



# **SES DOUBLES US GOVERNMENT BUSINESS WITH \$450M ACQUISITION OF DRS GLOBAL ENTERPRISE SOLUTIONS**

---

22 March 2022

# VALUE-ACCRETIVE INVESTMENT FOR BEST-IN-CLASS ASSET IN STRATEGIC GROWTH SEGMENT

**\$450M**

agreement to acquire  
DRS Global Enterprise  
Solutions (GES)<sup>(1)</sup>

**EXPANDS**

US Government solutions  
offering via combination  
with SES GS

**>\$250M**

expected annual  
GES revenue

**UNIQUE**

customer value proposition  
leveraging multi-orbit fleet

**~\$25M**

of expected annualised  
EBITDA synergies

**DOUBLES**

SES revenue in high-value and  
growing US Government segment



*1) Transaction is subject to completion of regulatory approvals, expected to be completed during H2 2022*



**>20 years**  
of supporting end-to-end  
solutions for US Government  
land, sea, and air operations

**>\$250M**  
expected annual  
GES revenue

**~\$40M**  
expected annual  
base EBITDA<sup>(1)</sup>

**GLOBAL**  
operations in C-, Ku-, Ka-, X-,  
and L-band, plus UHF services

**~200**  
global employees with two  
main US locations

**~\$100M**  
annual spend on  
satellite capacity

*SATCOM = satellite communications. 1) pre-synergies*

# CREATING A COMPELLING VALUE PROPOSITION FOR OUR US GOVERNMENT CUSTOMERS



✓  
**COMPLEMENTARY BUSINESSES WITH PROVEN TRACK RECORD**

- Proven experience in SATCOM integration
- >20 years supporting mission-critical operations
- Access to secure, carrier-grade terrestrial network

- State-of-the-art multi-orbit networking capabilities
- >40 years delivering global satellite-enabled solutions
- Seamless access across global MEO and GEO fleets

✓  
**COMMON AMBITION FOCUSED ON BEST-IN-CLASS SERVICE**

- Shared vision of delivering high-performance, reliable, and mission-critical connectivity solutions
- Long-standing and deep relationships across key US government agencies and departments
- Broader suite of high-value SATCOM solutions and expanded market for O3b mPOWER, coming end-2022

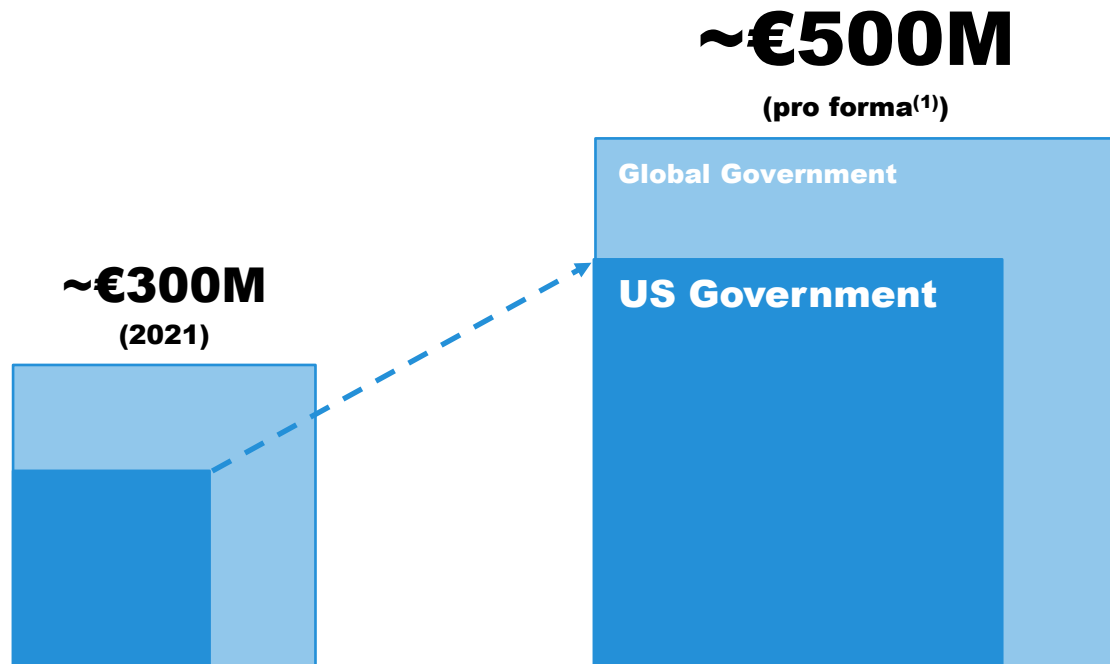
✓  
**WITH HIGH-VALUE CUSTOMER BASE**



SATCOM = satellite communications

# DOUBLES REVENUE IN HIGH-VALUE US GOVERNMENT MARKET SEGMENT

## SES Government Revenue (US & Global Government)



**Strategic importance** of satellite to governments driving growing need for secure, reliable connectivity



**+16% CAGR** expected industry growth in global government services between 2021 and 2030<sup>(2)</sup>



**~55%**<sup>(1)</sup> of SES Networks represented by Government



**2-fold increase**<sup>(1)</sup> in SES' US Government revenue

1) Pro forma based on Full Year 2021 including GES revenue; 2) Northern Sky Research satellite capacity industry revenue forecast (June 2021)

# VALUE ACCRETIVE INVESTMENT IN LINE WITH DISCIPLINED FINANCIAL POLICY

---

- ✓ **Growing high-value Networks segments** where SES has a right to win
- ✓ Proven **record of partnership and success** having grown SES GS revenue by ~30% (2017-2021)
- ✓ EPS and Free Cash Flow per share accretion from day-1, **enhancing profitability**
- ✓ **\$40M EBITDA** addition expected with strong growth outlook for the combined GES/SES GS business
- ✓ **\$25M annualised EBITDA synergies** from capturing additional pull through and operational efficiencies
- ✓ Acquisition funded from existing financial resources, maintaining **commitment to strong balance sheet** metrics

## Disclaimer

---

This presentation does not, in any jurisdiction, including without limitation in the U.S., constitute or form part of, and should not be construed as, any offer for sale of, or solicitation of any offer to buy, or any investment advice in connection with, any securities of SES, nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever.

No representation or warranty, express or implied, is or will be made by SES, its directors, officers or advisors, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in this presentation, and any reliance you place on them will be at your sole risk. Without prejudice to the foregoing, none of SES, or its directors, officers or advisors accept any liability whatsoever for any loss however arising, directly or indirectly, from use of this presentation or its contents or otherwise arising in connection therewith.

This presentation includes “forward-looking statements”. All statements other than statements of historical fact included in this presentation, including without limitation those regarding SES’s financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to SES products and services), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of SES to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding SES and its subsidiaries and affiliates, present and future business strategies, and the environment in which SES will operate in the future, and such assumptions may or may not prove to be correct. These forward-looking statements speak only as at the date of this presentation. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. SES, and its directors, officers and advisors do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



**Richard Whiteing**  
Investor Relations

[Richard.Whiteing@ses.com](mailto:Richard.Whiteing@ses.com)

T +352 710 725 261

**Joana Gomes**  
Investor Relations

[Joana.Gomes@ses.com](mailto:Joana.Gomes@ses.com)

T +352 710 725 6467

**Michelle Suc**  
Investor Relations

[Michelle.Suc@ses.com](mailto:Michelle.Suc@ses.com)

T +352 710 725 403

---

Connect with us

