M&A VALUE CREATION FRAMEWORK

SWISSPORT INTERNATIONAL

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EXECUTIVE SUMMARY

OVERVIEW

SUMMARY

Swissport has successfully completed its post-pandemic recovery phase, restoring profitability and operational stability across its global network. With revenues exceeding €3.7 billion in 2024 and an EBITDAR margin of 12.4%, the company has reached a new performance baseline, supported by disciplined execution under private equity ownership. The operational dashboard confirms a strong rebound, yet external forecasts indicate that organic growth will remain modest: Fitch projects an EBITDAR CAGR of only around 5% between 2024 and 2027, driven by mild ground handling and cargo volume growth with stable pricing.

In this context, the next phase of Swissport's value creation will rely less on cyclical recovery and more on strategic, selective expansion. The company's current leverage, while stable, limits the feasibility of large-scale, debt-financed acquisitions. However, targeted bolt-on transactions and partnerships can deliver meaningful operational and financial synergies within manageable capital constraints.

Swissport's private equity ownership framework inherently prioritizes active portfolio management and inorganic growth. Historically, M&A has been a proven lever for expansion and diversification, establishing Swissport's global leadership position. The same mechanism now becomes the logical driver of the company's next development stage, but within clear boundary conditions emphasizing capital discipline and integration efficiency.

The strategic outlook therefore focuses on three actionable M&A dimensions:

1. **Operational Consolidation** in mature markets to strengthen network density and unlock efficiency gains.
2. **Selective Expansion** in high-growth emerging regions through partnerships, minority stakes, or joint ventures.
3. **Capability Enhancement** via technology acquisitions that accelerate digital transformation and support sustainability goals.

Together, these initiatives align directly with Swissport's corporate strategy pillars, particularly Safety and Operational Excellence and Global Service Coverage, ensuring that future acquisitions reinforce core strengths rather than dilute focus.

Swissport is thus entering a phase of disciplined consolidation, balancing growth ambitions with financial prudence. M&A will remain a central value-creation lever, executed through targeted, scalable, and synergy-driven investments that sustain profitability and strategic relevance in a maturing aviation services market.

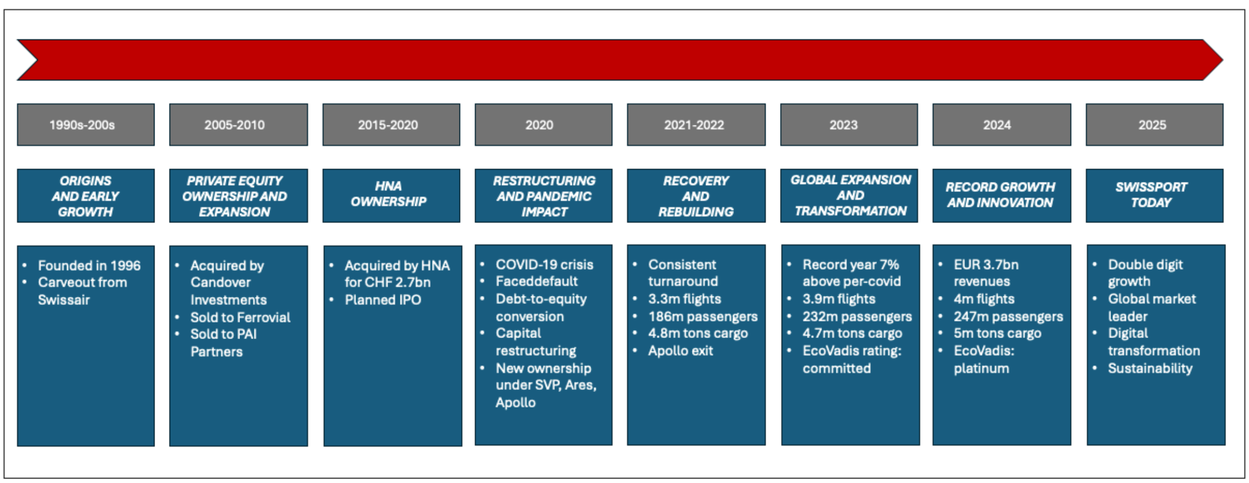
ANALYTICAL ROADMAP OVERVIEW

The strategic roadmap follows a logical and data-driven progression, building from historical context to actionable strategic options:

1. **Historical Context** – Reviews Swissport's evolution and performance over time, highlighting how past M&A and operational restructuring shaped today's footprint.
2. **Service Portfolio** – Defines the scope and segmentation of Swissport's operations, clarifying the company's core business model and value proposition across services.
3. **Financial and Capital Structure** – Assesses key metrics such as EBITDAR, gross debt, leverage ratio, and credit rating to establish financial capacity and constraints.
4. **Market Position and Competitiveness** – Evaluates Swissport's market share, network coverage, and comparative positioning across regions and service lines.
5. **Strategic Framework** – Integrates operational, financial, and strategic findings to pinpoint the company's status and readiness for the next growth phase. Introduces the 2025–2030 strategy model, structuring thinking around six core strategic pillars.
6. **M&A Strategic Themes** – Translates the framework into actionable strategic directions for inorganic growth.
7. **Targets Identification** – Highlights specific M&A candidates aligned with Swissport's strategic pillars, capital structure, and global network objectives.

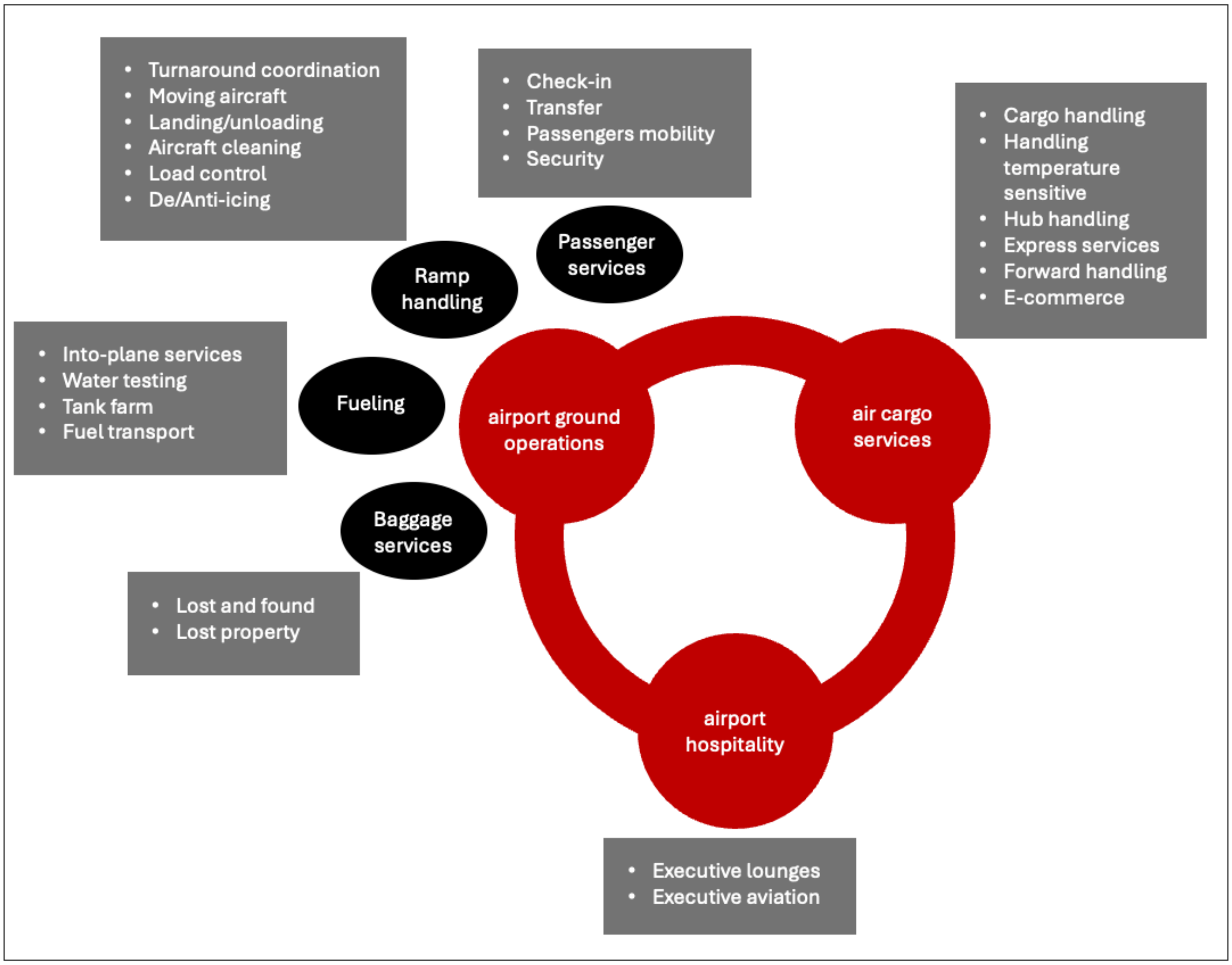
HISTORICAL CONTEXT

The chart below illustrates Swissport's corporate evolution, highlighting the major ownership transitions, strategic milestones, and performance phases that have shaped the company's current position. It traces the journey from its origins and early expansion through successive private equity cycles, the pandemic recovery, and the ongoing transformation under current ownership. Each stage marks a distinct shift in focus, from consolidation and restructuring to growth, digital innovation, and renewed strategic direction leading to Swissport's present configuration.



SERVICE PORTFOLIO

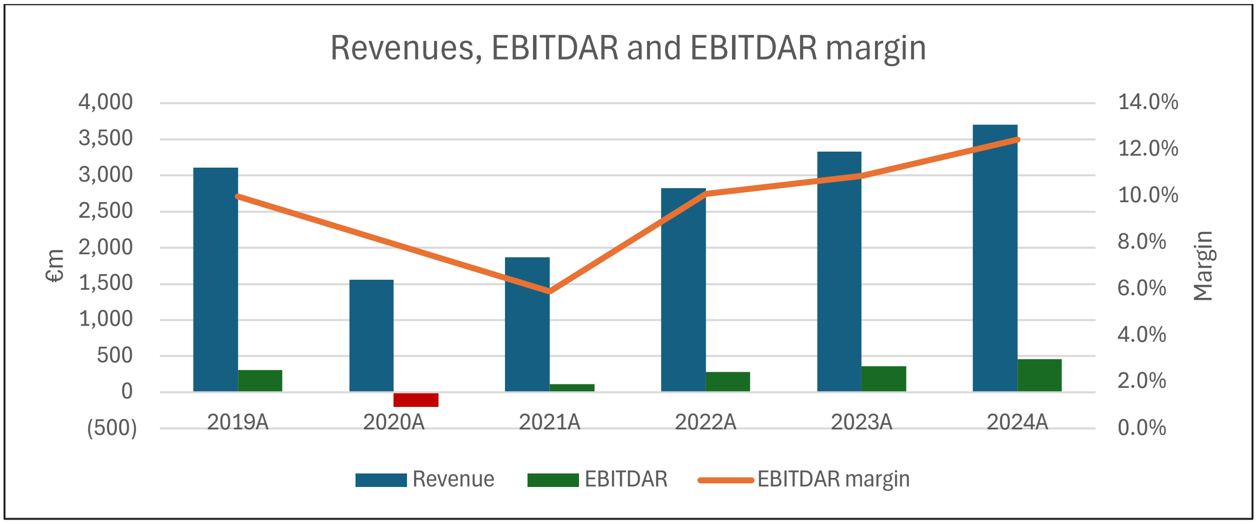
The diagram below provides an overview of Swissport's integrated service portfolio, illustrating how its core business areas are interconnected within the company's operating model. It highlights the three main pillars of activity, airport ground operations, air cargo services, and airport hospitality, supported by specialized services such as ramp handling, passenger and baggage handling, fueling, and executive aviation. Together, these segments form a comprehensive and synergistic service offering that enables Swissport to serve airlines, airports, and passengers across the entire airport value chain.

