

SATAIR

Annual Report 2024

Adopted at the Annual General Meeting
on the June 27, 2025.

Chairman of the meeting:

Consolidated report for ultimate parent
company, Airbus SE, is reported
separately and attached according to
ÅRL § 112.

DocuSigned by:

Sarah Weinreich Marsh

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Sarah Weinreich Marsh, Legal Counsel

Satair A/S

Amager Landevej 147A

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Denmark

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The office is registered at the municipality of Tårnby, Denmark

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Key figures and financial ratios

USD millions (unless otherwise stated)	2024	2023	2022	2021	2020
	12 mths	12 mths	12 mths	12 mths	12 mths
Income statement					
Revenue	703.8	640.1	463.9	316.0	247.7
Gross profit	86.3	84.6	40.3	23.5	12.6
Profit/(Loss) before depreciation and amortisation (EBITDA)	56.6	62.1	(3.3)	4.6	(36.9)
Operating profit/(loss) (EBIT)	47.4	54.7	(10.5)	(2.6)	(45.7)
Dividend from investments	20.6	-	-	-	-
Financial items, net	1.6	(0.2)	1.1	0.9	(1.2)
Profit/(Loss) before tax	69.5	54.5	(9.3)	(1.8)	(46.9)
Income tax expense	(11.0)	(12.0)	3.2	0.3	8.9
Net profit/(loss) for the year	58.5	42.4	(6.1)	(1.4)	(38.0)
Financial position					
Property, plant and equipment	7.7	7.4	8.0	7.8	8.4
Total assets	403.7	371.7	298.4	297.0	294.5
Working capital *)	215.6	170.6	141.9	122.3	150.3
Total equity	307.6	281.7	235.7	242.2	244.8
Net interest-bearing receivables/(debt)	(2.4)	(8.4)	(2.2)	(3.9)	(1.4)
Investment in property, plant and equipment	1.3	0.1	1.0	0.0	0.1
Cash flow					
Cash flow from operating activities	9.9	37.3	8.5	8.5	(0.0)
Cash flow from investing activities	(2.3)	(6.0)	(1.1)	(5.8)	2.9
Cash flow from financing activities	(7.0)	(31.3)	(7.8)	(2.8)	(2.9)
Free cash flow	7.6	31.3	7.4	2.6	2.9
Financial ratios					
Gross profit, %	12.3	13.2	8.7	7.4	5.1
EBITDA margin, %	8.0	9.7	(0.7)	1.4	(14.9)
EBIT margin, %	6.7	8.5	(2.3)	(0.8)	(18.5)
Return on equity, %	21.9	16.8	(2.5)	(0.6)	(15.1)
Equity ratio, %	76.2	75.8	79.0	81.5	83.1
USD/DKK, average	690.3	688.2	709.9	629.7	653.4
USD/DKK, end of financial year	714.3	674.5	697.2	656.1	605.8
Employees					
Number of FTE, average	412	357	242	233	273
Number of FTE, end of financial year	418	388	261	229	266

*) Working capital = Inventories + Trade receivables - Trade payables

Satair in brief

Satair A/S provides spare parts, services and solutions for the aerospace industry. Satair connects manufacturers of spare parts with airlines and MROs with the aim to minimize the repair and maintenance time for aircraft by stocking the needed parts or being able to procure the needed parts quickly.

Satair is an Airbus subsidiary. Satair has its own strong brand, providing material services and solutions for single- and multi-fleet customers (Airbus, Boeing, Embraer, Bombardier and general aviation).

With more than 65 years of experience, our flexibility, agility and manufacturer independent market access are key factors to secure multi fleet opportunities and to ensure full endorsement and commitment from our business partners.

Satair's history

Satair was founded and named Scandinavian Air Trading Co A/S in 1957. Renamed Satair in the 1970s, the company grew steadily and by 2010 became the world's largest independent distributor of spares and components for the aviation industry with a strong global reach. In 2011, Satair was acquired by Airbus and is today an important part of Airbus' Customer Services division.

Our purpose

We profitably grow our company by providing peace-of-mind to our single- and multi-fleet customers for the required material flow to safely maximise the airtime of their fleet.

As a true Material Services & Supply Chain integrator and innovator, we strive to provide maximum value to both our airline customers and our OEM partners.

For Airbus, we excel in serving the needs of its aircraft customers while being a sustainable pillar of Airbus Customer Services' financial growth and performance.

Our values

We are One / Team Work!

We feel, act and behave as one large family - We are One - and create an engaging and inclusive workplace that favours wellbeing, fun and trust to drive teamwork.

Creativity

We are curious, courageous, passionate, open-minded and recognise creativity at all levels.

Respect

We treat each other and all stakeholders as we wish to be treated, with respect, embracing diversity.

Customer Focus

We partner with our customers to deliver valuable and sustainable solutions together.

Integrity

We act with integrity and take appropriate consequences to eradicate unethical and non-compliant behaviours.

Reliability

Our reliability drives our competences and mindset to deliver on time, on cost and on quality.

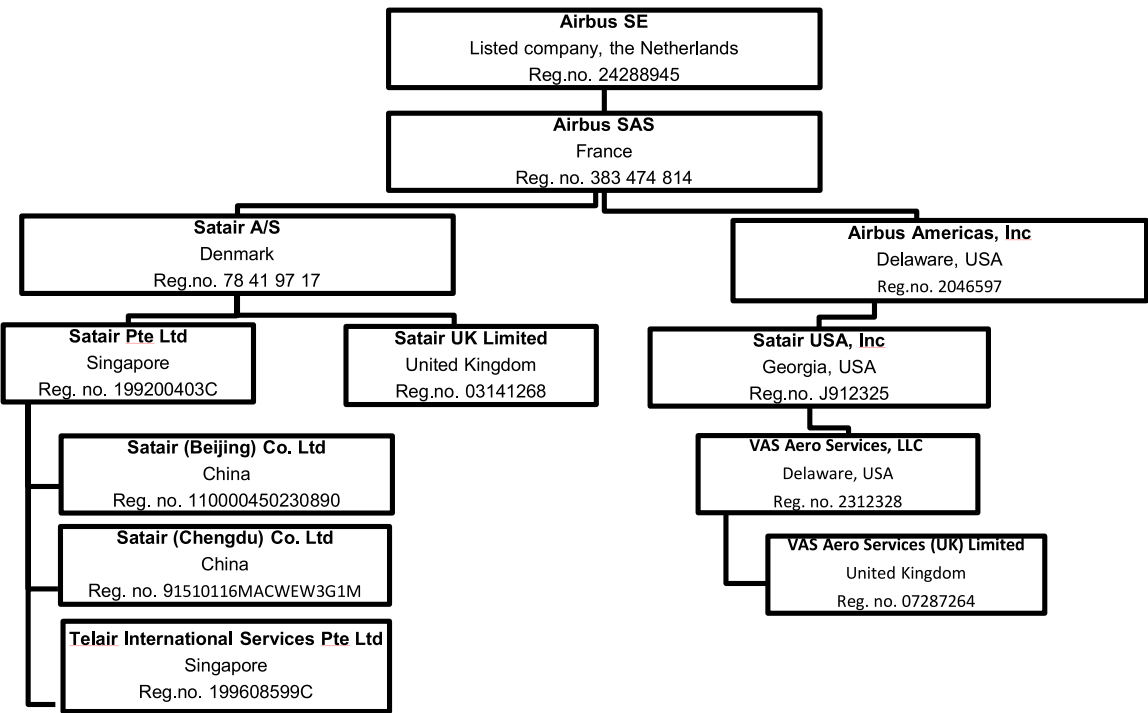
Can-do Attitude

Our Can-Do Attitude remains at the core of our values and is a key differentiator of Satair as we keep striving for meeting challenges with passion and persistence and pursuing any initiative taken to improve our business.

Our organisation

Satair A/S is one of several legal entities within Satair. Below is an illustration of the Satair structure from a management responsibility perspective.

Abbreviations
* MRO: Maintenance, Repair and Overhaul
* OEM: Original Equipment Manufactures



Review of Satair A/S' operations

Market development in 2024

The primary market is the aviation aftermarket where Satair A/S' activities include sales and distribution to all types of commercial operators, maintenance workshops as well as military operators.

Satair's marketing potential is dependent on the activity level in the aviation industry including the types of aircrafts in operation, the scope of air carrier operations and the total number of aircraft.

The post-Covid recovery continued strongly in 2024, with demand for air transport being mainly driven by macroeconomics and demographics, while the impact of fuel price and inflationary pressures remained low.

A key indicator of the level of activity in the aviation industry is Revenue Passenger Kilometres (RPKs). In 2024, IATA reported traffic (RPK) globally at 103.8% of 2019 volumes, compared to 94.1% in 2023. Average passenger load factors increased to 83.5%, a new record. Those markets which still remain below 2019 (pre-Covid) levels are essentially long-haul and international markets to/from China, which continue to improve slowly but steadily.

