

SES Acquisition of Intelsat

Supplementary Frequently Asked Questions

Unaudited Pro Forma Condensed Combined Financial Information for FY 2024 (PF)

2024PF (€M)	SES (IFRS)	Pro forma Intelsat (IFRS)	Pro forma acquisition and financing adjustments	Total pro forma (IFRS)
Revenue ⁽¹⁾	2,001	1,794	(143)	3,652
Adjusted EBITDA ⁽¹⁾	1,028	745	4	1,777
Depr, amort, impairment	(929)	(678)	-	(1,607)
EBIT	64	136	(50)	150
Net financing costs	(3)	(195)	(52)	(250)
Profit (loss) before tax	82	(61)	(102)	(81)
Tax	(55)	3	-	(52)
Profit (loss) after tax	27	(58)	(102)	(133)

All numbers stated assuming average €/€ FX rate of \$1.09 for 2024 or closing €/€ FX rate of \$1.04 as at 31 December 2024

1) Proforma Intelsat Revenue and Adjusted EBITDA include €142m of non-cash Revenue/EBITDA

2024PF (€M)	SES (IFRS)	Pro forma Intelsat (IFRS)	Pro forma acquisition and financing adjustments	Total pro forma (IFRS)
Borrowings – non-current	4,247	2,888	-	7,135
Borrowings – current	273	-	-	273
Cash & cash equivalents ⁽¹⁾	(3,521)	(960)	2,984	(1,497)
Net Debt	999	1,928	2,984	5,911
Add: 50% of €588M Perpetual Bond	294	-	-	294
Deduct: 50% of €1B Hybrid Bonds	(500)	-	-	(500)
Add: Cash and cash equivalents subject to contractual restrictions	300	-	-	300
Adj. Net Debt ⁽²⁾	1,093	1,928	2,984	6,005
Adj. Net Debt/Adj. EBITDA	1.1x	2.6x	-	3.4x
Lease Liabilities	51	691	-	742

All numbers stated assuming average €/€ FX rate of \$1.09 for 2024 or closing €/€ FX rate of \$1.04 as at 31 December 2024

- 1) Cash and cash equivalents for SES include €300 million of restricted cash associated with the IRIS² project
- 2) Adjusted Net Debt comprises 50% of the total SES Hybrids of €1,588 million and excludes Lease Liabilities.

1) What is comprised in the consolidation adjustments for pro forma combined Revenue and Adj. EBITDA?

There is a €143 million adjustment (reduction) to the combined pro forma revenue which is attributable to inter-company eliminations between revenue and cost of sales recorded between the SES Group and the Intelsat Group. Revenue recorded by the SES Group in relation to the provision of satellite capacity and equipment sales to the Intelsat Group amounted to €86 million for the year ended December 31, 2024. Revenue recorded by Intelsat Group in relation to the provision of satellite capacity to SES Group amounted to €57 million for the year ended December 31, 2024.

At the Adjusted EBITDA level, the costs incurred by both groups are close to equal and opposite to the eliminated intra-group revenues and hence in aggregate do not have a significant impact on the Adjusted EBITDA. The total impact on Adj. EBITDA is +€4m.

2) What is the impact of converting from U.S. GAAP to IFRS revenue and Adjusted EBITDA level for Intelsat?

As part of pro forma IFRS results, Intelsat reported Revenues and Adjusted EBITDA under U.S. GAAP have been aligned to IFRS and to SES accounting policies. The total adjustment is a reduction of €33 million in Revenue as well as in Adjusted EBITDA. This pertains primarily to a reduction in non-cash revenue and non-cash EBITDA. Under U.S. GAAP, Intelsat adopted ASU 2021-08 in early 2022, requiring contract assets and liabilities acquired in business combinations to be recognized as if originated by the acquirer. In contrast, IFRS 3 mandates remeasuring these assets and liabilities at fair value during a change of control.

3) Can you explain the non-cash revenue noted in Intelsat's Adjusted EBITDA 2024?

