

## LETTER FROM THE CHAIRMAN



**Frank Esser**

Chairman of the  
SES Board of Directors

Against the backdrop of the exceptional circumstances caused by the COVID-19 global pandemic, I am delighted to report that our company has delivered another strong commercial and financial performance in 2021 and, on behalf of the entire SES Board of Directors, would like to thank everyone at SES for their commitment, perseverance, and dedication.

Group revenue and Adjusted EBITDA were both firmly in line with our objectives, Adjusted Net Profit substantially up from last year, while leverage is at the lowest level for six years. In addition, SES recorded almost \$1 billion income from the successfully completed first phase of accelerated C-band clearing, and increased the revenue backlog associated with our future growth investments to over \$900 million.

Every day, over a billion people across the world rely on SES for their video programming and our video business, representing 59% of total revenue, delivered an improving performance trajectory this year. The unparalleled reach of our prime video neighbourhoods is consistently recognised and appreciated by our customers – the world's leading

broadcasters, platform operators, and content owners – in the sizeable, long-term financial commitments they are making to SES.

Since 2017, our Networks business has grown by almost 30% and now represents 41% of total revenue. Given the challenges that the global pandemic continues to present to our customers and their businesses in our main growth segments, SES' ability to maintain revenue year-on-year was a commendable outcome and reflective of our unique value proposition for major commercial, government, and institutional clients – a value that will ensure our Networks business returns to growth in 2022 and beyond.

2021 marked a major landmark in our US C-band repurposing effort with the completion of phase one and the receipt of almost \$1 billion in cash payments. These proceeds will be fully used to strengthen the balance sheet given the important year of growth investment ahead with SES-17 and the first O3b mPOWER satellites. Our fully dedicated C-band team is now focused on phase two and is working with our customers and partners to deliver on the timelines laid down by the FCC. We are on track to complete this work towards the end of 2023 and to receive the full \$3 billion from the second phase of incentive payments, which the Board intends to utilise in the most optimal way for the benefit of shareholders.

In keeping with the Board's commitment to shareholder return, the company returned €275 million to shareholders in 2021, including a share buyback programme of €94 million that underscores the Board's confidence in the long-term fundamentals of the business and the view that our market valuation does not reflect the underlying value of the company.

The Board is proposing a 2021 dividend of €0.50 per A-share to be approved at our Annual General Meeting on 7 April 2022. This proposed dividend would represent an increase of 25% in the minimum

base dividend reflecting the strong cash-generating profile of the business and consistent with the policy of maintaining a stable to progressive dividend policy.

In last year's Annual Report, I discussed the Board's firm commitment to our Environmental, Social, and Governance (ESG) agenda, with SES possessing both the tools and the conviction to help making the world a better place for all. I am delighted to share our ambitious ESG strategy, focused on four key pillars – ensuring the secure and sustainable use of space; bold climate action, including a commitment to carbon NetZero by no later than 2050; increasing diversity and inclusion in the industry, starting with SES; and using our global content and connectivity solutions to meet critical human needs.

Our purpose at SES – to do the extraordinary in space to deliver amazing experiences everywhere on Earth – is inspiring, compelling, and a main reason to be with SES on this journey for myself and the rest of the SES Board of Directors.

Looking forward, our company is incredibly well positioned to push ahead as the industry leader, profitably grow the business, create long-term shareholder value, and make a meaningful contribution to the lives of people and communities all over the globe.

Finally, I would like to take this opportunity to welcome our new Board member, Jacques Thill, and to also thank our out-going members – Tsega Gebreyes, Serge Allegrezza, and Paul Konsbruck who step down from the Board – for their immeasurable contribution to our company.

**Frank Esser**

Chairman of the SES Board of Directors