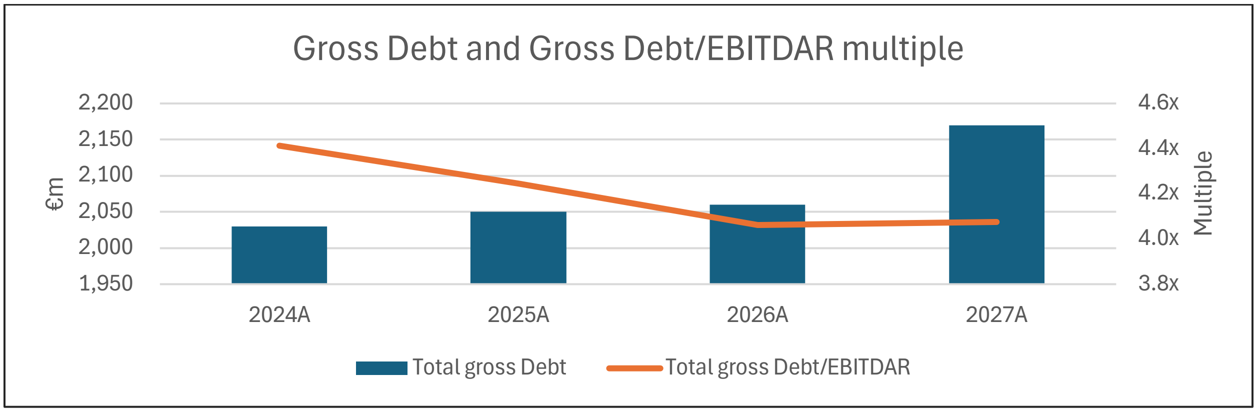


FINANCIAL AND CAPITAL STRUCTURE

The charts below illustrate Swissport's financial performance and capital structure over recent years. The first chart shows the company's revenue, EBITDAR, and EBITDAR margin from 2019 to 2024, highlighting the strong recovery from the pandemic and the steady improvement in profitability. The second chart presents the evolution of gross debt and the gross debt-to-EBITDAR multiple from 2024 to 2027, showing a stable leverage profile with moderate increases aligned with expected moderate growth. Together, these figures outline Swissport's return to financial stability and its capacity to sustain disciplined investment and selective expansion under its current capital structure.

As of 2024, Swissport's total gross debt stands at approximately EUR 1.65 billion, supported by a balanced funding mix and solid liquidity. The company's financial instruments are rated BB- at the financial SPV level and BB+ for the term loan B facility, reflecting a stable outlook and consistent deleveraging trajectory since post-pandemic restructuring.





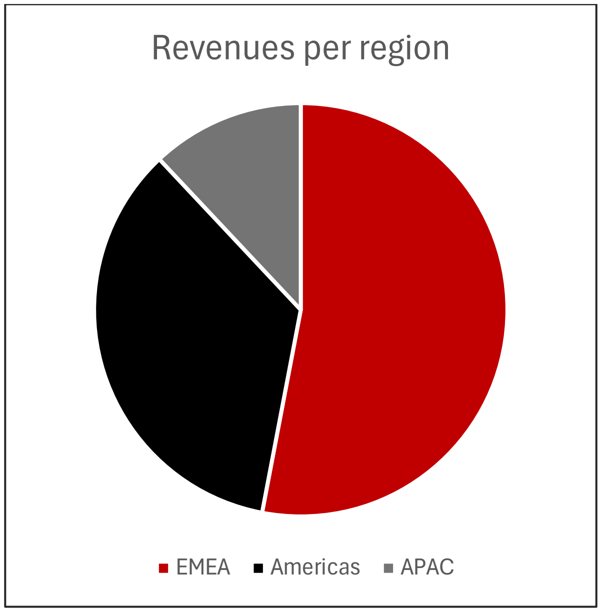
Based on the peer group analysis of comparable aviation ground handling and cargo service providers, including Çelebi Hava Servisi, Menzies Aviation, WFS, dnata, and SATS (full analysis in the appendix), a reasonable valuation range for Swissport lies around 7.2x EV/EBITDA and 6.4x EV/EBITDAR. Applying these multiples to Swissport's 2024 financials (EBITDA of €415 million and EBITDAR of €460 million) results in a consistent enterprise value of approximately €3.0 billion under both approaches. This valuation reflects Swissport's position as the global leader in aviation services, with improving margins, stable leverage, and resilient post-pandemic performance. It aligns with the upper end of the sector range (6–8x EV/EBITDA) given the company's scale, diversification, and strengthened balance sheet.

MARKET POSITION AND COMPETITIVENESS

As of 2025, Swissport remains the global leader in airport ground and cargo handling services, maintaining a strong position across all major aviation markets:

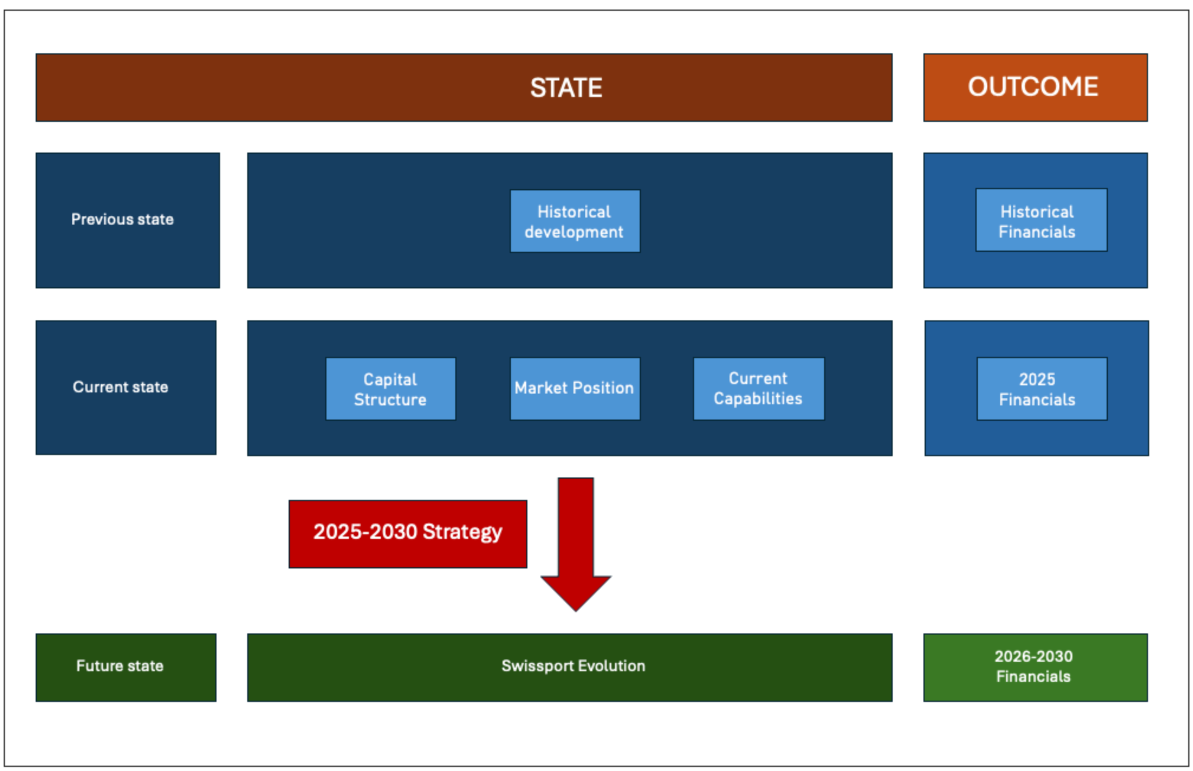
- Holds an estimated **15% global market share** in **ground handling** services.
- Controls roughly **13% of the global air cargo handling** market.
- Operates at over **300 airports in 45+ countries**, serving more than **800 airlines worldwide**.

The chart below shows the distribution of Swissport's revenues by region, illustrating the company's strong concentration in EMEA, which accounts for just over half of total revenues. The Americas represent the second-largest share, while the APAC region contributes a smaller but growing portion. This geographic mix reflects Swissport's established market presence in Europe and ongoing diversification efforts across emerging and higher-growth regions.

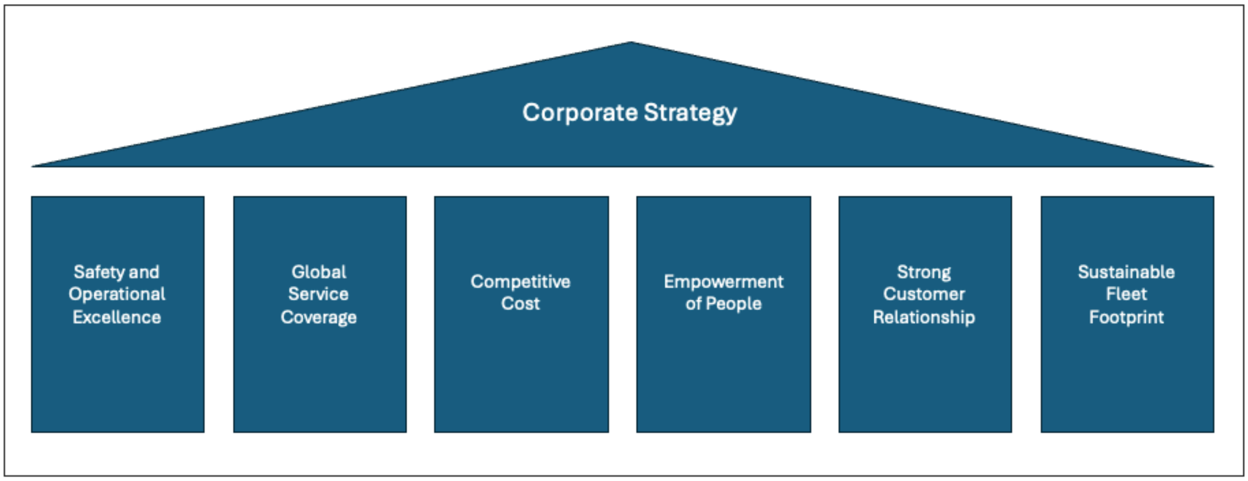


STRATEGIC FRAMEWORK

The diagram below illustrates the analytical framework used to define Swissport's strategic roadmap. It connects the company's historical development and financial performance with its current structure, market position, and operational capabilities. This provides a clear foundation for formulating the 2025–2030 strategy, which acts as the transition mechanism guiding Swissport's evolution toward its future state. The framework links past and present conditions to anticipated outcomes, ensuring that strategic planning is grounded in evidence and aligned with measurable financial and operational goals.



The figure below presents Swissport's corporate strategy structured around six strategic pillars. These pillars define the company's long-term direction and operational priorities, guiding how resources, investments, and initiatives are aligned across the global network. Together, they represent the foundation of Swissport's business model, balancing operational excellence, financial discipline, customer focus, and sustainability, to ensure consistent performance and long-term value creation.



STRATEGIC LINKAGE BETWEEN CORPORATE STRATEGY AND M&A THEMES

Swissport's six strategic pillars directly impact its acquisition agenda.

- **Safety and Operational Excellence** – reinforced through *digital and technology acquisitions* that enhance safety monitoring, automation, and turnaround efficiency.
- **Global Service Coverage** – advanced by *acquisition of regional cargo handlers* and *expansion into emerging markets* to strengthen the global network and access high-growth geographies.
- **Competitive Cost** – the current strategy emphasizes *outsourcing*; therefore, M&A should remain *opportunistic*, focusing on selective *integration of airport services* and *consolidation among competitors* where clear cost synergies exist.
- **Empowerment of People** – primarily achieved through internal initiatives rather than M&A, focusing on leadership development, workforce engagement, and cultural alignment across the network.
- **Strong Customer Relationships** – as with cost efficiency, M&A plays a *limited, opportunistic* role; partnerships or joint ventures in *hospitality and lounge services* can deepen collaboration with airlines but are not a core M&A priority.
- **Sustainable Fleet Footprint** – supported by *technology-driven acquisitions and partnerships* that accelerate the transition to low-emission equipment and energy-efficient infrastructure.

M&A STRATEGIC THEMES AND TARGET IDENTIFICATION

The table below summarizes the alignment between Swissport's strategic M&A themes and the three identified target companies. It highlights how each potential acquisition, or partnership supports different elements of Swissport's strategic agenda, from regional consolidation and operational integration to expansion in emerging markets and digital transformation. This mapping helps prioritize opportunities based on strategic fit, synergies, and overall contribution to Swissport's long-term growth objectives.

