY22	%
Singapore	489.0	27.6
Japan	37.1	27.3
Asean (ex-SG)	5.5	(27.1)
Greater China	28.0	115.8
India	0.2	(1.5)
Others	9.8	28.9
Total	569.5	29.3

SSOR		YoY
1H FY22	1H FY21	%
493.9	386.5	27.8
38.9	31.4	24.0
39.8	31.4	26.6
88.8	80.2	10.7
50.7	36.6	38.7
19.7	11.1	78.2
731.8	577.1	26.8

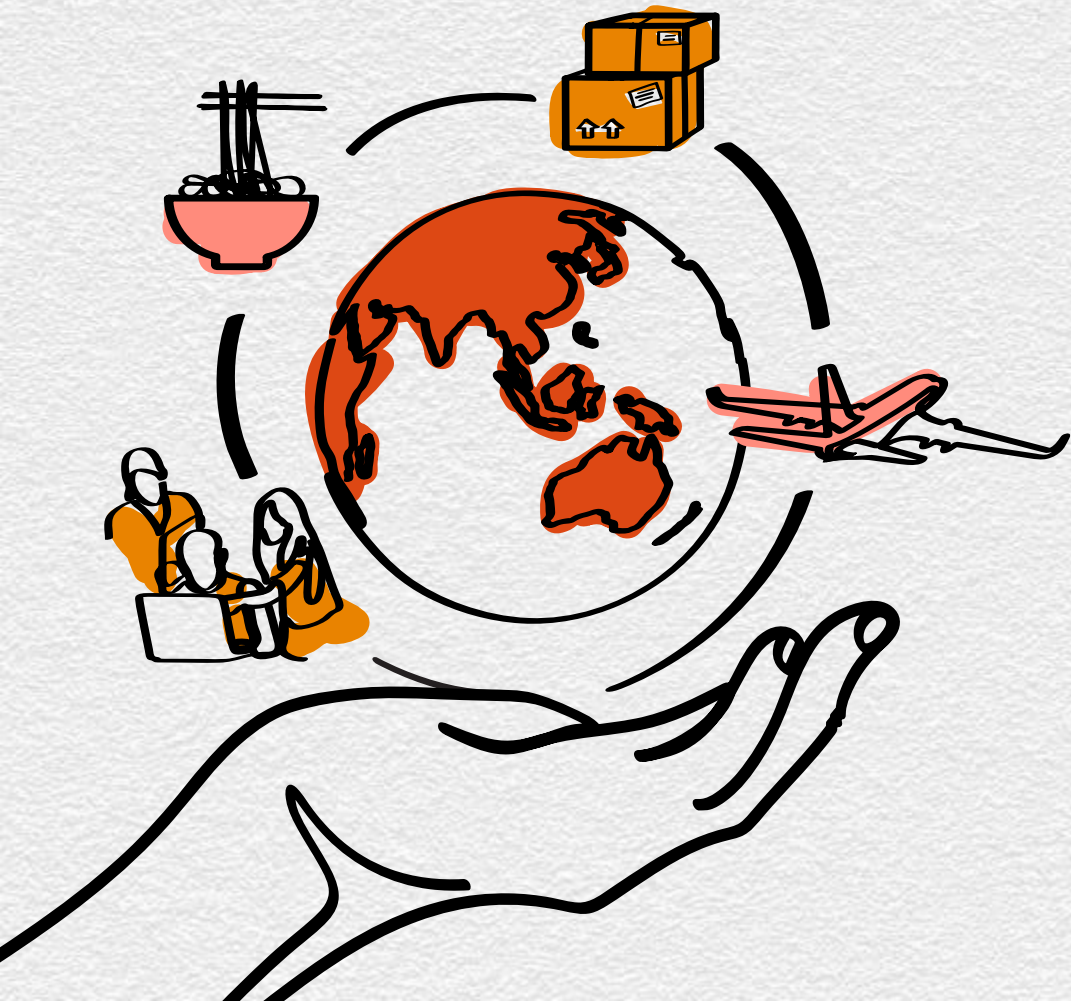
PATMI	YoY
1H FY22	%
31.7	7.5
(5.2)	52.7
(1.3)	97.6
(5.6)	73.6
(1.1)	89.3
(5.3)	50.0
13.2	117.2



SATS Share of PATMI



Note: All figures are unaudited and in S\$ m unless otherwise stated.
n.m. – not meaningful