The air cargo market consolidated during 2024 as supply grew faster than demand after a period of exceptionally high demand.

2024 saw heightened geopolitical tensions in the Middle East, in addition to the continuation of the war following Russia's invasion of Ukraine. Closures of airspace in the Middle East have so far been largely limited to those territories directly engaged in hostilities, however air transport could be more broadly impacted if airspace closure were to affect large Middle East hubs.

Financial performance

Revenue

Revenue reached 703.8 M.USD in 2024 (640.1 M.USD). This equals a 10% increase and is caused by the growth of the industry in 2024. The revenue 703.8 M.USD is within the expected revenue range of 685 to 715 M.USD stated in the annual report for 2023. Regional revenues grew 18% from Asia Pacific, 12% from EMEA but fell 4% from the Americas.

Gross profit / (loss)

Gross profit grew 2.0% to 86.3 M.USD (84.6 M.USD). The gross profit margin fell to 12.3% (13.2%). The lower margin is primarily caused by higher vendor reimbursement costs of 8.0 M.USD of which 4.0 M.USD is related to the A220 program. In addition, the margin is negatively affected by an impairment of product development costs paid to a vendor (0.5 M.USD) and an impairment of a prepayment for products (0.5 M.USD). On the other hand, the margin is positively affected by the closing of the consignment agreement with VAS for used parts (0.1 M.USD).

Other operating income

Other operating income is related to the transfer pricing agreement in the Satair Group and the accompanying management fee received by Satair A/S from other Satair entities. The management fee decreased from 43.5 M.USD in 2023 to 42.7 M.USD in 2024.

SG&A expenses

Staff and other operating expenses increased by 6.4 M.USD (10%) to 72.4 in 2024 (66.0 M.USD).

The increase is related to higher staff costs (3.8 M.USD), license costs related to an upgrade of SAP (3.1 M.USD), Airbus fees (2.9 M.USD) and exhibitions (1.2 M.USD). This is countered by lower consulting expenses (-3.1 M.USD) and lower other costs (1.9 M.USD). Realised losses on debtors of 1.7 M.USD were countered by the release of provisions for losses of 1.3 M.USD.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment increased by 1.8 M.USD from 7.5 M.USD in 2023 to 9.3 M.USD in 2024 mainly due to amortisation of new or renewed contracts for distributions rights signed in the second half of 2023.

Operating profit / (loss) (EBIT)

The operating profit decreased by 7.3 M.USD from 54.7 M.USD in 2023 to 47.4 M.USD in 2024. The operating profit is within the expected range of 35 to 55 M.USD as stated in the Annual Report for 2023.

Dividend paid and received

Satair A/S declared and paid a dividend of 21.0 M.USD to Airbus SAS in 2024 based on the result achieved in 2023. Satair A/S received a dividend of 20.6 M.USD in 2024 from its subsidiary Satair Pte Ltd.

Financials

Net financial items improved 1.8 M.USD from a loss of 0.2 M.USD in 2023 to a gain of 1.6 M.USD in 2024. The improvement is mainly driven by interest income on the cash pool with Airbus SE of 0.9 M.USD and foreign exchange adjustments net of 0.8 M.USD.

Profit for the year

Profit in 2024 amounted to 58.5 M.USD (42.4 M.USD).

Cash flows

Free cash flow of 7.6 M.USD in 2024 is due to a positive cash flow from operating activities (9.9 M.USD) countered by a negative cash flow from investing activities (2.3 M.USD).

Balance sheet

At the end of 2024, total assets increased by 32 M.USD to 403.7 M.USD (371.7 M.USD). The increase in assets is driven by higher inventories 48.5 M.USD, higher receivables from Satair Group entities (intra group) 14.9 M.USD and higher trade receivables 7.5 M.USD. Receivables from Airbus Group entities (other related parties) are 27.7 M.USD lower mainly due to lower deposits on the Airbus cash pool. Intangible assets are 6.7 M.USD lower mainly due to disposal of expired distribution rights. Net Tax Receivables amount to 1.3 M.USD.

Equity ended at 307.6 M.USD (281.7 M.USD) after the addition of the net profit for the year of 58.5 M.USD. The proposed dividend for the year is 58.5 M.USD.

Derivatives

As at 31 December 2024, the company had currency hedge commitments for a total of 204.2 M.USD (158.0 M.USD) which were made against DKK at an average USD/DKK rate of 667.00. The principal fair value of currency hedging contracts signed at 31 December 2024 amounts to 194.2 M.USD (163.0 M.USD). Unrealized loss (fair market value) amounts to 10.0 M.USD (gain 4.9 M.USD).

Commercial risks

Satair's business transactions involve a variety of commercial risks that may adversely affect the company's future operations and performance. Satair is engaged in a continuous effort to identify these risks and, whenever possible, to counteract and reduce them. Below is an outline of the most important risks identified by Satair. The outline does not necessarily constitute an exhaustive list of risk factors and the factors are not listed in any order of importance or priority.

Developments in aviation activity

For decades, the global aviation industry has seen growth in volumes of passengers and cargo at an average annual rate of approx. 4-5%, interrupted by the first Gulf war in 1991, the terrorist attack on September 11th 2001, the financial crisis of 2008, the global spread of Covid-19 in 2020 and the Russian invasion of Ukraine in 2022.

Aviation is sensitive to sudden and unexpected events such as war, terrorist attacks, natural catastrophes, accidents and epidemics. When they occur, such events may have dramatic and sudden effects on activity levels within aviation.

Competition and prices

The market for distribution of aviation products is fiercely competitive. To be an attractive intermediary between customers and manufacturers, distributors must be able to deliver the right combination of a broad product range, competitive prices and attractive services.

The aftermarket is relatively fragmented and none of the distributors have captured a significant market share in the global market for spares. The majority of Satair's products are exposed to competition.

Consolidation within aviation

Manufacturers in the industry may from time to time undergo a process of considerable consolidation and this may affect Satair. In case an existing Satair supplier is acquired, there is a risk that the new owner will want to evaluate existing sales outlets with a view to optimize them in relation to the rest of their business activities. This may result in a change of distributor or the insourcing of distribution activities.

Airlines may from time to time enter into mergers and alliances and this may also result in a change of distributor.

Satair endeavours to secure a favourable position for itself in the value chain of the aviation industry but as a result of pressure to constantly increase airline earnings as well as changes in the value chain of the industry there may be renewed and increased pressure on Satair's earnings.

Dependency on suppliers

Satair A/S has a number of important suppliers. In 2024 the largest supplier accounted for approx. 11% of Satair A/S' consolidated revenue while the five largest suppliers together accounted for approx. 36% of the revenue.

Satair A/S' supplier contracts are highly varied with regards to the length of termination notices and in connection with negotiations and renegotiations, a specific aim is to ensure longer notices. Typically contracts may be terminated at a notice period of between 3 and 12 months and in the case of important suppliers, the duration of contracts is typically between three and five years.

Only a few of Satair A/S' suppliers have terminated their distribution contracts. However, the loss of an important supplier could cause a significant decline in revenues and earnings in the short term.

Satair A/S is or may become a party to agreements with suppliers containing provisions concerning termination or changes to the contract which will or may take effect in case of a change in control of the company.

Dependency on customers

Satair A/S distributes products and offers related services to a wide range of customers worldwide. The distribution of Satair A/S' products and services is generally closely linked to developments in activity levels and the general financial situation within aviation and that is why sales to Satair A/S' existing customers and the conclusion of new customer agreements may be associated with some uncertainty.

Satair A/S has cooperated with most of its customers for many years. The ten largest customers accounted for 37% of the revenue in 2024 with 1 customer contributing with 7%.

Sales are sometimes based on framework agreements and under certain circumstances such contracts may be terminated prematurely, e.g. in the case of breach of contract on the part of Satair A/S. Framework agreements are, however, no prerequisite for conducting business between Satair A/S and its customer and a termination of an agreement is as such not resulting in a cease of joint business activities.

Satair A/S is or may become a party to agreements with customers containing provisions concerning termination or changes to the contract which will or may take effect in case of a change in control of the company.

Inventories

The most significant inventory risks relate to the situation where types of aircraft are grounded by the air carriers either permanently or for a long period of time. When that happens, Satair A/S' inventories of spares for that particular type of aircraft will fully or partially lose value. Until now, such changes in the use of aircraft types have occurred over a period of several years.

Sales to the aviation industry are generally characterized by involving a very high number of part numbers many of which are sold relatively rarely. This increases the risk of obsolescence and Satair A/S' business model therefore allows for obsolescence being part of the cost side of distribution in aviation.

Events after the reporting period

Satair A/S is not aware of any events subsequent to 31 December 2024, which are expected to have a material impact on the financial position as reflected in the Financial Statement for 2024. The current outlook for 2025 indicates that a going concern assumption is appropriate.