Strategic Theme	Goldair Handling	AeroGround München	NAS (Kuwait)
Acquisition of regional cargo handlers	✅	–	✅
Integration of airport services	✅	✅	–
Expansion into emerging markets	–	–	✅
Digital and technology acquisitions	–	✅	–
Hospitality and lounge network consolidation	–	–	✅
Selective consolidation among competitors	✅	✅	–

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SWISSPORT GROUP OVERVIEW AND ANALYSIS

COMPANY'S HISTORY

ORIGINS AND EARLY GROWTH (1990s–2000s)

- Swissport traces its roots to "Swissair Ground Services International AG", which was legally incorporated on 16 August 1996.
- The founding was part of the disentanglement of ground-handling operations from Swissair, to allow a dedicated ground services business.
- From those beginnings in Switzerland (e.g. Zurich, Geneva, Basel), Swissport grew both organically and via acquisitions to expand globally.
- Through the 2000s, the company acquired or integrated smaller ground handling and cargo operations in multiple countries to build scale.

PRIVATE EQUITY OWNERSHIP AND EXPANSION

- At some point after Swissair's decline, Swissport changed hands. It was acquired by Candover Investments (a British private equity firm) in the early 2000s.
- Later, Swissport was sold to Ferrovial, a Spanish infrastructure and services conglomerate, in 2005.
- Under Ferrovial, Swissport continued to expand through acquisitions. For example, during Ferrovial's hold, Swissport acquired Flightcare (in Spain/Belgium), IAS (Costa Rica), and later the competitor Servisair (a significant consolidation move).
- In late 2010, Ferrovial sold Swissport to PAI Partners, a French private equity firm, for about €654 million.
- Under PAI's ownership, Swissport continued consolidating in Europe and Latin America, growing its network and scale.

HNA OWNERSHIP (2015–2020)

- Swissport was acquired by HNA Group (China) in 2015 for CHF 2.7 billion.
    - The acquisition aimed to create synergies with HNA's airline and airport portfolio, strengthening Swissport's reach in Asia.
    - However, HNA's over-leveraged balance sheet and global investment difficulties led to financial distress by 2019.

- Swissport planned an IPO on the SIX Swiss Exchange in 2018 but postponed it due to volatile markets.
    - During this period, Swissport continued modernizing operations, expanding its air cargo network and lounge business (Aspire).

RESTRUCTURING AND PANDEMIC IMPACT (2020)

- By 2020, HNA itself was collapsing under debt, and Swissport's revenues collapsed due to COVID-19 (aviation shutdowns).
- Swissport could no longer meet its debt covenants and repayment terms.
- To avoid bankruptcy liquidation, Swissport entered a creditor-led restructuring in late 2020
- This process converted debt into equity, creditors (lenders and bondholders) became the new owners.
- The new controlling investors included: SVP (Strategic Value Partners) 47%, Ares Management 15%, Apollo, TowerBrook, Cross Ocean, and King Streetand other institutional creditors.
- They took control of Swissport's shares, effectively wiping out HNA's ownership.
- Swissport's existing debt was reduced or restructured.
- The company received fresh capital to stabilize operations.
- The restructuring allowed Swissport to avoid insolvency and continue operating (a "going concern" outcome rather than liquidation).
- Today Apollo isn't listed anymore among the investors.

RECOVERY AND REBUILDING (2021–2022)

- Under new ownership, Swissport implemented a turnaround and growth plan under CEO Warwick Brady (appointed 2021).
- 2022 marked the company's return to growth:
    - Air traffic rebounded strongly as pandemic restrictions eased.
    - Swissport handled 3.3 million flights, 186 million passengers, and 4.8 million tons of cargo across 292 airports and 45 countries.
    - The workforce expanded to 60,000 employees, with over 44,000 new recruits trained during the rapid global aviation relaunch.
    - Focus areas: ramp-up efficiency, safety culture (via SHIP – Safety & Health Improvement Program), and digitalization.

GLOBAL EXPANSION AND TRANSFORMATION (2023)

- 2023 was a record year, with revenues 18% above 2022 and 7% ahead of pre-COVID levels.
- Swissport became the world's largest aviation ground services company, holding 15% of the ground handling and 12% of air cargo markets.
- Key operational highlights:
    - 232 million passengers, 3.9 million flights, and 4.7 million metric tons of cargo handled across 286 airports in 44 countries.
    - Launch of joint ventures in Saudi Arabia (Asyad Holding) and Germany (Düsseldorf Airport).
    - Improvement in safety metrics (LTIFR down 11%) and adoption of EcoVadis ESG ratings, achieving "Committed" status.
    - Governance strengthened with independent non-executive directors and ESG oversight committees

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RECORD GROWTH AND INNOVATION (2024)

- Revenue: €3.7 billion (+11% YoY; +19% vs. 2019 pre-pandemic).
- Operational scale:
  - 247 million passengers, 4 million flights, 5 million tons of cargo, 279 airports, 117 cargo centers, and 78 Aspire Lounges.
  - Workforce: 62,000 employees in 45 countries.
- Major achievements:
  - New Frankfurt Airport license (7-year term), new Qantas contract in Melbourne, and operations at Palma de Mallorca.
  - Innovation: Launch of AI-powered "Matchbox" passenger verification and OpenCargoLab collaboration with Airbus.
  - Sustainability: Achieved EcoVadis Platinum status (Top 1%), 55% fleet electrification target by 2032, and net-zero by 2050.
- Strategic positioning: Swissport rebranded itself as a fully integrated aviation services platform, spanning ground operations, cargo, and hospitality.

SWISSPORT TODAY (2025 OUTLOOK)

- Swissport continues to deliver double-digit growth, with record performance in all major lines of business.
- It is positioned as:
  - The global market leader in aviation ground services.
  - A benchmark in safety, ESG, and operational excellence.
  - A trusted partner to over 850 airline customers worldwide.
- Focus areas for 2025 and beyond:
  - Accelerating digital transformation, AI-driven cargo and passenger solutions, and sustainable fleet transition.
  - Deepening global partnerships and expanding the Aspire Lounge network (11 new openings planned for 2025).

SERVICES PORTFOLIO

Swissport offers a comprehensive portfolio of aviation ground services designed to ensure safe, efficient, and seamless operations for airlines and passengers across its global network. The company's service portfolio spans the entire airport value chain, from passenger check-in and baggage handling to aircraft turnaround, fueling, and cargo logistics. The table below outlines Swissport's key service categories and core activities within each, demonstrating its role as a one-stop partner for end-to-end airport and aviation solutions.

Service Category	Key Services
Passenger Services	1) Check-in and gate services 2) Transfer assistance 3) Passengers with reduced mobility (PRM) support 4) Security screening and boarding services
Ramp Handling	1) Turnaround coordination and airline supervision 2) Aircraft movement (pushback and towing) 3) Loading and unloading 4) Aircraft cleaning 5) Load control 6) De-/anti-icing operations

Fueling Services	1) Into-plane fueling and defueling 2) Water testing and quality control 3) Tank farm management 4) Fuel transportation logistics
Baggage Services	1) Baggage sorting and transport 2) Lost and found management 3) Lost property services and customer support
Cargo Handling	1) General and special cargo handling 2) Temperature-controlled and perishable goods management 3) Hub handling for transfer cargo 4) Express and courier shipments 5) Forwarder handling; e-commerce logistics
Lounge & Executive Aviation	1) Executive lounges for premium and business passengers 2) Dedicated executive and VIP aviation handling services

FINANCIAL PERFORMANCE

HISTORICAL FINANCIALS

The tables below reconstruct Swissport's historical financials (2019–2024) based on publicly available information. Figures are drawn from Swissport's company reports, Fitch Ratings, S&P Global Ratings (Radar Bidco/Topco), and other public disclosures. Where data was not explicitly reported, values have been interpolated or estimated to ensure internal consistency across revenue, profitability, leverage, and cash flow metrics.

- Blue values indicate input data taken directly from public sources.
- Black values are calculated formulas derived from other figures.
- Brown values represent inputs where the underlying source was not clearly disclosed, and the numbers are therefore informed estimates.

All figures are in EUR millions and rounded for readability.

INCOME STATEMENT

Fiscal year	**2019A**	**2020A**	**2021A**	**2022A**	**2023A**	**2024A**
Ground operations	2,408.3				2,432.4	2,700.0
Ground operations growth						11.0%
Cargo services	525.2				803.6	900.0
Cargo services growth						12.0%
Hospitality	175.7				97.3	100.0
Hospitality growth						
Revenue	3,109.2	1,554.6	1,865.5	2,824.9	3,333.3	3,700.0
Revenue growth	4.7%	-50.0%	20.0%	51.4%	18.0%	11.0%
EBITDAR	310.9	(200.0)	110.0	285.0	362.0	460.0
EBITDAR margin	10.0%	-12.9%	5.9%	10.1%	10.9%	12.4%
EBITDA	272.3			240.0	317.0	415.0
EBITDA margin	8.8%			8.5%	9.5%	11.2%

BALANCE SHEET

Fiscal year	2019A	2020A	2021A	2022A	2023A	2024A
Cash	250.0	500.0	450.0	400.0	370.0	470.0
Gross Debt	2,600.0	1,500.0	1,550.0	1,600.0	1,130.0	1,650.0
Gross Debt/EBITDAR	8.4x	–	14.1x	5.6x	3.1x	3.6x
Net Debt	2,350.0	1,000.0	1,100.0	1,200.0	760.0	1,180.0
Net Debt/EBITDAR	7.6x	–	10.0x	4.2x	2.1x	2.6x

CASHFLOW

Fiscal year	2019A	2020A	2021A	2022A	2023A	2024A
WC absorption				23.0	23.0	23.0
CAPEX				74.0	87.0	96.0
Pre-interest FCF				226.0	266.7	296.0
Pre-interest FCF conversion				8.0%	8.0%	8.0%
FCF				50.8	43.3	48.1
FCF conversion				1.8%	1.3%	1.3%

Figure 1 shows Swissport's revenue and EBITDAR (Earnings Before Interest Tax Depreciation Amortization Rent) margin from 2019 to 2024.

- **Revenue (blue bars)** dropped sharply in 2020 due to the COVID-19 impact, then recovered steadily each year, reaching around €3.7 billion in 2024, surpassing pre-pandemic levels.
- **EBITDAR (green bars)** followed the same recovery path, collapsing in 2020 but turning positive again from 2021 onward, driven by volume recovery, cost control, and operational efficiency, reaching record levels by 2024.
- **EBITDAR margin (orange line)** followed a similar trajectory, falling deep into negative territory in 2020 (not displayed) but improving consistently thereafter, turning positive in 2021 and reaching roughly 12–13% in 2024.

Overall, the chart highlights Swissport's strong post-pandemic recovery, driven by revenue growth and improved operational profitability.

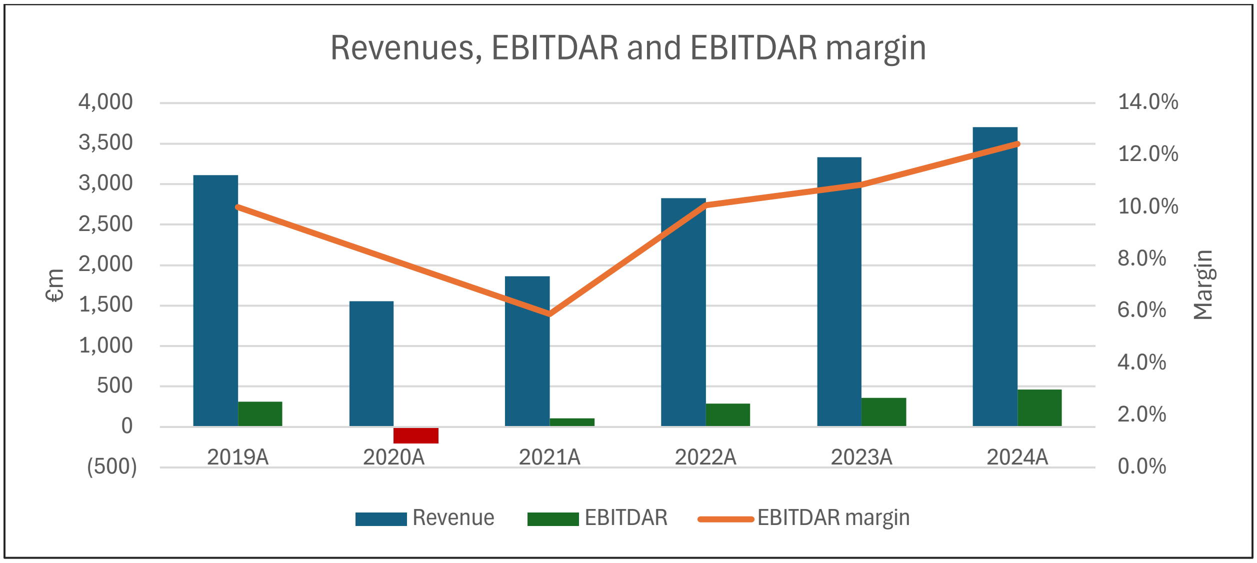


Figure 1: Revenues and EBITDA margin

Figure 2 illustrates Swissport's Net Debt and Net Debt/EBITDAR multiple from 2019 to 2024.