Appendix: Overview of Associates/JVs

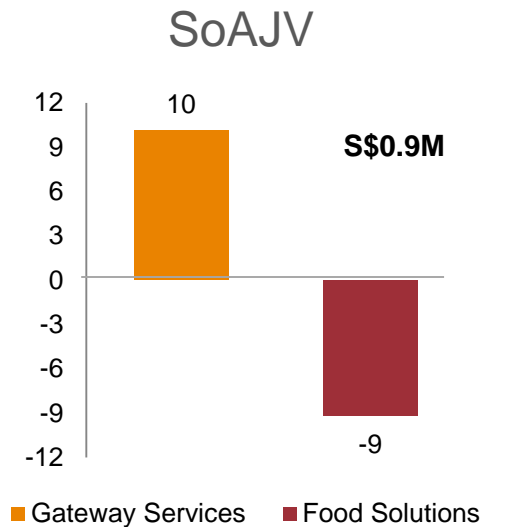
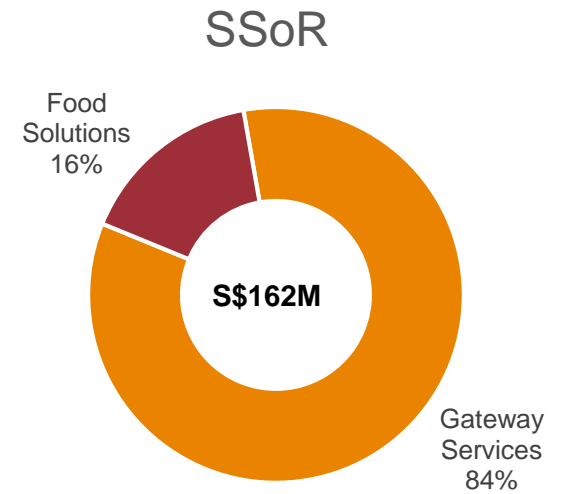
**Accelerating
Innovation**

Summary of key associates / joint ventures



1H FY22 SATS share of revenue (SSoR)

No.	Associates/JVs	Business Unit	Total	Singapore	Japan	Asean (ex-SG)	Greater China	India	Others
1	Taj SATS Air Catering/TMFK	Food	9	-	-	-	-	9	-
2	Evergreen Sky Catering	Food	4	-	-	-	4	-	-
3	Beijing Airport Inflight Kitchen	Food	2	-	-	-	2	-	-
4	MacroAsia Catering	Food	3	-	-	3	-	-	-
5	Asia Airfreight Terminal	Gateway	36	-	-	-	36	-	-
6	PT Cardig Aero Services**	Gateway	27	-	-	27	-	-	-
7	Mumbai Cargo Services	Gateway	18	-	-	-	-	18	-
8	Evergreen Airline Services/Air Cargo	Gateway	18	-	-	-	18	-	-
9	Air India SATS Airport Services	Gateway	23	-	-	-	-	23	-
10	OmanSATS	Gateway	5	-	-	-	-	-	5
	Sub-total	89.5%	145	-	-	30	60	50	5
	Others	10.5%	17	5	2	4	1	0	5
	Share of Associates/JVs revenue (SSoR)	100.0%	162	5	2	34	61	50	10
	Share of results of Associates/JVs (SoAJV)		1	(1)	(0)	4	(2)	(1)	1



Note: All figures are unaudited and in S\$ m unless otherwise stated.

Based on Group management estimates

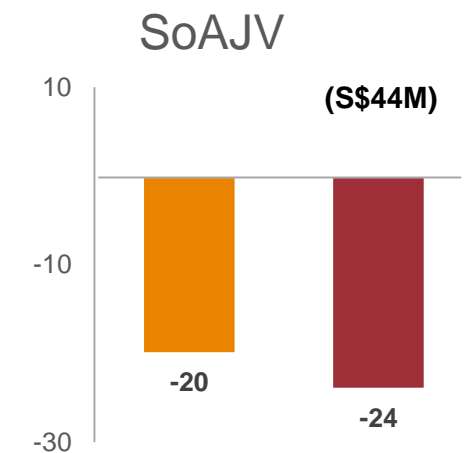
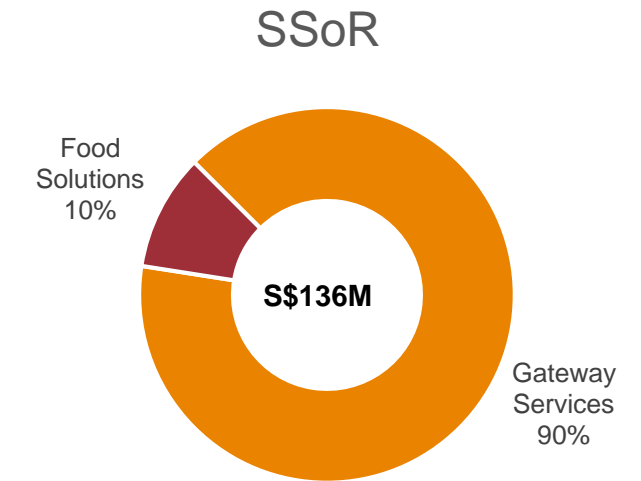
**PT CAS revenue refers to consolidated revenue of PT CAS Group which include PT Jasa Angkasa and PT Purantara Mitra