Previously, Intelsat had received upfront customer prepayments on certain long-dated contracts resulting in deferred revenue liabilities and interest accounting thereon (pursuant to ASC 606) which leads to an unwinding through the Income Statement via revenue recognition.

These non-cash items were €142 million (under pro forma IFRS results) in 2024 and are expected to be gradually reducing to €20-30m by 2030, bringing cash EBITDA closer to accounting EBITDA. SES expects most of these contracts to be renewed during the coming years resulting in continued stream of cash-generating revenue and EBITDA.

4) What are the Contingent Value Rights as part of the transaction?

At the Closing, SES will issue to Intelsat transferable contingent value rights (CVRs) entitling the holders thereof to 42.5% of the net proceeds received by the combined company in respect of any potential future monetisation of the combined company's usage rights for up to 100 MHz of the C-Band downlink spectrum at 3.98 – 4.2 GHz ('the Applicable Spectrum'). The remaining 57.5% of net proceeds will be retained by the combined company.

The CVRs will terminate upon the earlier of (i) the full monetisation of the applicable spectrum and (ii) the date that is 7 years and 6 months following the Closing (subject to extensions if an event of monetisation occurs prior to such date, but the applicable consideration has not yet been distributed to the CVR holders).

5) What is the value attributed to the CVRs as published in the F-4 filing?

The pro forma financial information included in the Form F-4 contains a preliminary fair value of the CVRs based on IFRS standards and taking into consideration the uncertainties outlined in detail in the F-4 filing. As the uncertainties are resolved, the estimated fair value of the CVR liability is expected to change. Moreover, the estimated fair value is not necessarily indicative of the amount of future proceeds that the CVR holders or SES may or may not receive for clearing the Applicable Spectrum.

This valuation of the CVRs has been provided to meet SEC registration requirements and does not in any way predict the actual outcome of the process or the actual proceeds that the CVR holders or SES may or may not receive for the clearing of the Upper C-band if ordered by the FCC.

For the purposes of the pro forma information, the internal valuation resulted in a pro forma preliminary fair value of \$552 million (equivalent of €531 million), which has been recorded as a “contingent value rights” non-current liability and as goodwill.

This IFRS value of the CVR in the F-4 filing only represents the NPV of a contingent liability based on the 42.5% of net clearing proceeds payable to Intelsat shareholders towards 100MHz in the event of a monetization event, discounted by the probabilities of underlying uncertainties. The IFRS valuation of the liability of the CVRs is not necessarily indicative of the amount of the future proceeds that the CVR holders or SES may or may not actually receive for clearing the Applicable Spectrum, if the FCC decides to repurpose some portion of the C-band spectrum.

6) How should investors/analysts model the combined business? What are the main drivers?

The combined company is expected to deliver growing revenue, Adjusted EBITDA, and Adjusted Free Cash Flow based on the following:

	2024PF	Medium-term outlook (2024-2028E)
Revenue	€3.65B	Low- to mid-single digit CAGR with growth in Networks (60% of revenue) more than offsetting lower Media revenue
Adjusted EBITDA	€1.78B	Mid-single digit CAGR including synergies
<i>of which Non-cash EBITDA</i>	€142M	Gradually reducing to €20-30 million by 2030
Capital expenditure	€0.86B	c.€1.0B in 2025E. Normalised capital expenditure for the combined company is expected to be an average run rate of €600-650M per annum for the period 2025-2028 (Pre IRIS ²)
Net Cash interest expense	C.€350M (estimate)	For first full year (i.e. 2026E), depending on market conditions, then stable to slightly decreasing from 2 nd year onwards
Cash Income taxes	€40-60M (estimate)	€40-60M per annum over the medium-term (2024-2028), excluding any tax payments related to U.S. C-band proceeds.