Satair A/S has in May 2025 signed a 10-year contract for the lease of 20,414 square meters of warehouse and office space in Greve effective from July 1st, 2025. The new warehouse shall replace of our current warehouses in Denmark when it is fully operational.

Further, Satair A/S has in May, 2025 signed a 10-year contract for the lease of 8,307 square meters of office space in Copenhagen effective from April 1st, 2026. The new office - together with the office space in Greve - shall replace all of our current offices in Denmark when fully operational.

Our 3 buildings in Kastrup with combined warehouse and office space of 9,151 square meters, which we currently own, shall be held for sale and sold on market terms.

Outlook for 2025

IATA reported a strong start for the global aviation industry in January 2025 with RPK (Revenue Passenger Kilometers) growth of 10% compared to January 2024. The growth is mainly coming from China (18%), South Asia (17%), Africa (15%) and Asia Pacific (14%) whereas the growth is on or below average in the Middle East (10%), Latin America & the Caribbean (8%), Europe (7%) and North America (3%).

In February 2025, the worldwide number of flight cycles (a completed take-off and landing sequence) grew 4% compared to February 2024 with the highest growth seen in South Asia (14%), Africa (13%), Latin America (9%) and Europe (7%), whereas China saw a slight decrease in the number of flight cycles (-1%). The number of flight cycles in North America, Asia Pacific and the Middle East grew between 1 and 4 percent.

The retaliatory tariffs imposed by the USA in 2025 and the associated uncertainty raise fears of a recession in the USA and other countries affected by the tariffs. The announcements from the US administration are seen to cause a decrease in travel into the USA, however, the magnitude of the decrease is still unknown.

Revenues in Satair A/S are currently expected to be between 740 M.USD and 760 M.USD in 2025. Operating profit (EBIT) is expected to be positive in the range between 40 M.USD and 60 M.USD in 2025.

Corporate governance

Annual general meeting

The Annual General Meeting is held on the 27th of June 2025 at Satair A/S, Amager Landevej 147A, DK-2770 Kastrup.

Sustainability Statement § 99 A

Satair A/S' ultimate owner is Airbus SE, Mendelweg 30, 2333, CS Leiden, the Netherlands.

Satair A/S is included in Airbus SE's Sustainability Statement which is part of Airbus SE's "Report of the Board of Directors 2024" available at:

<https://www.airbus.com/en/investors/financial-results>

Other reporting

Data Ethics § 99 D

A risk exists that Satair collects, analyses, stores and shares data in a manner that is non-compliant and/or unethical.

To address this, Satair has, amongst other measures, a data ethics policy governing both personal and non-personal data. The policy includes data ethics principles which must be adhered to when handling data and developing or applying new technology. The principles are related to transparency, privacy, quality, security and accountability. Satair will ensure that the company applies a high standard in relation to handling of data, such as only disclosing data where and when necessary and refraining from collecting data without purpose. Satair ensures the results from data processing are not discriminatory or biased in any way.

Satair requires that all electronically stored documents in the company document repository are labelled (tagged) according to the dimensions: personal data classification, export control classification, national security classification, company classification, business or private data classification. The tagging project launched in 2023 continued with good results in 2024 but did not reach the target of 95% -100% of all files created 3 months ago or longer should be tagged. The project continues in 2025.

In March 2025, Satair's Data Governance Manager received the runner up award in the category for Data Governance excellence at the IRM UK Data Governance, AI Governance & Master Data Management Conference in London. The award demonstrates Satair's engagement in data ethics.

Management statement

Kastrup, June 27th, 2025

The Board of Directors and the Management Board have today considered and adopted the Annual Report of Satair A/S for the financial year 1 January – 31 December 2024.

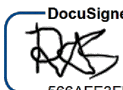
The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations and cash flows for the financial year 1 January – 31 December 2024.

In our opinion, the management review includes a true and fair view of the circumstances described in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

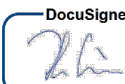
Management Board

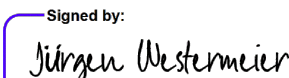
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Richard Anthony Stoddart
Chief Executive Officer

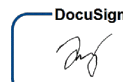
Board of Directors

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Cristina Aguilar Grieder
Chairman

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Thorsten Fischer

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Juergen Westermeier

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Maria Silber
Employee representative

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Pedro Manuel Miranda Gonçalves Peixoto
Employee representative

Independent auditors' report

To the shareholders of Satair A/S

Opinion

We have audited the financial statements of Satair A/S for the financial year 1 January – 31 December 2024, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information. The financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditors' report - continued

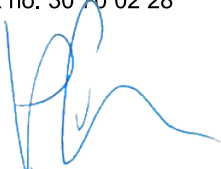
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, June 27th, 2025

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Peter Andersen
State Authorised Public Accountant
mne 34313



Rolan Atl Caballero Pena Espedal
State Authorised Public Accountant
mne 47789

Income statement

1 January - 31 December

USD thousands	Note	2024	2023
Revenue	3	703,813	640,128
Cost of goods sold	6	(617,534)	(555,508)
Gross profit/(loss)		86,279	84,620
Other operating income	4	42,755	43,482
Staff expenses	5	(38,058)	(34,226)
Other expenses		(34,328)	(31,751)
Profit/(Loss) before depreciation, amortisation and impairment (EBITDA)		56,648	62,125
Depreciation, amortisation and impairment losses	11, 12	(9,297)	(7,467)
Operating profit/(loss) (EBIT)		47,351	54,658
Dividend from investments	13	20,600	-
Financial income	16	3,132	1,735
Financial expenses	16	(1,578)	(1,932)
Profit/(Loss) before tax		69,505	54,461
Income tax expense	23	(10,982)	(12,020)
Net profit/(loss) for the year		58,523	42,441

Statement of comprehensive income

1 January - 31 December

USD thousands	Note	2024	2023
Net profit/(loss) for the year		58,523	42,441
Items that may be subsequently reclassified to the income statement			
Fair value adjustment of derivatives before tax		(13,351)	2,356
Hereof recl. of currency derivatives through the income statement	18	(1,595)	2,456
Tax on other comprehensive income	23	3,288	(1,218)
Other comprehensive income		(11,658)	3,594
Comprehensive income for the year		46,865	46,035

Statement of financial position

At 31 December

USD thousands	Note	2024	2023
Assets			
Intangible assets	11	16,628	23,326
Property, plant and equipment	12	7,715	7,401
Investments in subsidiaries	13	51,121	51,121
Deferred tax assets	24	1,611	2,436
Non-current assets		77,075	84,284
Inventories	6	230,195	181,664
Trade receivables	7	48,197	40,664
Receivables from intra group companies	22, 29	35,742	20,809
Receivables from other related parties	22	7,991	35,709
Tax receivables		1,343	-
Other receivables	9	2,518	8,560
Cash and cash equivalents	15	617	-
Current assets		326,602	287,406
Total assets		403,678	371,690

Statement of financial position

At 31 December

USD thousands	Note	2024	2023
Equity and liabilities			
Share capital	14	13,138	13,138
Reserves and retained earnings		235,930	247,566
Proposed dividend		58,500	21,000
Total equity		307,568	281,704
Staff related liabilities		-	22
Loans and borrowings	17	341	2,937
Leasing liabilities	19	80	539
Non-current liabilities		421	3,498
Current part of loans and borrowings	17, 20	2,681	5,421
Current part of leasing liabilities	19	499	360
Trade payables	17	62,802	51,688
Payables to intra-group companies	20, 22, 29	12,963	14,987
Payables to other related parties	22	188	2,166
Tax payable	17, 23	-	5,095
Other liabilities	10	16,555	6,772
Current liabilities		95,688	86,488
Total liabilities		96,109	89,986
Total equity and liabilities		403,678	371,690

Statement of cash flows

1 January - 31 December

USD thousands	Note	2024	2023
Profit/(Loss) before depreciation and amortisation (EBITDA)		56,648	62,125
Non-cash items	8	2,468	5,079
Foreign exchange adjustments		527	(329)
Dividend received		20,600	-
Interest received		2	2
Interest paid		1,025	129
Income taxes paid		(13,301)	-
Changes in working capital	8	(58,023)	(29,725)
Cash flow from operating activities		9,946	37,281
Acquisition of intangible assets	11	(1,328)	(5,922)
Acquisition of property, plant and equipment	12	(998)	(98)
Cash flow from investing activities		(2,326)	(6,020)
Cash pool with Airbus SE 1)	15, 22	21,049	(28,095)
Repayment of debt	20	(6,571)	(2,671)
Leasing payments	19	(480)	(494)
Dividend payment		(21,000)	-
Cash flow from financing activities		(7,002)	(31,260)
Net cash inflow/(outflow)		617	-
Cash and cash equivalents at 1 January		-	-
Net cash inflow/(outflow)		617	-
Cash and cash equivalents at 31 December	15	617	-

1) Given the nature of the Group's cash pooling agreements, cash pool balances are not considered cash, but are recognized under "Receivables from other related parties" or "Payables to other related parties".