- **Net Debt (blue bars)** peaked in 2019 at around €2.5 billion, then dropped sharply in 2020 as the company restructured and reduced leverage. It has since remained stable between €1.0–1.2 billion.
- The **Net Debt/EBITDAR multiple (orange line)** spiked in 2021 due to depressed earnings during recovery but steadily declined through 2024, approaching roughly 2x leverage, reflecting stronger profitability and improved credit metrics.

Overall, the chart shows Swissport's significant deleveraging and financial strengthening, supported by the post-pandemic recovery in EBITDAR.

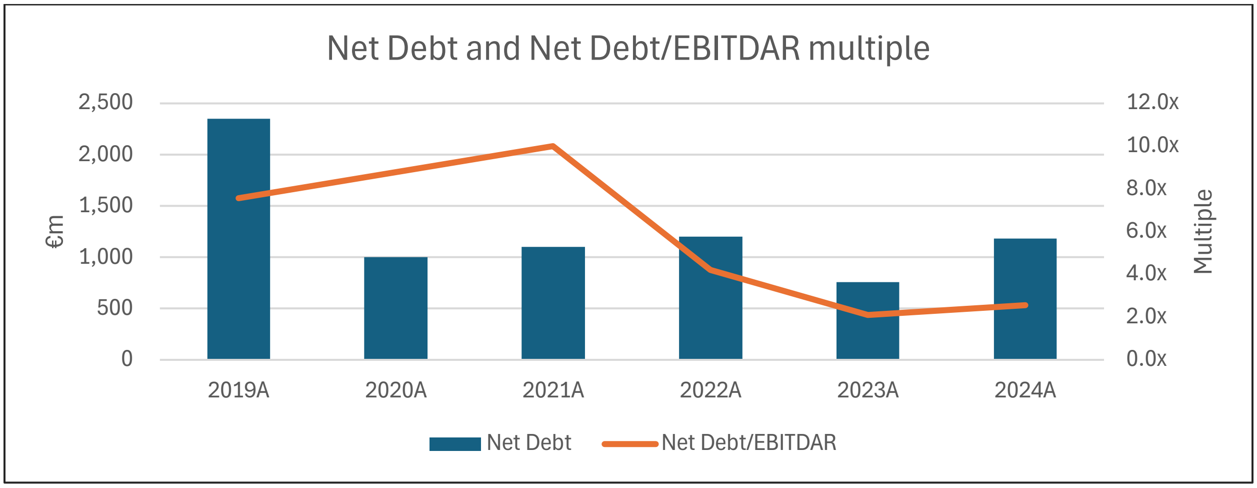


Figure 2: Net Debt and Net Debt/EBITDAR multiple

EBITDAR

EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortization, and Rent) is a more meaningful profitability measure for Swissport than EBITDA because Swissport operates an asset-light, lease-intensive business model across hundreds of airports. The company leases most of its terminals, warehouses, and equipment, making rent one of its largest recurring costs. By excluding rent, EBITDAR reveals Swissport's true operational performance without distortions from differing lease structures or accounting effects (e.g., IFRS 16). It also provides a clearer view of cash generation, comparability across regions and peers, and a better base for leverage and credit analysis, since rent obligations are economically similar to debt service.

Key Points:

1. **Lease-Heavy Business Model**
   Swissport leases nearly all of its airport facilities and equipment, so rent is a major cost driver. EBITDAR adds back these lease expenses, isolating performance from contractual rent variations.
2. **Clearer Operational Profitability**
   It shows the underlying efficiency of ground and cargo handling operations by stripping out rent, depreciation, and amortization, focusing purely on operational results.
3. **Improved Comparability**
   Different airports and countries use different concession and lease models. EBITDAR removes this distortion, enabling fair performance comparison across Swissport's 279-airport network.
4. **Better Credit and Leverage Indicator**
   Investors and lenders use EBITDAR to assess Swissport's ability to generate cash and meet obligations, especially since rent commitments resemble financial debt.
5. **IFRS 16 Adjustment Neutralization**
   Under IFRS 16, rent is split into depreciation and interest, artificially inflating EBITDA. EBITDAR reverses this accounting impact, giving a more accurate and consistent metric.
6. **Alignment with Industry Practice**
   EBITDAR is the standard metric for airport service providers, as it normalizes results across varying airport concession models and lease structures, making Swissport comparable to its peers.

FITCH MODEL

This section presents the reverse engineering of the financial model used by Fitch Ratings to assess the credit profile of Radar BidCo (Swissport's holding entity) and the associated issued credit facilities. The analysis reconstructs Fitch's underlying leverage, coverage, and cash flow metrics, particularly Gross Debt/EBITDAR, Net Debt/EBITDAR, and Free Cash Flow to Debt, based on publicly available financial disclosures and rating commentary. The objective is to align Swissport's reported figures with Fitch's adjusted methodology, which incorporates IFRS 16 lease liabilities, operating adjustments, and normalizations for non-recurring items, in order to approximate the rating agency's credit assessment framework.

INCOME STATEMENT

Fiscal year	2024A	2025P	2026P	2027P
Ground operations	2,700.0	2,760.0	2,852.7	2,949.3
Ground operations growth	11.0%	2.2%	3.4%	3.4%
Cargo services	900.0	920.0	950.9	983.1
Cargo services growth	12.0%	2.2%	3.4%	3.4%
Hospitality	100.0	153.3	158.5	163.8
Hospitality growth		53.3%	3.4%	3.4%
Revenue	3,700.0	3,833.3	3,962.1	4,096.2
Revenue growth	11.0%	3.6%	3.4%	3.4%
EBITDAR	460.0	483.0	507.2	532.5
EBITDAR margin	12.4%	12.6%	12.8%	13.0%
EBITDA	415.0	444.7	467.5	491.5
EBITDA margin	11.2%	11.6%	11.8%	12.0%

BALANCE SHEET

Fiscal year	2024A	2025A	2026A	2027A
Cash	470.0	470.0	470.0	470.0
Gross Debt	1,650.0	1,650.0	1,650.0	1,750.0
Gross Debt/EBITDAR	3.6x	3.4x	3.3x	3.3x
Lease Liabilities	380.0	400.0	410.0	420.0
Lease Liabilities/EBITDAR	0.8x	0.8x	0.8x	0.8x
Total gross Debt	2,030.0	2,050.0	2,060.0	2,170.0
Total gross Debt/EBITDAR	4.4x	4.2x	4.1x	4.1x
Net Debt	1,180.0	1,180.0	1,180.0	1,280.0
Net Debt/EBITDAR	2.6x	2.4x	2.3x	2.4x

CASHFLOW

Fiscal year	2024A	2025A	2026A	2027A
WC absorption	23.0	23.2	23.5	23.7
CAPEX	96.0	95.8	99.1	102.4
Pre-interest FCF	296.0	306.7	317.0	327.7
Pre-interest FCF conversion	8.0%	8.0%	8.0%	8.0%
FCF	48.1	49.8	51.5	53.3
FCF conversion	1.3%	1.3%	1.3%	1.3%

For the forecast period 2024 to 2027, Fitch projects Total Gross Debt/EBITDAR ratios of 4.4x, 4.2x, 4.1x, and 4.1x respectively. These levels remain well above the 3.8x threshold typically associated with a higher rating category, which explains why the outlook for Radar BidCo remains at BB-, with a revision from positive to stable. The sustained leverage is mainly driven by the relatively modest growth in EBITDAR, expected to increase by only about 5% per year, and an even slower revenue growth rate, reverse engineered at slightly above 3% annually.

These charts illustrate the underlying dynamics driving Fitch's stable BB– outlook for Radar BidCo. Figure 3 shows that revenues and EBITDAR margins have largely plateaued after 2024, with only modest growth expected through 2027. Revenue expansion slows to just above 3% annually, while EBITDAR growth remains around 5%, indicating that operational improvements are stabilizing rather than accelerating.

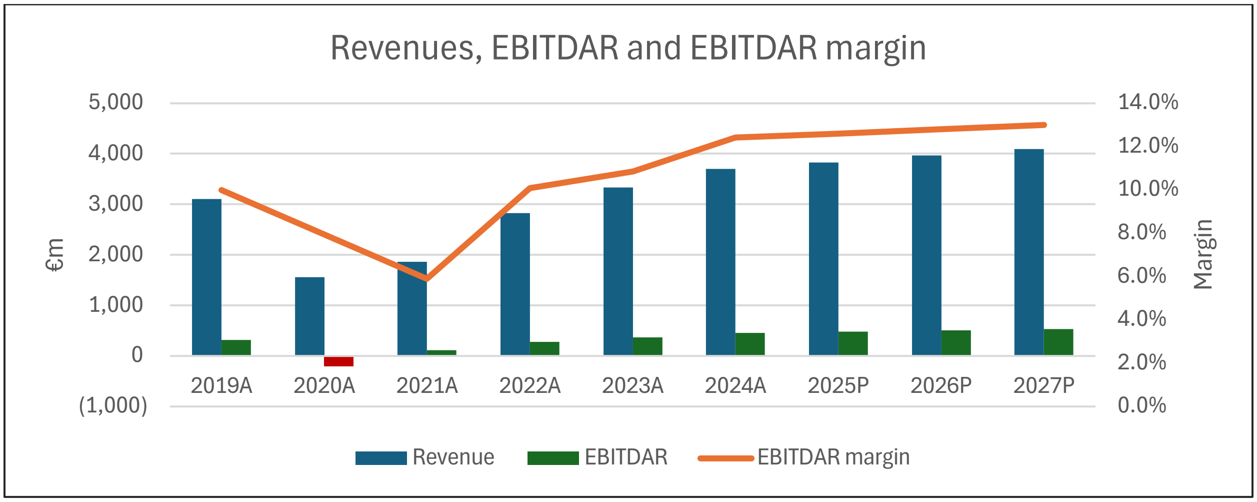


Figure 3: Revenues, EBITDAR and EBITDAR margin

Figure 4 confirms that Total Gross Debt/EBITDAR remains above 3.8x throughout the forecast period, fluctuating between 4.4x and 4.1x. Despite gradual deleveraging, the ratio never drops below the 3.8x threshold typically required for an upgrade, supporting Fitch's decision to maintain the rating at BB– with a revision of the outlook from positive to stable.