All financial numbers based on an assumed foreign exchange (FX) rate of €1: \$1.09. Financial Outlook information is conditional on nominal satellite health and nominal launch schedule

Financial information presented

Accounting recognition and measurement principles: SES financial information presented using the recognition and measurement principles of International Financial Reporting Standards (IFRS). Intelsat financial information uses those of U.S. Generally Accepted Accounting Principles (GAAP). The financial information presented for SES and Intelsat does not apply a consistent set of accounting policies.

Currency conversion: all financial numbers based on an assumed foreign exchange (FX) rate of €1: \$1.09. Pro forma financial information are aggregations of the corresponding SES and Intelsat financial information, adjusted for the elimination of material intra-group transactions. Financial Outlook information is conditional on nominal satellite health and nominal launch schedule.

The following Additional Performance Metrics (APMs) are used: "Adjusted EBITDA" is reported EBITDA excluding significant special items as defined by SES and Intelsat respective managements, including (but not necessarily limited to) reorganisation costs, the impact of U.S. C-Band repurposing and costs associated with the development and/or implementation of merger and acquisition activities; "Adjusted Net Debt" represents current and non-current borrowings less cash & cash equivalents (excluding amounts subject to contractual restrictions) and excluding 50% of the Hybrid Bond (classified as borrowings) and including 50% of the Perpetual Bond (classified as equity); "Adj. Net Debt/Adj. EBITDA" refers to Adjusted Net Debt divided by Adjusted EBITDA; "Capital Expenditure (CapEx)" represents net cash absorbed by investing activities excluding acquisitions, financial investments, and U.S. C-band repurposing..

The pro forma financial information of the Combined Group and the accompanying notes thereto, have been prepared on a basis illustrating the effect of the Acquisition and the related financing as if they had taken place on January 1, 2024, in respect of the unaudited pro forma condensed combined income statement, and as at December 31, 2024, in respect of the unaudited pro forma condensed combined statement of financial position.

The pro forma financial information reflects those adjustments necessary to give effect to the Acquisition and the related financing, as well as alignment to the accounting principles, financial presentation and estimates applied by SES and is prepared in accordance with the basis of preparation as described in the notes set out below.

SES believes that the assumptions applied in the pro forma adjustments are reasonable and factually supportable based on available information and give effect to events that are directly attributable to the Acquisition and related transactions. By its nature, the pro forma financial information addresses a hypothetical situation and does not, therefore represent the SES Group's actual or future financial position or results of operations. The actual results and any future results may differ significantly from those reflected in the pro forma financial information for a number of reasons, including, but not limited to, differences in assumptions used to prepare the pro forma financial information.

In preparing the pro forma financial information, SES's management has applied the consolidated financial information of Intelsat and its subsidiaries, rather than that of Holdings (Intelsat's direct 100% subsidiary which is the direct and indirect shareholder of all the other Intelsat subsidiaries and affiliates). Accordingly, SES believes that the combined financial information consolidated at Intelsat level and the combined financial information consolidated at Holdings level are not materially different for the purposes of the pro forma financial information.

The pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the condensed combined financial position or results of operations that would have been achieved had the Acquisition occurred on January 1, 2024, nor is it meant to be indicative of any anticipated condensed combined financial position or future results of operations that the Combined Group will experience after the completion of the Acquisition. The pro forma financial information is based on the SES Group's accounting policies. Further review may identify additional differences between the accounting policies of the SES Group and the Intelsat Group that, when conformed, could have a material impact on the financial statements of the Combined Group. The pro forma financial information does not reflect any adjustment for liabilities or related costs of any integration and similar activities, or benefits, including potential synergies that may be derived in future periods, from the Acquisition.

The unaudited pro forma adjustments are based upon the best available information and assumptions which SES believes to be reasonable. There can be no assurance that the final allocation of the purchase price and the fair values will not materially differ from the assumed amounts reflected in the pro forma financial information. Adjustments included in the pro forma financial information are based on items that are factually supportable and directly attributable to the Acquisition. Other than in respect of the one-time alignment adjustments between U.S. GAAP and IFRS (as set out in Note 3 of the F-4 filing), for the purposes of the unaudited pro forma condensed combined income statement, the adjustments are expected to have a continuing impact on the combined results.