Statement of changes in equity

1 January - 31 December

USD thousands	Share capital	Share premium	Retained earnings	Hedging reserve	Total equity
Equity at 1 January 2024	13,138	46,010	219,427	3,129	281,704
Net profit/(loss) for the year	-	-	58,523	-	58,523
Fair value adjustment of derivatives before tax	-	-	-	(13,351)	(13,351)
Hereof recl. of currency derivatives through the income statement (Staff expenses)	-	-	-	(1,595)	(1,595)
Tax on other comprehensive income	-	-	-	3,288	3,288
Comprehensive income	-	-	58,523	(11,658)	46,865
Dividend paid to the shareholder	-	-	-	-	(21,000)
Equity at 31 December 2024	13,138	46,010	277,950	(8,529)	307,568
Equity at 1 January 2023	13,138	46,010	176,986	(465)	235,669
Net profit/(loss) for the year	-	-	42,441	-	42,441
Fair value adjustment of derivatives before tax				2,356	2,356
Hereof recl. of currency derivatives through the income statement (Staff expenses)				2,456	2,456
Tax on other comprehensive income	-	-	-	(1,218)	(1,218)
Comprehensive income	-	-	42,441	3,594	46,035
Equity at 31 December 2023	13,138	46,010	219,427	3,129	281,704

SATAIR

**Notes
2024**

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Note 1 Accounting policies

CORPORATE INFORMATION

Satair A/S is a limited liability company founded and headquartered in Denmark.

BASIS FOR PREPARATION

The Annual Report for Satair A/S has been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of the Danish Financial Statements Act in accordance with reporting class C large.

The accounts have been prepared under the historical cost convention, except for areas in which IFRS explicitly requires the use of fair values. The accounting policies outlined below have been applied consistently in the financial year and for the comparative figures. The accounting policies are unchanged compared to last year. Satair will implement the new standards and interpretations issued by IASB and adopted by the EU when they become mandatory.

Accounting period

The financial year for Satair A/S is 1 January - 31 December.

Functional currency

USD is the primary currency used for operations. Hence USD is applied as functional currency for Satair A/S. USD has been chosen as the presentation currency in the presentation of the accounts.

Preparation of separate financial statements

According to IFRS 10, Satair A/S is exempt from preparing consolidated financial statements as:

- Satair A/S is a wholly-owned subsidiary of the ultimate parent company, Airbus SE, which has been informed and does not object to that Satair A/S is not presenting consolidated financial statements.
- Satair A/S is not a publicly listed company or have debt or equity instruments traded on public markets.
- Satair A/S has not filed, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market.
- the ultimate parent company, Airbus SE, prepares and publishes consolidated financial statements in accordance with IFRS.

The consolidated financial statements can be found at <https://www.airbus.com/sites/g/files/jlcbta136/files/2025-04/Airbus%20Annual%20Report%202024.pdf>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foreign currency translation

Transactions denominated in foreign currencies in the course of the year are translated at the exchange rates at the transaction date. Gains and losses arising between the exchange rates at transaction date and date of payment are recognised in the income statement.

Receivables, payables and other monetary items denominated in foreign currencies which are not settled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at balance sheet date and transaction date is recognised in the income statement.

Derivative financial instruments

Satair A/S' derivative financial instruments act as an efficient financial hedge under Satair A/S' risk management policy.

Derivative financial instruments that are seen to qualify for cash flow hedge accounting are called 'effective', whereas derivative financial instruments that are not seen to meet these criteria are called 'ineffective'.

Changes in the fair value of effective derivative financial instruments are recognised directly through other comprehensive income in shareholders' equity in a separate reserve and are released to the income statement in the period during which the hedged item affect the income statement.

Changes in the fair value of ineffective derivative financial instruments are recognised directly in the income statement as financial items.

Derivative financial instruments are initially recognised in the balance sheet at fair value and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included under Other receivables and Other liabilities respectively.

For both effective and ineffective derivative financial instruments, such part of the fair value adjustment as is attributable to the time value is always recognised directly in the income statement.

Fair value on derivatives is based on commonly quoted exchange rates and is calculated upon standard pricing models.

INCOME STATEMENT

Revenue from sale of goods

Revenue is recognised when Satair A/S meets its performance obligation; that is, at the point in time when Satair transfers control of the promised goods to the customer. Satair A/S measures revenue as the consideration to which Satair A/S is expected to be entitled in exchange for transferring promised goods. Variable considerations are included when it is highly probable that there will be no significant reversal of the revenue in the future. Satair A/S identifies the various performance obligations of the contract and allocates the transaction price to these performance obligations. Payment terms are usually "net 30 days" but may in some instances vary according to specific contractual terms. Advances and pre-delivery payments are normal and not considered a significant financing component as they are intended to protect Satair A/S from the customer failing to complete its obligations under the contract.

Cost of goods sold

Cost of goods sold comprises the cost of commercial products consumed to achieve the revenue for the year and other direct, variable costs including write-downs for obsolescence.

Other operating income

Other operating income includes items of a secondary nature relative to the enterprise's core business. Operating income includes a management fee which is determined as a royalty on external sales based on the intra-group ownership of distribution rights, inventory levels, and market data.

Staff expenses

Staff expenses include wages, salaries and pensions for Satair A/S' employees as well as other staff-related expenses.

Other expenses

Other expenses comprise expenses to distribution, sales, advertising, administration etc.

Amortisation, depreciation and impairment

Amortisation, depreciation and impairment comprise amortisation and impairment of intangible assets as well as depreciation and impairment of property, plant and equipment.

Financial income and expenses, net

Financial income and expenses, net comprise interest as well as foreign exchange adjustments relating to receivables and payables not stated in the functional currency.

Dividends on capital investments in subsidiaries are recognized as income in Satair A/S' income statement in the financial year in which the dividends are declared. Gain and losses from disposal of subsidiaries and associates are included in the income statement of Satair A/S at the time of disposal.

Notes

Note 1 Accounting policies (continued)

Tax

Income tax expenses consists of current tax and deferred tax for the year, the effect on deferred tax of changes in tax rates, and adjustments of current tax relating to previous years. Such part of tax for the year as is attributable to items directly under statement of comprehensive income is taken directly to this. Current tax is calculated at the tax rate applicable for the year. Deferred tax is measured according to the tax rules and at the tax rates applicable by law in the respective countries at the balance sheet date when the deferred tax is expected to materialise as current tax.

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Adjustment is made to deferred tax relating to the unrealised intra-group profits and losses.

Deferred tax assets, including the tax value of tax deficits eligible for carry forward, are measured at the value with which the asset is likely to be realised either in settlement of tax on future earnings or in settlement of deferred tax liabilities within the same legal tax entity.

FINANCIAL POSITION

Intangible assets

Acquired distribution rights are recognised at cost less amortisation.

Acquired IT-software and development costs are recognised at cost and measured at cost less accumulated amortisation and impairment.

Amortization

Rights under non-cancellable contracts are amortised on a linear basis over the contract term. Other rights are amortised on a linear basis over the expected useful life.

The expected useful lives are as follows:

Owned assets:	
• Distribution rights	2 - 20 years
• IT-Software and development costs	3 - 5 years

The residual values and useful lives of assets are reassessed and changed annually, if deemed necessary.

Please refer to note 11 for further information on the amortisation profiles of the company's distribution rights.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition of the asset until the date when it is available for use.

Leases

Lease assets and lease liabilities are recognised in the balance sheet when the leased asset under a lease entered into regarding a specific identifiable asset is made available to the company in the lease term and when the company obtains the right to almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease liabilities are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognised as part of the lease liabilities: fixed payments, variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate, payments overdue subject to a residual value guarantee, exercise price of call options that it is highly probable that Management will exercise, payments subject to an extension option that it is highly probable that the Company will exercise, penalty related to a termination option unless it is highly probable that the Company will not exercise the option.

The lease liability is measured at amortised cost according to the effective interest method. The lease liability is recalculated when the underlying contractual cash flows change due to changes in an index or an interest rate if the Company's estimate of a residual value guarantee changes or if the Company changes its assessment of whether call options, extension options or termination options can reasonably be expected to be exercised.

On initial recognition, the leased asset is measured at cost, corresponding to the value of the lease liability adjusted for prepaid lease payments plus directly related costs and estimated costs for demolition, repairs or the like and less discounts or other types of incentive payments received from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The leased asset is depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciation charges are recognised on a straight-line basis in the income statement.

The leased asset is adjusted for changes to the lease liability due to changes to the terms of the lease or changes to the cash flows of the lease concurrently with changes to an index or an interest rate.

The company presents the leased asset and the lease liability separately in the balance sheet. The leased asset is presented within "Property Plant and equipment" and lease liabilities within "Leasing liabilities".

The company has chosen not to recognise leased assets of a low value and short-term leases in the balance sheet. Instead, related lease payments are recognised on a straight-line basis in the income statement.