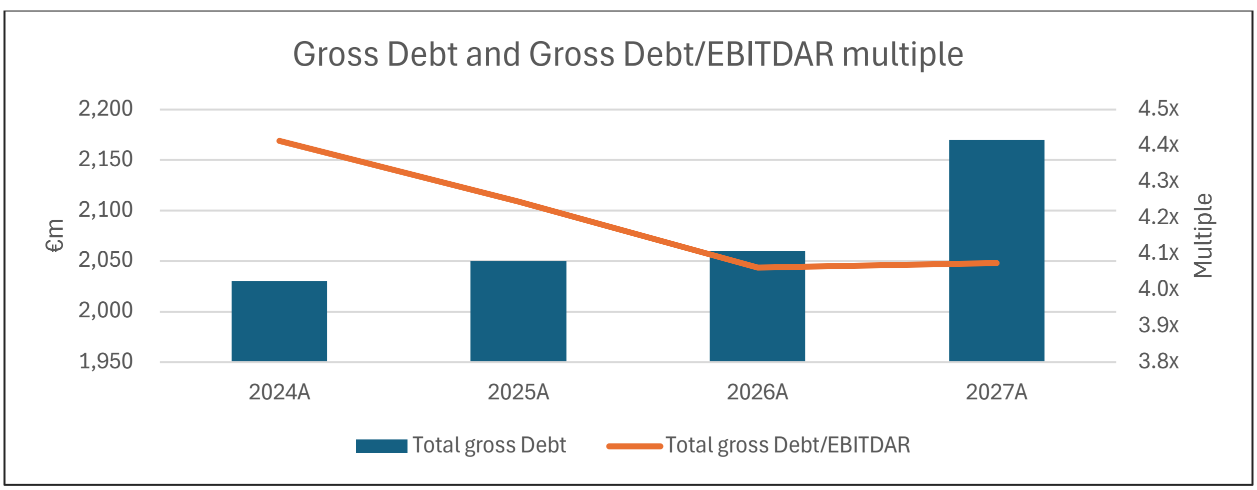


Figure 4: Gross Debt and Gross Debt/EBITDAR multiple

MARKET POSITION

MARKET SHARE

As of 2025, Swissport remains the global leader in airport ground and cargo handling services, maintaining a strong position across all major aviation markets:

- Holds an estimated 15% global market share in ground handling services.
- Controls roughly 13% of the global air cargo handling market.
- Operates at over 300 airports in 45+ countries, serving more than 800 airlines worldwide.
- Continues to strengthen its share through contract wins in Europe, the Americas, and Asia-Pacific, as airline volumes normalize post-pandemic.
- Despite increasing competition from Menzies, dnata, and WFS, Swissport retains the largest global footprint and a clear scale advantage in its sector.

COMPETITOR ANALYSIS

Company	Ticker / Listing	Revenue (USD million)	Overlap with Swissport	Description
dnata	NA (Subsidiary of Emirates Group)	5,699.08 (FY2025E)	**High** – direct overlap in ground handling, cargo, and catering	dnata operates as a global air services provider offering ground handling, cargo, inflight catering, retail, and travel services. Active in 130+ airports across 35+ countries. Headquartered in Dubai, UAE, and part of The Emirates Group.
Menzies Aviation plc	NA (Private, owned by Agility/NAS)	2,200 (8,110 AED)	**High** – ground handling, cargo, and fueling	Provides ground handling, air cargo, and fueling services at over 290 airports in 65+ countries. Offers VIP, FBO, and private aviation support. Headquartered in Hounslow, UK, and part of Agility Public Warehousing Co. (Kuwait).
SATS Ltd.	SGX:S58 (Singapore Exchange)	5,800.00 (FY2025E Group, including WFS)	**High** – ground handling, cargo, catering, logistics	Singapore-based aviation services and catering leader, operating in 27 countries. Owns Worldwide Flight Services (WFS), making it one of the largest global ground and cargo handling groups. Offers inflight catering, logistics, and airport solutions.
Çelebi Hava Servisi A.Ş.	IBSE:CLEBI	511.24	**Moderate** – regional overlap (ground and cargo handling)	Turkish-based ground handling and cargo operator serving domestic and international airlines. Provides ramp, cargo, and maintenance services. Operates mainly in Turkey, India, and Hungary. Subsidiary of Çelebi Aviation Holding A.Ş.
ISS Facilities Services, Inc.	NA (Subsidiary of ISS A/S, Copenhagen)	506.42	**Low to moderate** – facility and airport service overlap (non-aircraft)	Provides integrated facilities management (cleaning, security, food, technical, and support services). Active across multiple industries, including aviation, but not a direct ground handler. U.S. subsidiary of ISS A/S (Denmark).

- **Direct competitors:** dnata, Menzies Aviation, SATS/WFS – all compete directly with Swissport in ground and cargo handling.
- **Regional competitor:** Çelebi – strong presence in Turkey, India, and Central Europe.
- **Peripheral competitor:** ISS Facilities Services – operates in airport support but not aircraft handling.
- **Market positioning:** Swissport remains the largest pure-play aviation ground handling company globally, but dnata and SATS (with WFS) are comparable in scale when including catering and logistics activities.

GROUP STRUCTURE AND OVERVIEW

The chart illustrates Swissport's ownership, financing, and operational structure as of 2024. It highlights the separation between the Luxembourg-based holding and financing entities (blue), the operating entities (brown), and external lenders or asset providers (green/gray).
The structure reflects Swissport's post-2020 reorganization under the *Radar* group of companies and the financing arrangements supporting its global operations.

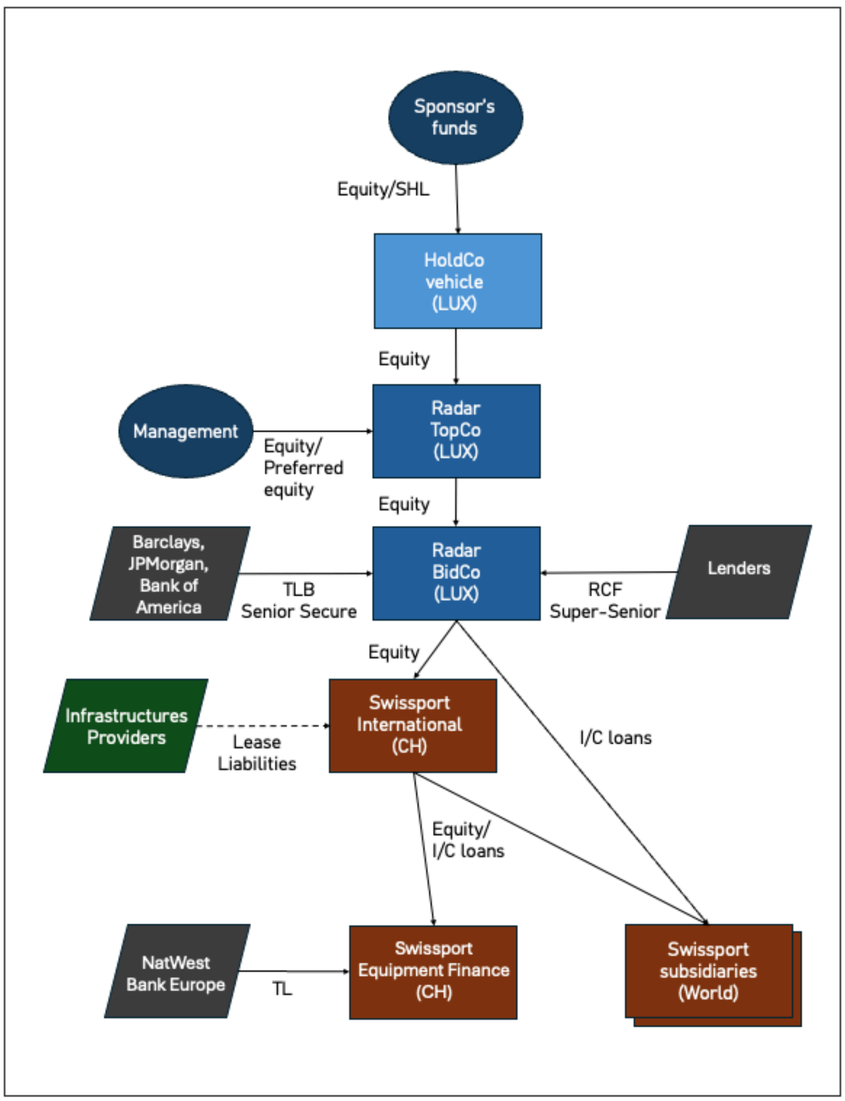


Figure 5: Structuring

SPONSOR'S FUNDS

- Represents the consortium of private equity investors that own Swissport, including Ares, SVP Global, TowerBrook, Cross Ocean, and others.
- Provides shareholder equity or shareholder loans (SHL) through the top-level holding vehicle.

HOLDCO VEHICLE (LUXEMBOURG)

- The uppermost holding company through which sponsor funds invest in Swissport.
- Consolidates equity ownership and channels capital downstream into Radar TopCo.
- Used for tax and structural flexibility; typically, not a borrower itself.

RADAR TOPCO S.À R.L. (LUXEMBOURG)

- The main holding company for the Swissport Group.
- Owns Radar BidCo S.à r.l., the group's principal borrowing entity.
- Holds preferred equity instruments subscribed by management.
- Acts as the guarantor for group-level secured debt.

MANAGEMENT

- Senior management team and executives who hold preferred or co-invest equity in Radar TopCo.
- Aligns management incentives with sponsors' equity returns.

RADAR BIDCO S.À R.L. (LUXEMBOURG)

- The group's financing vehicle and borrower of all major external debt facilities.
- Issues and maintains:
    - Term Loan B (TLB): a €1.3 billion senior secured institutional loan arranged by Barclays, JPMorgan, and Bank of America.
    - Revolving Credit Facility (RCF): a €250 million super-senior liquidity line provided by a bank syndicate.
- Proceeds from these loans are downstreamed to Swissport International AG as equity or intercompany loans to fund operations.
- The RCF ranks ahead of the TLB in the security waterfall (super-senior).

SWISSPORT INTERNATIONAL AG (SWITZERLAND)

- The main operating and treasury company of the group.
- Holds the operating subsidiaries and manages global cash flow, working capital, and internal financing.
- Receives funds from Radar BidCo and provides intercompany (I/C) loans to subsidiaries worldwide.
- Recognizes lease liabilities (€370 million) under IFRS 16 for airport concessions, facilities, and GSE leases, obligations owed to infrastructure providers (airports, landlords, etc.).
- These leases are included in Fitch's *adjusted debt* metrics.

SWISSPORT EQUIPMENT FINANCE AG (SWITZERLAND)

- A specialized financing subsidiary dedicated to funding and owning ground support equipment (GSE).
- Financed through a €55 million term loan provided by NatWest Bank Europe and a co-lender.
- The facility is asset-backed, secured by the GSE, and separate from the group's leveraged Term Loan B.
- Leases equipment to Swissport operating units internally.

SWISSPORT SUBSIDIARIES (WORLDWIDE)

- Represent the local operating entities in over 45 countries and 300 airports.
- Receive equity or intercompany loans from Swissport International AG to fund operations.
- Generate revenues from ground handling, cargo, and lounge services.

INFRASTRUCTURE PROVIDERS

- External airport operators and landlords providing long-term concessions, hangar space, and ground facilities**.**
- Swissport leases these assets, creating the IFRS 16 lease liabilities recorded at the operating company level.

NATWEST BANK EUROPE

- Provides a term loan (TL) facility to Swissport Equipment Finance AG.
- The loan is amortizing, secured by specific assets, and distinct from the group's leveraged Term Loan B.

COLORS AND ENTITIES

- **Luxembourg entities (blue)** form the financial and ownership backbone, raising capital and passing it to operations.
- **Swiss entities (brown)** are operational, holding assets and employees, and responsible for running global ground handling and cargo operations.
- **External lenders (gray)** and **infrastructure providers (green)** supply capital and leased assets under different levels of priority and security.
- **Radar BidCo** sits at the center as the key financing hub, while Swissport International AG acts as the operational and treasury center.

EV, CREDIT AND CAPITAL STRUCTURE

ENTERPRISE VALUE

Based on the peer group analysis of comparable aviation ground handling and cargo service providers, including Çelebi Hava Servisi, Menzies Aviation, WFS, dnata, and SATS, a reasonable valuation range for Swissport lies around 7.2x EV/EBITDA and 6.4x EV/EBITDAR. Applying these multiples to Swissport's 2024 financials (EBITDA of €415 million and EBITDAR of €460 million) results in a consistent enterprise value of approximately €3.0 billion under both approaches.