Neither the assumptions underlying the preparation of the pro forma financial information nor the resulting pro forma financial information have been audited or reviewed in accordance with any generally accepted auditing standards. We note that the adjustments made to convert Intelsat's financial information from U.S. GAAP to IFRS, as issued by IASB are based upon the limited information available to date, are preliminary and are subject to change once more detailed information is available. However, some material differences may exist between U.S. GAAP and IFRS that have not been disclosed because the effect would have been reversed through pro forma

adjustments and would not influence the final figures. In addition, some differences have not been addressed as part of the conversion exercise when they related to items that will be re-measured at fair value as part of the forthcoming purchase price allocation exercise, as detailed below. Rounding adjustments to the nearest one decimal place have been made and, therefore, figures shown as total may not be the exact arithmetic aggregation of the figures that preceded them. You should read the entire prospectus as a whole and not rely solely on the financial information contained in this section of the prospectus. The pro forma financial information has been derived from and should be read in conjunction with:

- The consolidated financial statements and accompanying notes of SES as of December 31, 2024 and 2023 and for the three years ended December 31, 2024, included in the prospectus; and
- The consolidated financial statements and accompanying notes of Intelsat and its subsidiaries as of December 31, 2024 and 2023, and for the years ended December 31, 2024 and 2023 (Successor), the ten-month period ended December 31, 2022 (Successor), and the two-month period ended February 28, 2022 (Predecessor), included in the prospectus.

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Link to F-4 filing:

<http://www.sec.gov>

Forward looking statements

This communication contains forward-looking statements. Generally, the words “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “contemplate,” “predict,” “forecast,” “likely,” “believe,” “target,” “will,” “could,” “would,” “should,” “potential,” “may” and similar expressions or their negative, may, but are not necessary to, identify forward-looking statements.

Such forward-looking statements, including those regarding the timing and consummation of the transaction described herein, involve risks and uncertainties. SES’s and Intelsat’s experience and results may differ materially from the experience and results anticipated in such statements. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the following factors: the risk that the conditions to the closing of the transaction are not satisfied, including the risk that required approvals of the transaction from the shareholders of Intelsat or from regulators are not obtained; litigation relating to the transaction; uncertainties as to the timing of the consummation of the transaction and the ability of each party to consummate the transaction; risks that the proposed transaction disrupts the current plans or operations of SES or Intelsat; the ability of SES and Intelsat to retain and hire key personnel; competitive responses to the proposed transaction; unexpected costs, charges or expenses resulting from the transaction; potential adverse reactions or changes to relationships with customers, suppliers, distributors and other business partners resulting from the announcement or completion of the transaction; the combined company’s ability to achieve the synergies expected from the transaction, as well as delays, challenges and expenses associated with integrating the combined company’s existing businesses; the impact of overall industry and general economic conditions, including inflation, interest rates and related monetary policy by governments in response to inflation; geopolitical events, and regulatory, economic and other risks associated therewith; and continued uncertainty around the macroeconomy. Other factors that might cause such a difference include those discussed in the prospectus on Form F-4 filed in connection with the proposed transaction. The forward-looking statements included in this communication are made only as of the date hereof and, except as required by federal securities laws and rules and regulations of the SEC, SES and Intelsat undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

In connection with the proposed strategic business combination between SES and Intelsat, SES has filed with the SEC a registration statement on Form F-4 that includes a preliminary prospectus of SES. The registration statement has not been declared effective by the SEC. SES also has filed and plans to file other relevant documents with the SEC regarding the proposed transaction. INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION. Investors and shareholders can obtain free copies of the prospectus (when available) and other documents filed with the SEC through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with the SEC will be available free of charge on SES’s website at www.ses.com or by contacting SES’s Investor Relations Department by email at ir@ses.com. Copies of the documents



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No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. No offer of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.