Notes

Note 1 Accounting policies (continued)

Right-of-use asset

The company recognizes right-of-use assets and lease liabilities for most of its leases with the exception of short-term leases and leases of low value. The leases relate to real estate assets (such as storage facilities and offices), company cars and equipment.

The Company has presented right-of-use assets within "Property, plant and equipment" and lease liabilities within "Leasing liabilities" and classified the principal portion of lease payments within financing activities and the interest portion within operating activities.

Depreciation

Depreciation is calculated on the basis of cost less any residual value and on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Owned assets:

- Office and warehouse buildings 30 - 50 years
- IT-hardware 3-5 years
- Fixtures, fittings, tools and equipment 3-7 years

Right-of-use assets:

- Office and warehouse buildings 5 - 10 years
- Operating equipment 3-4 years

The depreciation periods are based on experience with regard to the duration of the period in which such assets are in use.

The residual values and useful lives of assets are reassessed and changed, if necessary, at each balance sheet date.

Gains and losses on the disposal of plant, property and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement under other operating income/expenses.

Investments

Investments in subsidiaries are measured at cost. Impairment testing is carried out if there is an indication of impairment. The carrying amount is written down to recoverable amount whenever the carrying amount exceeds the recoverable amount. The impairment loss is recognized as a finance cost in profit and loss.

Loans to subsidiaries are recognised under long-term assets when these are seen to be part of the investment.

Impairment of non-current assets

The carrying amount of non-current assets is measured at the lower of recoverable amount and carrying amount. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost to sell and its value in use. The fair value less cost to sell is determined based on recent market transactions. The value in use is determined as the net present value of the estimated future cash-flows.

For assets which do not generate cash-flows independently of other assets, the recoverable amount is calculated for the smallest cash-generating unit of which the asset forms part. The determination of cash-generating units follows the management structure, internal finance management and reporting in the company. A cash-generating unit may constitute up to but no more than one segment.

Inventories

Inventories (aircraft spare parts) are recognised at acquisition cost on the basis of the lower of average acquisition cost and net realisable value and kept at weighted landing cost.

Net realisable value is measured on the basis of an individual assessment. Write-downs for obsolescence are made on aircraft spare parts based on a model providing for slow-moving products.

The acquisition cost of aircraft spare parts is measured at purchase price plus delivery costs.

Receivables

Receivables are classified as current except for those falling due 12 months after the balance sheet date or later. The amounts are included under Trade receivables and Other receivables.

Receivables are recognised in the balance sheet at fair value and are subsequently measured at amortised cost. For current non-interest-bearing receivables and receivables with a floating interest, this usually corresponds to the fair value.

The company uses the method under IFRS 9 to make writedowns on receivables for expected credit loss. On top of the expected loss method, the company also assess indications of impairment of individual receivables. This assessment is done on the basis of an age criteria and objective indicators of a debtor's financial difficulties.

Cash and cash equivalents

Cash and short term deposits in the statement of financial position comprise cash at banks and cash on hand. Cash pool with the Airbus Group is presented as intragroup receivable/payable.

Shareholders' equity

Dividend is recognised as a liability at the date when it is adopted at the annual general meeting. Dividend proposed for the financial year is shown separately in the equity.

Distribution of dividend in kind is recognised in equity at the fair value of the assets as at the date of declaration.

Hedging adjustments comprise changes in the fair value of hedging transactions that qualify for recognition as cash flow hedges and where the hedge transactions has not yet been realised.

Provisions

Provisions are recognised when, as a result of events happening before or at the balance sheet date, Satair A/S has a legal or a constructive obligation and it is probable that there may be an outflow of economic benefits to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial liabilities

Amounts owed to credit institutions are recognised at the date of borrowing at fair value corresponding to the net proceeds received less transaction costs paid. In subsequent periods, the amounts are measured at amortised cost, meaning that the effective interest rate is recognised in the income statement over the term of the loan.

Other financial liabilities, which include payables to suppliers and subsidiaries, are recognised at the date of borrowing at fair value and subsequently measured at amortised cost which, for these items, usually corresponds to the nominal value.

Other payables are measured at net realizable value.

Notes

Note 2 Significant accounting estimates and judgements

Fair value measurement

Satair uses the fair value concept in connection with certain disclosure requirements and for recognition of financial instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price").

The fair value is a market-based and not an entity-specific measurement. The entity uses the assumptions that the market participants would use for the pricing of the asset or liability based on the current market conditions, including risk assumptions. The entity's purpose of holding the asset or settling the liability is thus not taken into account when the fair value is determined. The fair value measurement is based on the principal market. If a principal market does not exist, the measurement is based on the most advantageous market, i.e. the market that maximizes the price of the asset or liability less transaction and transport costs.

All assets and liabilities measured at fair value, or in respect of which the fair value is disclosed, are categorised into levels within the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement, see below:

Level 1: Quoted priced in an active market for identical assets or liabilities

Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly

Level 3: Inputs that are not based on observable market data (valuation techniques that use inputs that are not based on observable market data)

STATEMENT OF CASH FLOWS

The statement of cash flows is based on the indirect method and shows Satair A/S' cash flows for the year from operating, investing and financing activities.

Cash flow from operating activities is calculated as EBITDA of the year adjusted for non-cash operating items, interest received, interest paid, income taxes paid and working capital changes.

Cash flow from investing activities comprises payments in connection with acquisition and divestment of enterprises or assets. Cash flow from financing activities comprises the raising of loans, installments on loans, payment of dividends and increases of the share capital.

Cash flow concerning acquired companies is recognized from the date of acquisition, while cash flow concerning divested companies is recognized until the date of divestment.

Cash and cash equivalents include cash reserves but not cash pool.

Debt to credit institutions recognised in the balance sheet under current debt is included in cash flows from financing activities insofar as it is considered to be capital debt.

Ratios

The ratios mentioned in the five-year summary are calculated as described in the notes.

Uncertainties in the estimates

Calculation of the book value of certain assets and liabilities will require certain assessments, estimates and assumptions regarding future events. The estimates made are based on historic experience and other factors deemed proper and adequate under the circumstances by the management, but which by nature are uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur.

Estimates of importance for the financial reporting are made in the following areas:

Accounting estimates

On acquisitions of distribution rights, the company's management makes an assessment as to whether the acquisition concerns a "business" or a series of individual assets and liabilities. The assessment is based on whether the acquisition is integrated activities or assets.

Upon entering into new distribution rights agreements, the company's management evaluates the useful life and the net present value of the assets and liabilities inherent in the contract. Distribution rights are amortised based on contract period. Refer to note 11 for specification of useful lives of significant contracts.

Impairment tests of distribution rights are performed if and when objective signs of impairment occur. A review is performed at least once per fiscal year.

When entering into new inventory consignment contracts Satair's management determines whether the company is entering into an agency relationship by evaluating if the company is exposed to the significant risks and rewards associated with the sale of goods. There are four criteria that, individually or in combination, indicate that the company is acting as principal:

- Satair has the primary responsibility for providing the goods to the customer or for fulfilling the order;
- Satair has the inventory risk before the customer order or on return;
- Satair has latitude in establishing prices, either directly or indirectly;
- Satair bears the customer's credit risk on the receivable due from the customer.

Impairment of inventories

Inventories are recognised at cost less write-down to net realisable value in case of impairment due to failing demand. The estimate of the required write-downs is made on the basis of a mathematical model based on the individual characteristics and historical information on the sales patterns for the inventories in the perspective of value loss over time. In addition, further write-downs are made to the extent there are specific indications of impairment. The mathematical model ensures reversal of write-downs made for products which are subsequently sold. It is estimated that the write-downs made are sufficient and that the financial uncertainty linked to the depreciation to net realisable value on inventories is considered limited.

Impairment of trade receivables

Credit loss allowances on individual receivables are made on the basis of the customers' payment capacity, historic information on payment patterns and doubtful debts, and customer concentration, customers' credit worthiness and financial trends in the company's sales channels. In addition to this, allowances for expected credit losses are made on the remaining trade receivables based on a simplified approach.

Notes

Note 3 Specification of revenue

USD thousands	2024	2023
Europe, Middle East, Africa	494,547	443,546
Americas	100,122	104,025
Asia Pacific	109,144	92,557
	703,813	640,128

Revenue is recognised when Satair A/S transfers control (i.e. at a point in time) of the promised goods (spare parts) to the customer. Satair A/S measures revenue as the consideration to which Satair A/S is expected to be entitled in exchange for transferring promised goods. (ref. note 1)

Note 4 Other operating income

USD thousands	2024	2023
Management fee 1)	42,720	43,482
Other operating income	35	-
	42,755	43,482

1) The management fee is based on a transfer pricing agreement between the entities within Satair Group and takes ownership of distribution rights, inventory levels, financing of inventory and revenue into consideration

Note 5 Staff expenses

USD thousands	2024	2023
Wages, salaries and fees	33,645	29,917
Pensions, defined contribution	3,059	2,510
Other social security expenses, refunds etc.	(163)	80
Other staff related expenses	1,517	1,719
	38,058	34,226
Average number of employees (FTE)	412	357

Salary and bonus to the Management Board in 2024 is not shown with reference to ARL § 98b.