CREDIT RATING

1. **Fitch Ratings**
   a) Assigned Swissport (Radar Bidco S.à r.l.) a 'BB-' long-term issuer rating.
   b) In April 2025, Fitch affirmed the 'BB+' rating with recovery rating RR2 on its €1.3Bn Term Loan B (TLB) facility. Fitch Ratings
   c) The outlook was revised from Positive to Stable.
   d) Fitch defines the TLB as a senior secured instrument for Swissport.
2. **S&P Global Ratings**
   a) Assigned a **'**B+**'** long-term issuer credit rating to Radar Bidco S.à r.l. (Swissport). Radar Bidco S.A.R.L. (Swissport) Assigned 'B+' Ratings
   b) The issue rating on the Term Loan B is also 'B+'.
   c) The outlook is Stable.
3. **Key rating considerations & implications**
   a) Both Fitch and S&P place Swissport in the non-investment grade / speculative category (BB+ / B+).
   b) Senior secured status of the TLB gives it priority in the collateral structure.
   c) The Stable outlook reflects confidence in Swissport's ability to execute its recovery, reduce leverage, and maintain liquidity.
   d) The rating agencies factor in lease-adjusted debt when calculating leverage, elevating the effective debt burden beyond simple gross debt.

DIVIDEND RECAPITALIZATION

- Swissport is planning a dividend recapitalization transaction that would upsize debt to fund a distribution to shareholders.
- Fitch warns that such a move would significantly reduce rating headroom within the current BB-category.
- The recap would increase gross leverage and weaken credit metrics, even if operational performance remains solid.
- Fitch emphasizes that further shareholder-friendly actions (e.g., additional dividends or debt-funded buybacks) could trigger negative rating pressure.

SUBSIDIARIES

The complete list of the current subsidiaries is available in the Appendix.

03

M&A STRATEGY AND FUTURE OUTLOOK

STRATEGY FRAMEWORK AND CURRENT SETUP

ANALYTICAL FRAMEWORK FOR STRATEGY DEFINITION

The diagram below illustrates the analytical logic behind Swissport's strategic assessment. It serves as a roadmap linking the company's historical trajectory, current positioning, and future ambitions. The framework structures the strategic thinking process in three stages:

1. **Previous State – Historical Foundation**
   - Reviews Swissport's development and financial performance over recent years.
   - Establishes the baseline trends shaping today's market presence and capabilities.
2. **Current State – Strategic Baseline (2025)**
   - Defines the company's capital structure (structuring, financing, credit rating)**,** market position**,** and current operational and organizational capabilities.
   - Represents the *starting point* for strategic decision-making.
3. **Transition to Future State – Strategic Pathway (2025–2030)**
   - The 2025–2030 Strategy acts as the transition mechanism within this model, driving evolution from current to future state.
   - The resulting future state reflects the intended transformation in operations, market reach, and financial outcomes (2026–2030).

Ultimately, the current state not only defines the company's present reality but also determines the boundaries and opportunities that shape its strategic evolution. This structure ensures that the 2025–2030 Strategy is built on a clear understanding of *where Swissport has been, where it stands now, and where it aims to go*.

The strategic suggestions presented in the following sections build directly on the analyses and insights outlined in the previous chapter, ensuring continuity, coherence, and a clear line of reasoning from diagnosis to strategy formulation.

It is important to note that the purpose of this chapter is not to provide a comprehensive review of Swissport's entire corporate strategy, but to analyze how M&A fits within the existing strategic framework**.**

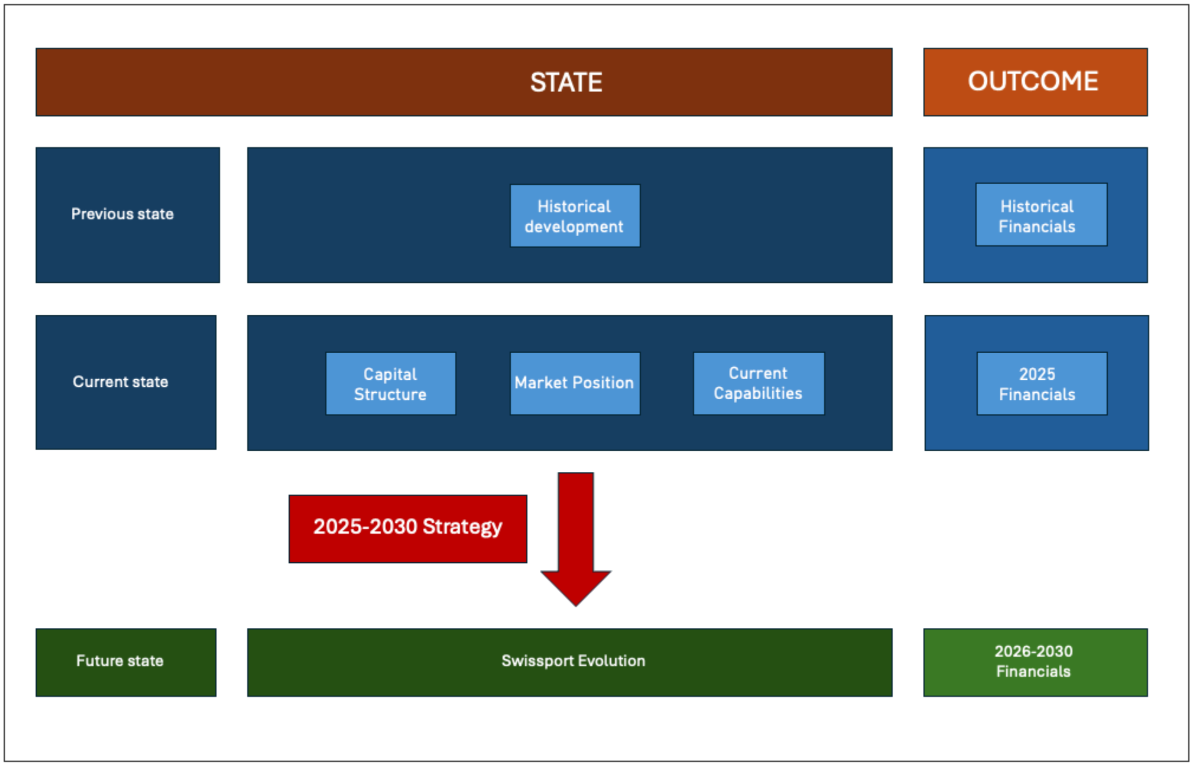


Figure 6: Strategy development framework

CURRENT CORPORATE STRATEGY OVERVIEW

Swissport's current corporate strategy has been developed in alignment with the disciplined, results-oriented framework typically required under private equity ownership. This approach emphasizes value creation through measurable performance improvements, operational efficiency, and capital discipline. The strategy is typically structured around five to six core strategic initiatives, each targeting a critical dimension of the company's business model, from operational excellence and customer experience to digital transformation, sustainability, and growth acceleration.

These initiatives cascade through the organization's value chain, translating into precisely defined, actionable activities at every operational and functional level. Each activity is explicitly designed to support and reinforce a specific strategic initiative, ensuring consistency between corporate priorities and day-to-day execution. This structure promotes accountability, alignment, and transparency, enabling Swissport to deliver sustainable performance improvements while maintaining the agility and rigor demanded by its ownership structure.

Swissport's current strategic pillars are:

1) **Safety and Operational Excellence** – Maintain the highest safety standards and consistent service quality across all operations.
2) **Global Service Coverage** – Expand and strengthen Swissport's global presence to serve airlines wherever they operate.
3) **Competitive Cost** – Deliver best value through efficiency, standardization, and disciplined cost management.
4) **Empowerment of People** – Develop, engage, and empower employees to drive performance and accountability.
5) **Strong Customer Relationships** – Build trusted, long-term partnerships through reliability, transparency, and responsiveness.
6) **Sustainable Fleet Footprint** – Modernize and decarbonize ground support equipment to reduce environmental impact.

The table below provides an overview of Swissport's current corporate strategy, structured around the six strategic initiatives that guide the company's operational and organizational priorities.

The "Operational Translation" and "Potential Actions" columns illustrate how each initiative could translate into practical measures across the value chain. However, these actions do not represent the company's officially disclosed plans (illustrative only, not company guidance); rather, they serve as conceptual examples to demonstrate how strategic intent might be operationalized in practice.

The "Potential M&A" column therefore highlights the ways in which targeted transactions could reinforce or accelerate the delivery of each strategic initiative within the company's current setup.

Strategic Initiative	Operational Translation	Potential Actions	Potential M&A
Safety and Operational Excellence	1) Best in class standards and speed turnaround 2) Safety first 3) Continuous improvement	- Deploy safety audits, digital reporting, training - Monitor performance through KPIs	Target specific safety providers to achieve vertical integration
Global Service Coverage	1) Improving efficiency for airlines and airports	- Maintain large-scale operations, integrated services, and the use of technology - Use regional hubs to pool expertise and resources	Expand the network through targeted acquisitions or joint ventures in underserved markets
Competitive Cost	1) Improving airline efficiency and passenger experience 2) More than cost savings: the value of reliability 3) Boosting efficiency through outsourcing	- Streamline processes - Increase automation and digitalization - Leverage procurement scale - Optimize station staffing levels and GSE utilization	The current strategy emphasizes explicitly outsourcing hence M&A should be only opportunistic
Empowerment of People	1) Investing in leadership 2) Empowering workforce 3) Commitment to employees 4) Communication and engagement 5) Swissport Values: guiding principles	- Strengthen local leadership and decision-making within a global governance framework - Encourage a culture of ownership through recognition programs - Maintain open internal communication to align frontline teams with strategic goals	-
Strong Customer Relationships	1) More than service: a strategic partnership with airlines a) Optimizing ground handling b) Expanding into new markets c) Outsourcing complex operations 2) Continuous improvement through partnership	- Assign dedicated account managers for key airline customers - Conduct regular joint reviews to assess performance - Tailor solutions for hub operations - Use customer feedback	As for "Competitive Cost", the emphasis to outsourcing imposes that M&A should be opportunistic
Sustainable Fleet Footprint	1) Reducing carbon emissions	- Accelerate transition to electric Ground Support Equipment (eGSE) - Use asset-level financing (via Swissport Equipment Finance AG) to renew GSE efficiently - Partner with airports on energy infrastructure - Track emissions reductions per turnaround and publish progress in sustainability reports	Target subsidiaries that can steer the green transition or support the development of the required infrastructure

DISCLOSED STRATEGIC OUTCOMES

SAFETY AND OPERATIONAL EXCELLENCE

Swissport continues to demonstrate measurable progress in Safety and Operational Excellence, a core pillar of its strategy focused on maintaining the highest safety standards and ensuring consistent service quality across its global network. The company's sustained improvements reflect the effectiveness of its training programs, digital safety monitoring, and performance-driven culture.

- **Lost-Time Injury Frequency Rate (LTIFR):** -11% in 2023 compared to 2022, reaching 1.05 per 100,000 hours worked, and 34% lower than the 2019 baseline, highlighting steady gains in workplace safety and risk prevention.
- **On-Time Performance (OTP):** Maintained at 98.5% in 2024 across major regions, underscoring Swissport's ability to deliver reliable and efficient operations even under high traffic volumes.

GLOBAL SERVICE COVERAGE

Swissport's focus reflects its commitment to expanding and strengthening its worldwide network to serve airlines wherever they operate. While the company has optimized its footprint to concentrate resources in key markets, it continues to grow in scale and service capacity across continents, demonstrating operational resilience and global reach.

- **Number of airports served:** 292 (2022) → 286 (2023) → 279 (2024), a slight network optimization paired with stronger concentration in strategic hubs.
- **Number of countries:** 44 (2023) → 45 (2024).
- **Air cargo centers:** 115 (2023) → 117 (2024).
- **Flights handled:** 3.3M (2022) → 3.9M (2023) → 4.0M (2024).
- **Passengers served:** 186M (2022) → 232M (2023) → 247M (2024).

COMPETITIVE COSTS

Swissport's Competitive Cost initiative focuses on delivering best-in-class value through disciplined cost management, efficiency gains, and process standardization. The company's continuous optimization efforts, including automation, network rationalization, and procurement leverage, have resulted in a steady improvement in profitability and operational efficiency over recent years.

- **EBITDAR margin:** Improved from 5.9% in 2021 to 10.1% in 2022, 10.9% in 2023, and 12.4% in 2024, reflecting consistent gains in productivity and cost discipline following post-pandemic restructuring.
- **EBITDAR (absolute):** Increased from €110 million in 2020 to €460 million in 2024, underscoring the effectiveness of efficiency programs and tighter financial control across Swissport's global operations.