Summary of key associates / joint ventures



1H FY21 SATS share of revenue (SSoR)

No.	Associates/JVs	Business Unit	Total	Singapore	Japan	Asean (ex-SG)	Greater China	India	Others
1	Taj SATS Air Catering/TMFK	Food	5	-	-	-	-	5	-
2	Evergreen Sky Catering	Food	2	-	-	-	2	-	-
3	Brahim's SATS	Food	1	-	-	1	-	-	-
4	Beijing Airport Inflight Kitchen	Food	2	-	-	-	2	-	-
5	MacroAsia Catering	Food	2	-	-	2	-	-	-
6	Asia Airfreight Terminal	Gateway	34	-	-	-	34	-	-
7	Beijing Aviation Ground Services	Gateway	13	-	-	-	13	-	-
8	PT Cardig Aero Services**	Gateway	18	-	-	18	-	-	-
9	Mumbai Cargo Services	Gateway	17	-	-	-	-	17	-
10	Evergreen Airline Services/Air Cargo	Gateway	15	-	-	-	15	-	-
11	Air India SATS Airport Services	Gateway	14	-	-	-	-	14	-
12	OmanSATS	Gateway	3	-	-	-	-	-	3
	Sub-total	92.6%	126	-	-	21	66	36	3
	Others	7.4%	10	3	2	3	1	-	1
	Share of Associates/JVs revenue (SSoR)	100.0%	136	3	2	24	67	36	4
	Share of results of Associates/JVs (SoAJV)		(44)	(1)	-	(11)	(19)	(10)	(3)



Note: All figures are unaudited and in S\$ m unless otherwise stated.

Based on Group management estimates

**PT CAS revenue refers to consolidated revenue of PT CAS Group which include PT Jasa Angkasa and PT Purantara Mitra



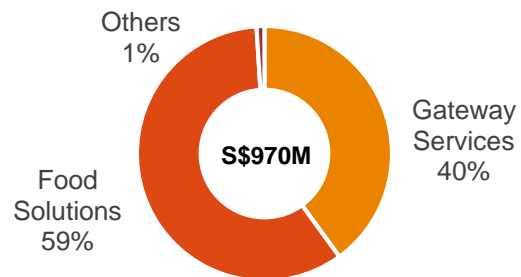
Appendix: Company Overview



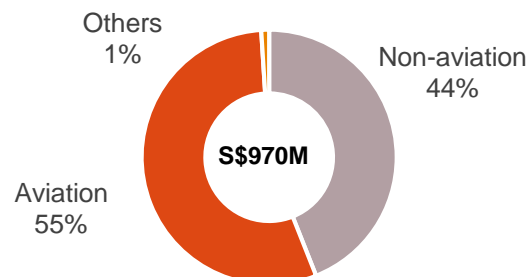
**Accelerating
Innovation**

Group Overview – FY2020-21

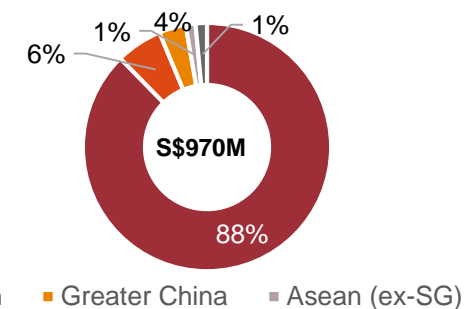
Segment



Industry



Geography



Segment Overview

Food Solutions

Services	Aviation Catering	Institutional Catering	Food Service, Distribution and Logistics	Airline Linen Laundry

Gateway Services

Airfreight and eCommerce Handling and Logistics	Ramp and Baggage Handling	Passenger Services and Lounge Management	Security Services	Cruise Centre Management

Key JVs / Associates

(India)	(Greater China)	(Greater China)
(Malaysia)	(Philippines)	(Maldives)

(India)	(India)	(Greater China)	(Greater China)
(Indonesia)	(Vietnam)	(Greater China)	(Greater China)

Note: Segmentation based on FY2020-21 consolidated revenue.
 (1) SATS share of revenue (non-IFRS) is the aggregate of the total consolidated revenue and proportionate share of associates/joint ventures.

Customer Base

Food Solutions

Gateway Services



Customer Base

Non-Travel (Non-Aviation Security)



Travel (Cruise)



Non-Travel (Institutional & Defence Catering)



Non-Travel (Country Foods)