A group of senior managers are part of a Long-Term Incentive Plan (LTIP) which is designed to reward long-term commitment, company performance as well as engagement on financial targets subject to cumulative performance over a three-year period.

Notes

Note 6	Inventory	
USD thousands	2024	2023
Commercial products	229,424	180,390
Prepayments to vendors	771	1,274
Inventory	230,195	181,664
Cost of goods sold exclusive of write-downs	(617,628)	(555,679)
Inventory write-down for the year 1)	(2,227)	(3,337)
Reversal of inventory write-downs for the year due to sale	2,321	3,508
Cost of goods sold	(617,534)	(555,508)

1) Write-downs relate to sales of stock to third parties below acquisition price and provision for obsolescence on slow-moving parts.

Note 7	Trade receivables	
USD thousands	2024	2023
Not due	39,852	26,778
Overdue 1 - 60 days	7,006	9,865
Overdue 61 - 360 days	2,801	3,968
Overdue more than 360 days	1,367	4,175
Gross trade receivables	51,026	44,786
Write-downs at 1 January	(4,122)	(4,105)
Write-down for the year	1,293	(17)
Write-downs at 31 December	(2,829)	(4,122)
Net trade receivables (maximum credit risk)	48,197	40,664

Trade receivables ECL model 31 December 2024

	Current	1-30	31-60	61-90	91-180	181-360	+360	Total
Expected credit loss rate	0.2%	0.5%	1.9%	4.0%	6.7%	18.7%	52%	
USD thousands								
Balance 31 December 2024	39,852	4,024	2,982	2,042	-	759	1,367	51,026
Legally bad debt							303	303
Additional writeoffs							1,432	1,432
Expected credit loss	94	18	55	82	-	142	2,438	2,829

Notes

Trade receivables ECL model 31 December 2023

	Current	1-30	31-60	61-90	91-180	181-360	+360	Total
Expected credit loss rate	0.2%	0.4%	1.4%	2.1%	3.1%	5.2%	7.9%	
USD thousands								
Balance 31 December 2023	26,778	7,552	2,313	494	1,283	2,190	4,175	44,786
Legally bad debt	-	-	-	-	0	53	1,810	1,863
Additional writeoffs							1,651	1,651
Expected credit loss	52	31	31	10	40	167	3,791	4,122

Note 8 Non-cash items and changes in working capital

Non-cash items consist of provisions for obsolescence for slow-moving parts in inventory 1.7 M.USD (5.1 M.USD) and provisions for doubtful debt -1.3 M.USD (0 M.USD).

USD thousands	2024	2023
Change in trade receivables	(7,533)	(3,472)
Change in inventory	(50,196)	(45,717)
Change in other receivables	(8,904)	(302)
Change in trade payables	11,114	15,341
Change in intra-group trade balances	(12,266)	3,120
Change in other liabilities	9,762	1,305
	(58,023)	(29,725)

Note 9 Other receivables

USD thousands	2024	2023
Prepayments to suppliers	1,800	2,563
Derivatives	-	4,913
Other receivables	718	1,084
	2,518	8,560

Note 10 Other liabilities

USD thousands	2024	2023
Prepayments from customers	-	201
Derivatives	10,033	-
Staff related liabilities	6,295	6,321
Other liabilities	227	250
	16,555	6,772

Notes

Note 11 Intangible assets

2024

USD thousands	Distribu- tion rights	Software and other intan- gible assets	Total
Cost at 1 January	57,202	20,048	77,250
Additions	1,159	437	1,596
Disposals	-	-	-
Cost at 31 December	58,361	20,485	78,846
Amortisation, disposals and impairment losses at 1 January	(35,335)	(18,589)	(53,924)
Amortisation	(7,573)	(721)	(8,294)
Disposals	-	-	-
Amortisation and impairment losses at 31 December	(42,908)	(19,310)	(62,218)
Carrying amount at 31 December	15,453	1,175	16,628

As of 31 December 2024 carrying amounts of distribution rights agreements that are material on their own comprise:

- Distribution rights regarding sale of specific product lines amortised fully in year 2025: USD 7.2 million
- Distribution rights regarding sale of specific product lines amortised fully in year 2026: USD 3.7 million
- Distribution rights regarding sale of specific product lines amortised fully in year 2027: USD 2.5 million
- Distribution rights regarding sale of specific product lines amortised fully in year 2028: USD 0.7 million
- Distribution rights regarding sale of specific product lines amortised fully in years 2029-2033: USD 1.1 million
- Distribution rights regarding sale of specific product lines amortised fully in years 2034-2036: USD 0.3 million

2023

USD thousands	Distribu- tion rights	Software and other intan- gible assets	Total
Cost at 1 January	58,231	19,102	77,333
Additions	13,697	946	14,643
Disposals	(14,726)	-	(14,726)
Cost at 31 December	57,202	20,048	77,250
Amortisation, disposals and impairment losses at 1 January	(43,905)	(18,023)	(61,927)
Amortisation	(6,156)	(567)	(6,723)
Disposals	14,726	-	14,726
Amortisation and impairment losses at 31 December	(35,335)	(18,589)	(53,924)
Carrying amount at 31 December	21,867	1,459	23,326

Notes

Note 12 Property, plant and equipment

2024

USD thousands	Land and buildings	Right-of-use Land and buildings	Plant and equipment	Right-of-use Plant and equipment	Total
Cost at 1 January	10,807	2,750	3,079	536	17,172
Additions	36	-	962	322	1,320
Disposals	-	-	(1,031)	-	(1,031)
Cost at 31 December	10,843	2,750	3,010	858	17,461
Depreciation and impairment losses at 1 January	(5,254)	(1,404)	(2,717)	(397)	(9,771)
Depreciation	(213)	(328)	(332)	(121)	(993)
Disposals	-	-	1,018	-	1,018
Depreciation and impairment losses at 31 December	(5,467)	(1,732)	(2,031)	(518)	(9,746)
Carrying amount at 31 December	5,376	1,018	979	340	7,715

2023

USD thousands	Land and buildings	Right-of-use Land and buildings	Plant and equipment	Right-of-use Plant and equipment	Total
Cost at 1 January	10,807	2,750	2,981	536	17,074
Additions	-	-	98	-	98
Cost at 31 December	10,807	2,750	3,079	536	17,172
Depreciation and impairment losses at 1 January	(5,020)	(1,069)	(2,616)	(323)	(9,028)
Depreciation	(234)	(335)	(101)	(74)	(743)
Depreciation and impairment losses at 31 December	(5,254)	(1,404)	(2,717)	(397)	(9,771)
Carrying amount at 31 December	5,554	1,346	362	139	7,401

Notes

Note 13 Investments in subsidiaries

The investments consist of the wholly owned subsidiaries Satair Pte. Ltd., Singapore and Satair UK Ltd., United Kingdom.

USD thousands	2024	2023
Cost at 1 January	51,121	51,121
Carrying amount at 31 December	51,121	51,121

There is no indication of impairment of the investments in subsidiaries as per 31 December 2024.

Note 14 Share capital

The share capital consists of 4,384,196 shares in denominations of DKK 20, corresponding to a total capital of DKK 87,683,920. Translated into historical cost, the share capital amounts to USD 14,475,026. There are no specific rights, preferences or restrictions attached to the shares. The share capital has remained unchanged for 5 years.

USD thousands	Nominal value	Number of shares
Share capital at 31 December 2024	13,138	4,384,196

Note 15 Net cash balance

USD thousands	2024	2023
Cash and cash equivalents	617	-

Satair A/S has credit facilities via the Cash pool with Airbus SE of 209 M.USD of which 204 M.USD are not utilised. The not utilised cash pool facilities are deemed sufficient to secure Satair A/S' ongoing operations.

Notes

Note 16 Financial income and expenses

USD thousands	2024	2023
Financial income		
Interest income 1)	1,059	158
Foreign exchange adjustment	2,073	1,577
	3,132	1,735
Financial expenses		
Other financial expenses	(105)	(107)
Foreign exchange adjustment	(1,473)	(1,824)
	(1,578)	(1,932)
Net income/(expense)	1,554	(197)

1) Relates to Airbus SE (ultimate parent company) and SEB bank

Notes

Note 17 Financial assets and liabilities

Financial risks

Satair A/S' risk management policy

Satair A/S is exposed to changes in foreign exchange rates and interest rates due to its operations, investments and financing. It is Satair A/S' policy not to engage in speculation in financial risks.

Satair A/S engages in hedging of forecasted major cash flows in DKK through currency forward agreements. Cash flows in DKK primarily relate to staff costs and other operating expenses.