FITCH'S ASSESMENT ON THE COST SAVINGS PROGRAMS

Fitch notes that Swissport's cost optimization initiatives remain a key driver of profitability and margin improvement.
The company achieved an additional EUR 32 million in cost savings during 2024, as part of its ongoing efficiency program.
This builds on the structural savings of around EUR 230 million annually secured since the post-pandemic restructuring.

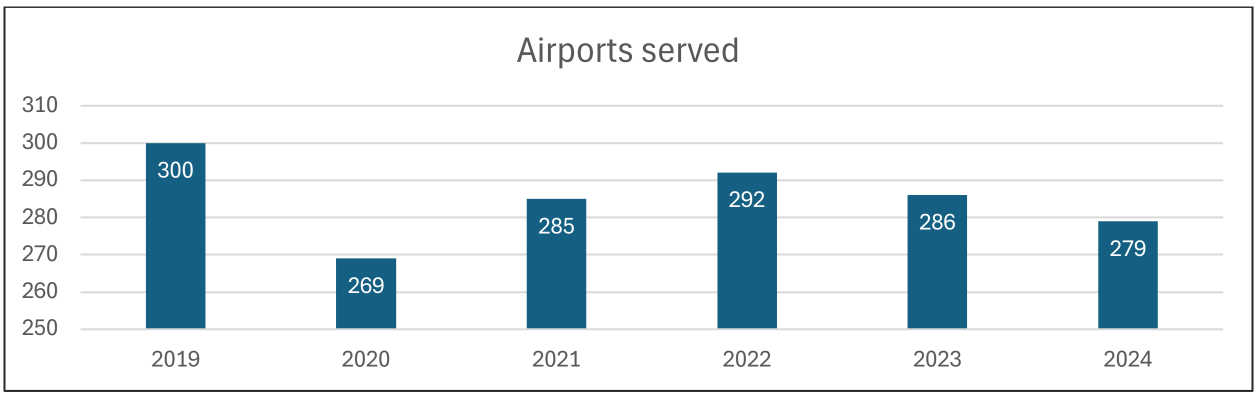
These savings stem from workforce streamlining, renegotiated airport and facility agreements, and process standardization under the group's core operating model.
They have helped lift EBITDAR to EUR 460 million in 2024 (up 27% year-on-year) and expand EBITDAR margins to roughly 12%, compared with about 8% in 2019.

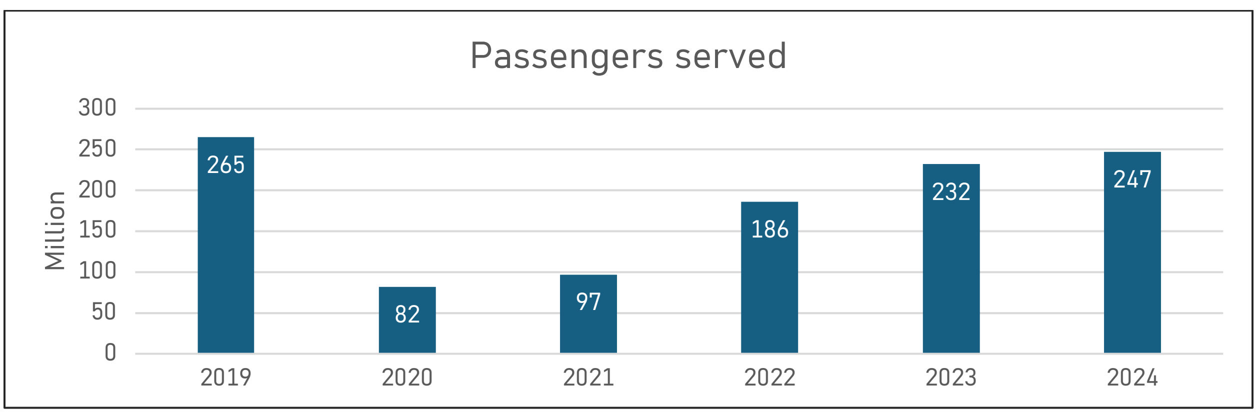
ESG

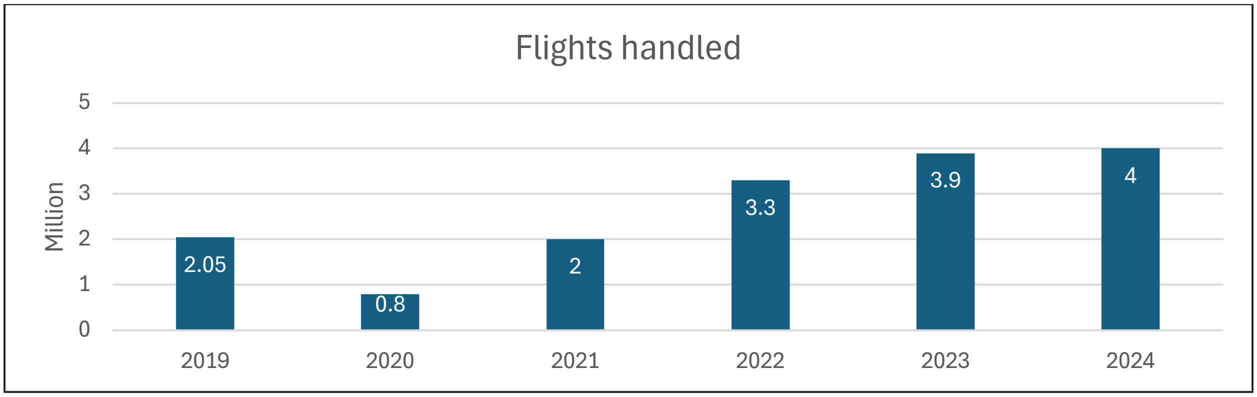
In 2024, Swissport earned EcoVadis Platinum status, placing it among the top 1% of companies assessed for the quality of their ESG management systems. The rating reflects strong governance, policy implementation, and reporting controls across environmental, social, and ethical dimensions. However, EcoVadis evaluates the robustness of processes and documentation, not verified sustainability outcomes such as emissions or social impact. The distinction signals Swissport's maturity in ESG governance, enhancing credibility with clients and investors, while actual performance progress must be demonstrated through operational metrics and results.

2025 OPERATIONAL DASHBOARD

SCALE & NETWORK REACH

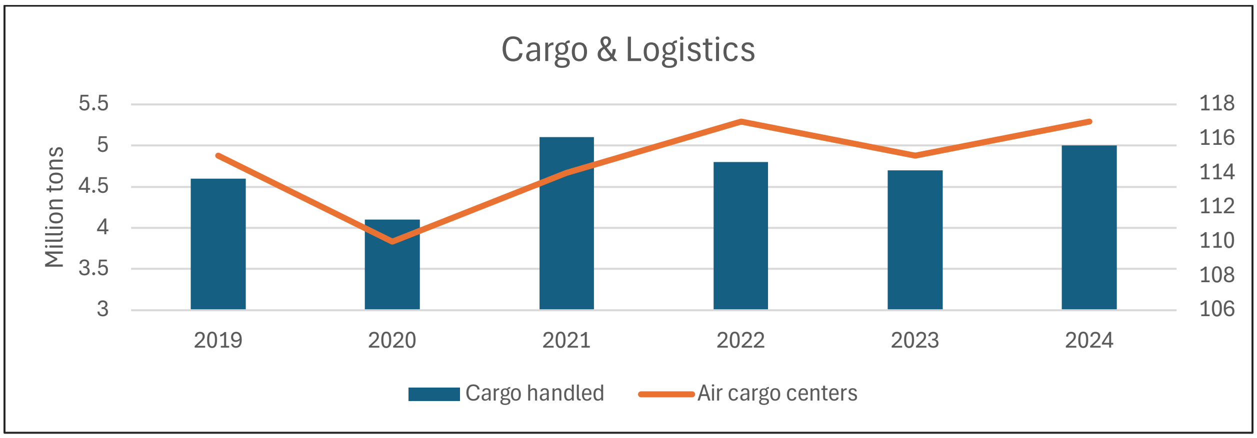




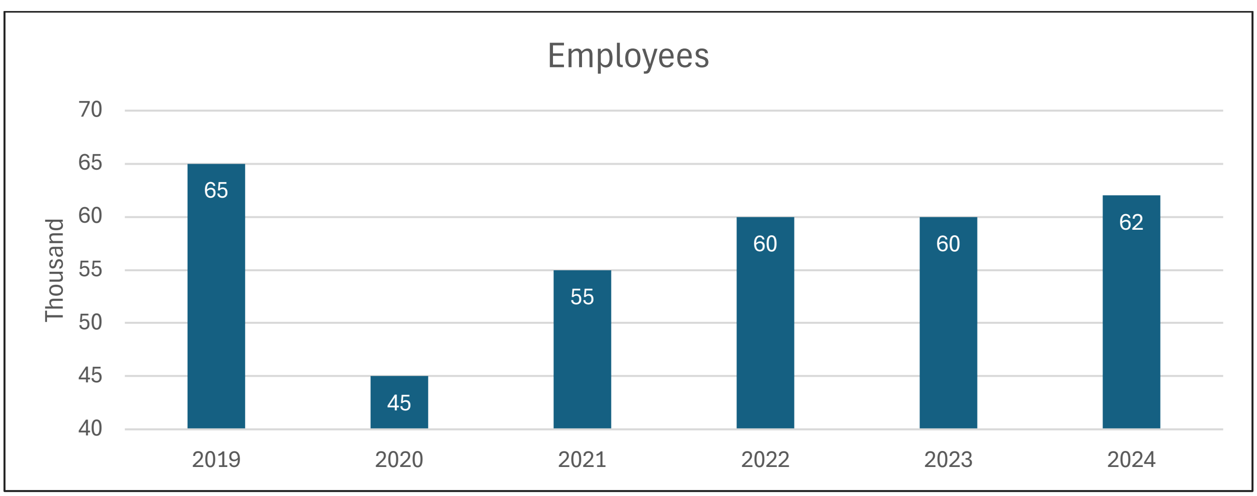


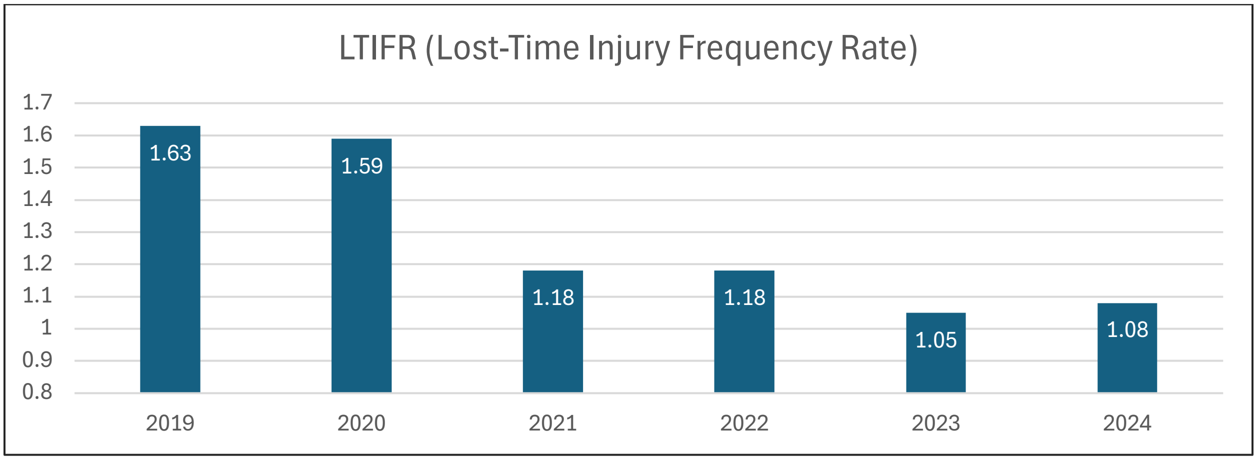
While passenger volumes have nearly returned to pre-pandemic levels, the number of aircraft handled has nearly doubled compared to 2019. This reflects a structural shift in Swissport's activity mix, toward more frequent, smaller aircraft operations and a broader service scope across airline partners, rather than a proportional rise in traffic per flight.