Satair A/S will hedge up to 100% of its forecasted DKK cash flows in the nearest 3 future years. All hedging facilities are paid in USD.

Market risk

Currency

Invoicing is done in USD and EUR with USD as the functional currency. Of the total revenue, sales in USD account for approximately 94% and does not represent a currency risk. The remainder has not been hedged.

Supplies are purchased in USD, DKK, EUR, GBP, JPY, CHF, SGD and AED with USD as the primary currency. Purchases in USD account for 89% of total purchases. Hence cash flows related to purchase of supplies have not been hedged.

Satair A/S and its subsidiaries pay most of their own operating costs in local currency, i.e. DKK, SGD and GBP. Assessments and possible cover of the currency risks are done in accordance with the adopted policy and only by means of forward contracts.

A 10% increase of USD against DKK for the financial assets and commitments recognised in the balance sheet will have a positive impact on Satair A/S' profit and shareholders' equity of USD 0.6 million (USD 0.5 million), all other variables being held constant.

Interest rates

Satair A/S' interest rate risk relates to its credit facilities with its ultimate owner Airbus SE. The total net cash amounts to USD 0.6 million (USD 0.0 million).

Capital management

The carrying amount of shareholders' equity is considered to be Satair A/S' capital. Satair A/S' capital structure is characterised by a high equity interest of which the purpose is to ensure stable conditions for the execution of the approved corporate strategy.

Credit risk

Satair A/S is exposed to credit risks related to its receivables and bank deposits. The maximum credit risk corresponds to the book value. No credit risks are found to be associated with cash and cash equivalents, as the counterparts are banks and the parent company, all with good credit ratings. In accordance with the established procedure, outstanding receivables are regularly followed up on by corporate management. If any uncertainty should arise concerning a customer's ability or will to pay a given receivable, and the outstanding balance is found to be risk-prone, write-downs are made to cover this risk.

Satair A/S is using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognised in the profit and loss immediately and is monitored on an ongoing basis until realisation. Historically there has been limited losses on trade receivables. The inputs to the expected credit loss model reflects this. Please see note 7 for specification of the expected credit loss on trade receivables

Liquidity risk

Satair A/S' financial reserves at 31 December 2024 consist of credits taken out with the parent company or with banks.

Categories of financial instruments

Financial assets and liabilities at fair value are related to foreign exchange rate forward contracts which have been valued using a valuation technique with market observable inputs (level 2).

Satair A/S enters into derivative financial instruments with Airbus SE. Foreign exchange forward contracts are valued using market observable inputs. The most frequently applied valuation techniques include forward pricing models using present value calculations. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and Satair A/S' own non-performance risk.

Notes

Note 17 Financial assets and liabilities (continued)

USD thousands	2024	2023
Financial assets measured at amortised cost 1)		
Trade receivables	48,197	40,664
Receivables from intra-group companies and other related parties	43,733	56,518
Other receivables	2,518	8,560
Cash and cash equivalents	617	-
	95,064	105,742
Financial assets measured at fair value 2)		
Derivatives	-	4,913
Financial liabilities measured at amortised cost 1)		
Payables to intra-group companies and other related parties	(13,151)	(17,153)
Trade payables	(62,802)	(51,688)
Non-current part of loans and borrowings	(341)	(2,937)
Current part of loans and borrowings	(2,681)	(5,421)
Tax payable	-	(5,095)
	(78,975)	(82,294)
Financial liabilities measured at fair value 2)		
Derivatives	(10,033)	-
Net financial assets/(liabilities)	6,057	28,361

¹⁾ The carrying amount of financial assets and liabilities measured at amortised cost is a fair approximation of the fair value.

²⁾ Valued using a valuation technique with market observable inputs (level 2).

The financial liabilities are expected to mature within one year except for USD 341k (USD 2,937k) which are expected to mature within 1-5 years. Please see note 20.

Satair A/S has credit facilities in total of 209 M.USD (221 M.USD) of which 204 M.USD (219 M.USD) are not utilised. The not utilised credit facilities are deemed sufficient to secure Satair A/S' ongoing operations.

Notes

Note 18 Derivatives

Satair A/S uses forward contracts to manage the currency risk. Use of forward contracts are included in the company’s risk management. The risk management includes proper identification of the hedged transactions which are related to operating costs in foreign currencies. The risk management includes effectiveness analysis including identification of the transactions which are deemed to be highly probable and presents an actual exposure to affect profit and loss. All derivatives are qualified as effective cash-flow hedging at the balance sheet date. No ineffectiveness regarding cash-flow hedges has occurred in 2024.

As at 31 December 2024, the company had currency hedge commitments for a total of USD 204.2 million (USD 158.0 million) which were made against DKK at an average USD/DKK rate of 667.00. The principal fair value of currency hedging contracts signed at 31 December 2024 amounts to USD 194.2 million (163.0 million). Unrealized loss (fair market value) amounts to USD 10.0 million (USD 4.9 million gain).

The following net outstanding forward contracts at 31 December were used as a hedge of future transactions:

2024

USD thousands	Contract value at year-end	Principal fair value at year-end	Realised gain/(loss)	Unrealised gain/(loss)	Maturity
DKK currency			1,595		2024
DKK currency	92,009	87,508	-	(4,501)	2025
DKK currency	112,175	106,643	-	(5,532)	2026
	204,184	194,151	1,595	(10,033)	

2023

USD thousands	Contract value at year-end	Principal fair value at year-end	Realised gain/(loss)	Unrealised gain/(loss)	Maturity
DKK currency	-	-	(2,456)	-	2023
DKK currency	76,194	79,386	-	3,192	2024
DKK currency	81,851	83,572	-	1,721	2025
	158,045	162,958	(2,456)	4,913	

Notes

Note 19 Lease liabilities

Lease liabilities	Right of use Land and buildings	Right of use Plant and equipment	Total
Balance 1 January 2024	664	235	899
Addition in the year	222	99	321
Unwinding of interest	28	3	31
Payments	-557	-115	-672
Balance 31-12-2024	357	222	579
Lease liabilities, undiscounted			
Less than 1 year	659	100	759
Between 1 and 5 years	223	78	301
Lease liabilities undiscounted 31-12-2024	882	178	1,060
Leasing liabilities recognized on balance			
Current	307	192	499
Non - current	50	30	80
Total	357	222	579
Amount recognized in the income statement			
Depreciation expense of right-of-use-assets	328	121	449
Interest expense on lease liabilities	28	3	31
Total cash outflow for leases in 2024	356	124	480

Lease liabilities	Right of use Land and buildings	Right of use Plant and equipment	Total
Balance 1 January 2023	1,094	347	1,441
Addition in the year		14	14
Unwinding of interest	42	13	55
Payments	-472	-139	-611
Balance 31-12-2023	664	235	899
Lease liabilities, undiscounted			
Less than 1 year	440	133	573
Between 1 and 5 years	423	128	551
Lease liabilities undiscounted 31-12-2023	863	261	1,124
Leasing liabilities recognized on balance			
Current	398	141	539
Non - current	266	94	360
Total	664	235	899
Amount recognized in the income statement			
Depreciation expense of right-of-use-assets	335	74	409
Interest expense on lease liabilities	42	43	85
Total cash outflow for leases in 2023	377	117	494

Notes

Note 20 Changes in liabilities arising from financing activities

2024 - USD thousands	1 January	Cash flows	Other	31 December
Current interest bearing loans & borrowings	5,421	(6,571)	3,831	2,681
Non-current interest bearing loans & borrowings	2,937	-	(2,596)	341
Total liabilities from financing activities	8,358	(6,571)	1,235	3,022

2023 - USD thousands	1 January	Cash flows	Other	31 December
Current interest bearing loans & borrowings	1,624	(2,671)	6,468	5,421
Non-current interest bearing loans & borrowings	527	-	2,410	2,937
Total liabilities from financing activities	2,151	(2,671)	8,878	8,358

Notes

Note 21 Fees to auditors elected at the Annual General Meeting

USD thousands	2024	2023
Audit services	155	153
Other assistance	1	1
	156	154

Note 22 Transactions with related parties

The sole shareholder of Satair A/S, Airbus SAS, has controlling influence in the company. The ultimate controlling company of Satair A/S is Airbus SE. Please refer to Note 29 for relationship information.

USD thousands	2024	2023
Trade		
Sales to intra-group companies 1)	208,404	195,666
Purchase from intra-group companies 1)	(164,405)	(138,538)
Sales to related parties 2)	44,758	43,865
Purchase from related parties 2)	(37,222)	(43,734)
	51,534	57,260
Balances		
Receivables from intra-group companies 1)	35,742	20,809
Payables to intra-group companies 1)	(12,963)	(14,987)
Receivables from related parties 2)	5,734	12,403
Payables to related parties 2)	(188)	(2,166)
Cash pool with Airbus SE	2,257	23,306
	30,582	39,365

¹⁾ Relates to Satair Group entities including the related party Satair USA Inc. Please refer to note 29 for further information.

²⁾ Relates to other Airbus Group entities

Please refer to Note 4 for further information on Management Fee.

Please refer to Note 5 for further information on transactions with Management.

Please refer to Note 17 for further information on financial income from and expenses to intra-group companies and related parties.

Satair A/S participates in a cash pool agreement within the Airbus Group. Airbus SE is the cash pool master and Satair A/S is a sub-account holder together with the group's other affiliated companies. Satair A/S' accounts in the cash pool agreement, which are included in the Annual Report under receivables and payables to related parties, amounts to 2,257 T.USD as of 31 December 2024. (2023: 23,306 T.USD.)

Airbus SE sweeps excess cash out of the individual bank accounts to the cash pool master accounts on a daily basis.

Notes

Note 23 Income taxes

USD thousands	2024	2023
Current tax on profit/(loss) for the year	6,676	5,095
Deferred tax on profit/(loss) for the year	4,113	6,925
Adjustments current tax regarding previous years	193	-
Adjustments deferred tax regarding previous years	0	-
Income taxes	10,982	12,020
Tax specification		
Tax charged to the income statement	10,982	12,020
Tax charged to the equity	(3,288)	1,218
	7,694	13,239
Reconciliation of tax percentage		
Danish tax percentage	22.0%	22.0%
Tax effect from previous years	0.1%	0.1%
Effective tax percentage	22.1%	22.1%

Note 24 Deferred tax

USD thousands	2024	2023
Deferred tax (assets)/liabilities at 1 January	(2,436)	(10,579)
Deferred tax on profit/(loss) for the year	4,113	6,925
Tax on other comprehensive income/equity	(3,288)	1,218
Deferred tax regarding previous years	0	-
Deferred tax (assets)/liabilities at 31 December	(1,611)	(2,436)
Deferred tax specification		
Tax loss carry forward	-	(4,363)
Property, plant and equipment	369	349
Derivatives	(2,207)	1,081
Other	227	496
	(1,611)	(2,436)

Minimum Tax rate (Minimumsbeskatningsloven)

In 2023, the Danish Parliament passed the Minimum Taxation Act (Minimumsbeskatningsloven) and thereby implemented the EU Minimum Tax Directive. The Directive is based on the OECD's Global Anti-Base Erosion ("GloBE") rules, often referred to as "Pillar Two". Satair A/S is subject to the Minimum Taxation Act as we are part of Airbus SE with group revenues above 750 M.EUR.

Denmark has implemented a Qualified Domestic Minimum Top-Up Tax (QDMTT) rule effective January 1st, 2024. Accordingly, Transitional Country-By-Country Report (CbCR) Safe Harbours tax law applies in financial years 2024 to 2026. Based on the Airbus group assessment of the QDMTT rules, no top-up tax is due in Denmark for FY 2024 because at least one Transitional CbCR Safe Harbour test is met at country level. Satair A/S has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Notes

Note 25

Contingent liabilities

Satair A/S has issued a guarantee of USD 4.2 million for its subsidiary Satair UK Ltd. related to a lease agreement.

Satair A/S has guaranteed a bank debt of USD 60 thousands as a security of delivery of certain spare parts to one specific customer.

Note 26

Pledges and security

A mortgage bond registered to Satair A/S at a total value of DKK 30 million (DKK 30 million) equal to USD 4.2 million has been issued and is in the company's possession.

Note 27

Commitments

At 31. December 2024, Satair A/S had commitments of USD 3,242 thousands (2023: USD 2,434 thousands) relating to SAP, hosting, backup, communication and similar IT related services. USD 3,214 thousands fall due within 1 year and USD 28 thousands fall due after more than 1 year.

Notes

Note 28 Events after the reporting period

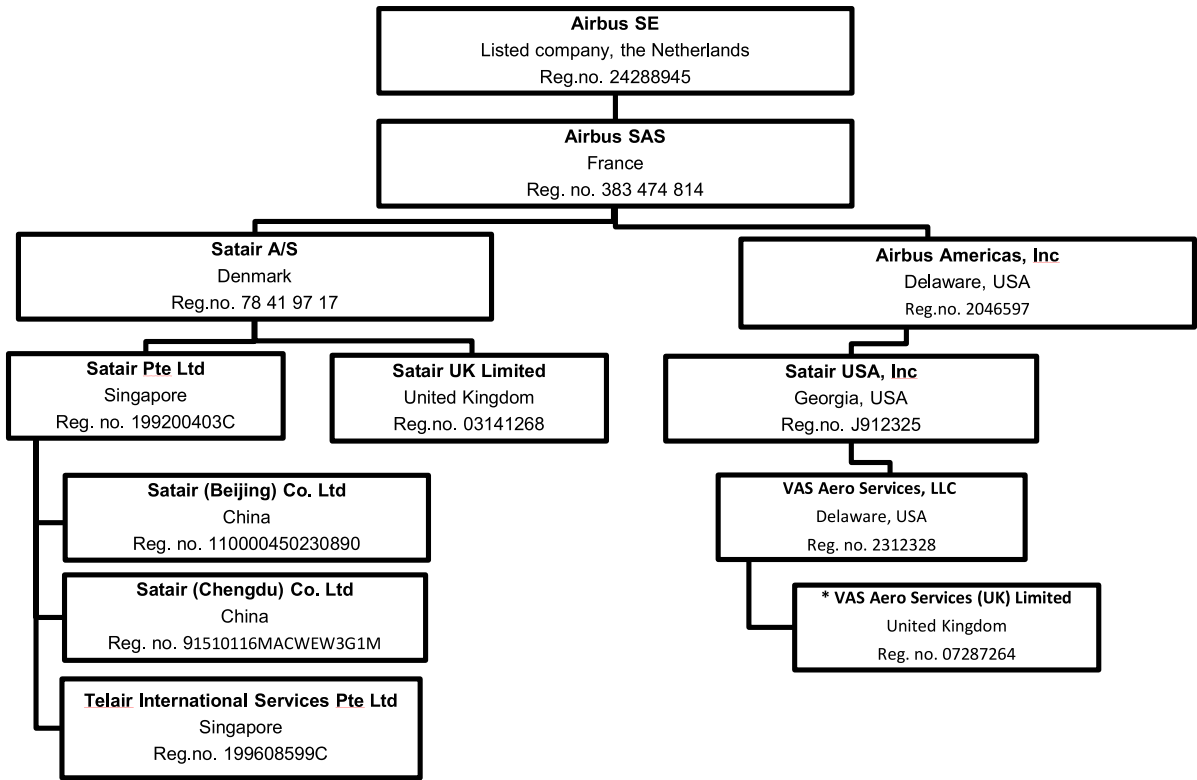
Satair A/S is not aware of any events subsequent to 31 December 2024, which are expected to have a material impact on the financial position as reflected in the Financial Statement for 2024. The current forecast for 2025 indicates that a going concern assumption is appropriate.

Satair A/S has in May 2025 signed a 10-year contract for the lease of 20,414 square meters of warehouse and office space in Greve effective from July 1st, 2025. The new warehouse shall replace our current warehouses in Denmark when it is fully operational. Further, Satair A/S has in May, 2025 signed a 10-year contract for the lease of 8,307 square meters of office space in Copenhagen effective from April 1st, 2026. The new office - together with the office space in Greve - shall replace all of our current offices in Denmark when fully operational. Our 3 buildings in Kastrup with combined warehouse and office space of 9,151 square meters, which we currently own, shall be held for sale and sold on market terms.

Note 29 Subsidiaries

USD thousands (2023 figures)	Country	Ownership	Net profit	Equity
Subsidiaries				
Satair UK Ltd.	United Kingdom	100%	1,544	10,608
Satair Pte. Ltd.	Singapore	100%	20,618	111,734

Legal structure including related group companies



*VAS Aero Services (UK) Limited entity with Reg.no. 07287264 is dissolved as of 28 January 2025.

Definitions

The key figures and ratios are calculated as stated below:

Gross margin, %	$\frac{\text{Gross profit/(loss)} \times 100}{\text{Revenue}}$
SG&A margin, %	$\frac{\text{Selling, General and Administrative expenses} \times 100}{\text{Revenue}}$
EBITDA margin, %	$\frac{\text{Profit/(Loss) before depreciation and amortisation (EBITDA)} \times 100}{\text{Revenue}}$
EBIT margin, %	$\frac{\text{Operating profit/(loss) (EBIT)} \times 100}{\text{Revenue}}$
Return on equity, %	$\frac{\text{Net profit/(loss) for the year} \times 100}{\text{Average equity} - \text{Minorities}}$
Equity ratio, %	$\frac{\text{Total equity} \times 100}{\text{Total assets}}$
Net interest-bearing receivables/(debt)	Cash and cash equivalents +/- Loan and borrowings - Interest-bearing intra-group receivables/payables +/- Interest-bearing related parties receivables/payables
Free cash flow	Cash flow from operating activities - Cash flow from investing activities