CARGO & LOGISTICS

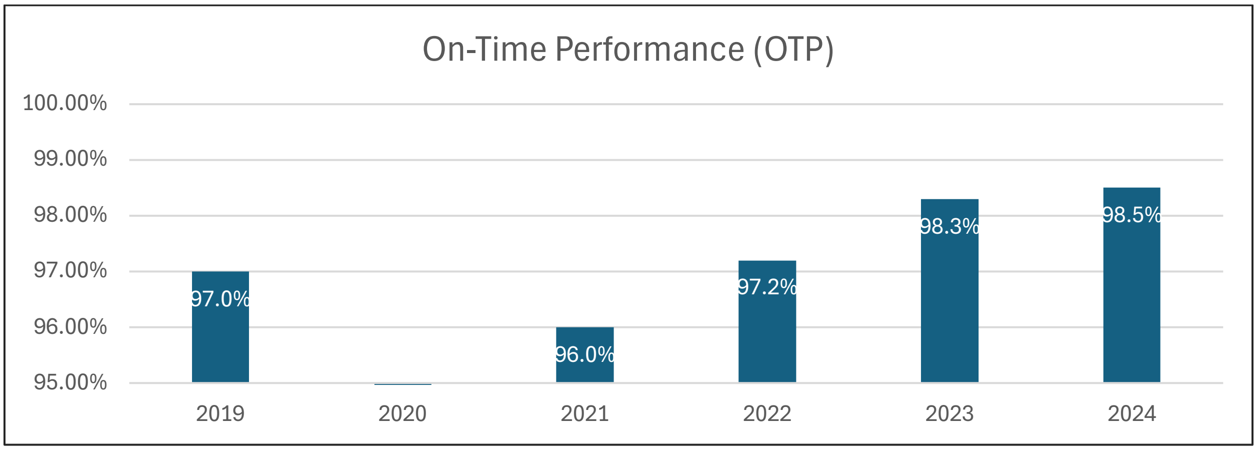


WORKFORCE & ORGANIZATION

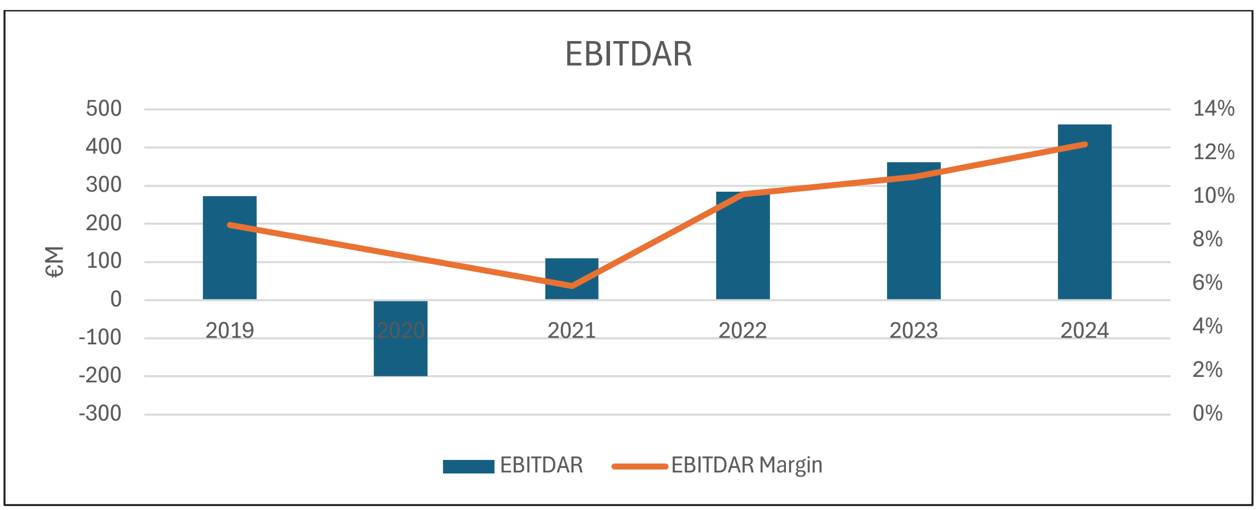




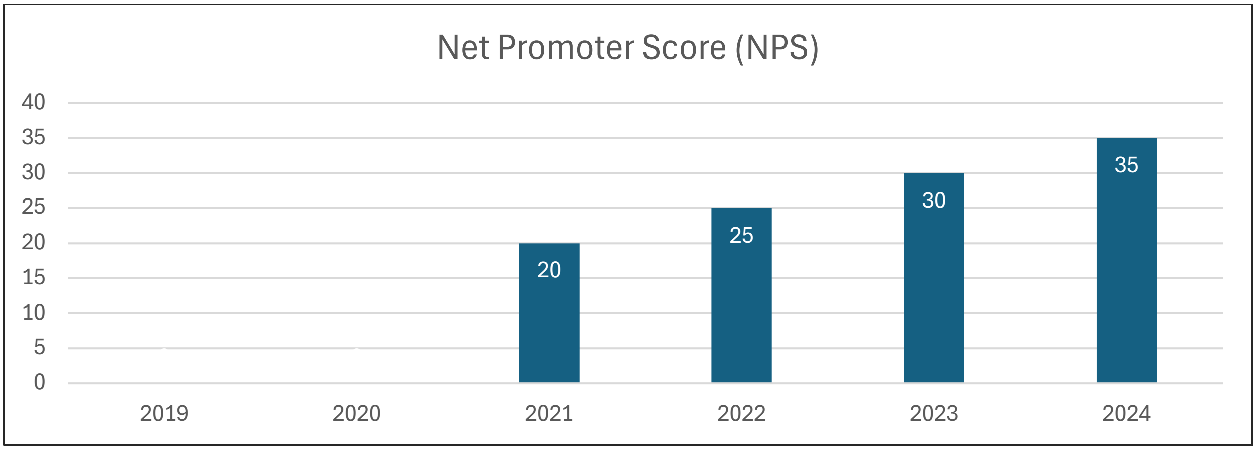
OPERATIONAL PERFORMANCE



FINANCIAL PERFORMANCE



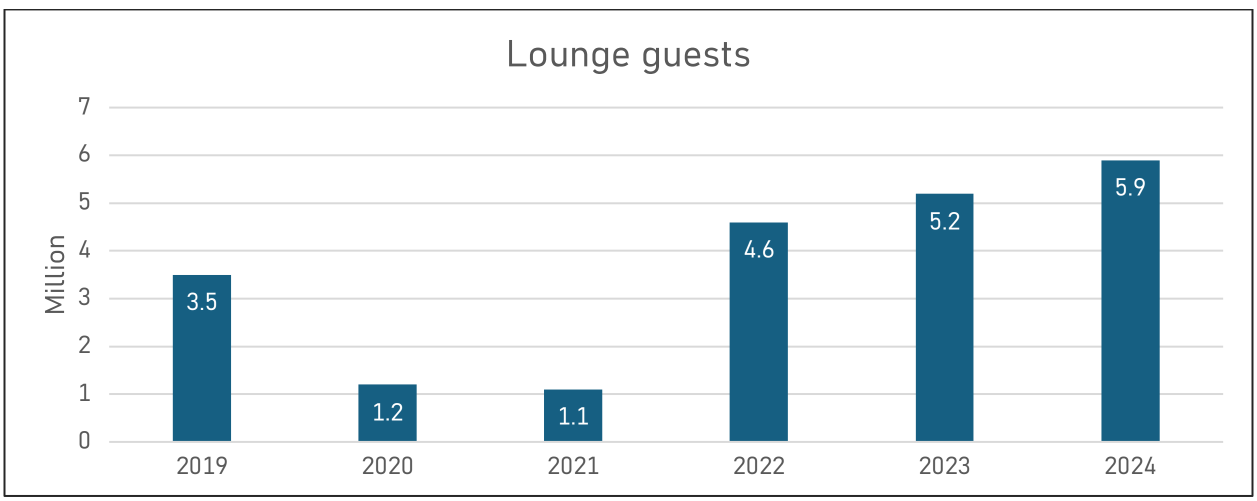
CUSTOMER RELATIONSHIPS



SUSTAINABILITY & ESG

Metric	2020	2021	2022	2023	2024
EcoVadis Rating	n/a	–	Bronze	Committed	Platinum
Certified sites (ISO 14001/45001)	–	–	–	70%	100%

HOSPITALITY



The operational dashboard highlights Swissport's strong rebound from the pandemic, with volumes, margins, and service performance now exceeding pre-2020 levels. However, the macroeconomic outlook indicates a much slower pace of expansion ahead. According to Fitch, Swissport's EBITDAR is expected to grow at only around 5% CAGR between 2024 and 2027, reflecting mild ground handling and cargo volume growth and pricing broadly in line with 2024 levels. This suggests that future performance gains will rely less on market recovery and more on strategic efficiency, selective expansion leveraging M&A, and disciplined execution within a mature and competitive operating environment.

M&A FIT INTO THE CURRENT STRATEGY

STRATEGIC CONTEXT AND BOUNDARY CONDITIONS

Swissport's M&A strategic direction must be interpreted in light of its ownership structure, financial position, and market outlook, all of which define the conditions under which the next phase of growth will unfold:

1. **Private Equity Ownership:** Under private equity control, value creation through active portfolio management and disciplined M&A is an inherent expectation. In this context, acquisitions are not optional but a core instrument of strategy execution.
2. **Historical Role of M&A:** Swissport's historic expansion has been built on targeted acquisitions, establishing global reach and diversified service capabilities, confirming M&A as a proven strategic lever for scale and market entry.
3. **Capital Structure and Leverage:** The company's leverage remains stable but relatively high, limiting headroom for additional debt financing. This constrains the feasibility of large-scale transformative deals, favoring bolt-on or strategic tuck-in acquisitions instead.
4. **Moderate Organic Growth Outlook:** With limited underlying market growth expected in ground handling and cargo services, inorganic expansion could play a prominent role in sustaining momentum and shareholder returns.
5. **Strategic Boundary Conditions:** These combined factors, ownership expectations, financial capacity, and market maturity, set the stage for a focused "consolidation play", emphasizing selective acquisitions, partnership models, and operational integration to drive value creation.

CONSOLIDATION PLAY

A consolidation strategy should be pursued when the following conditions are met:

1. **Large, fragmented market**: The industry consists of many subscale players with limited market share, leaving room for aggregation and operational integration.
2. **Dominant platform**: A leading player or platform exists (or can be built) to act as the consolidator, providing scale, credibility, and management capability to absorb smaller competitors.
3. **Inefficient market structure**: The market exhibits inefficient asset pricing, where comparable businesses trade at valuations below their intrinsic worth due to fragmentation, limited liquidity, or lack of investor attention, creating opportunities for value-accretive acquisitions.
4. **Gross margin improvement opportunities**: There is potential to expand margins through pricing discipline, procurement synergies, or improved capacity management.
5. **Economies of scale and operating expense efficiencies**: Consolidation enables cost optimization by spreading fixed costs over a larger revenue base and reducing overlapping overheads.
6. **Multiple arbitrage potential**: The market rewards larger, more efficient players with higher valuation multiples, allowing value creation through strategic acquisitions at lower entry multiples.

Swissport's global market leadership provides a strong foundation for capturing future consolidation opportunities in the highly fragmented ground and cargo handling industry. In essence, its scale, network, and balance sheet strength make it a natural consolidator.

Key points:

- **Scale advantage:** With operations at more than 300 airports worldwide and a 15 % market share in ground handling, Swissport can achieve synergies from integrating smaller regional handlers, particularly through shared systems, fleet, and workforce optimization.

- **Cost and efficiency leadership:** Its size allows for lower unit costs, standardized processes, and strong supplier leverage. This gives Swissport the financial flexibility to acquire and absorb smaller operators while maintaining profitability.
- **Credibility with airports and airlines:** As a trusted global partner to 800+ airlines, Swissport has the commercial relationships and operational credibility needed to win long-term contracts and replace weaker competitors post-acquisition.
- **Access to capital:** The 2024 refinancing and rating improvement (BB–, Stable) enhance its ability to fund mid-size acquisitions or mergers as the industry consolidates, particularly in regions where private equity or smaller players are exiting.
- **Strategic timing:** The aviation ground services market is still recovering unevenly post-COVID, creating opportunities to buy distressed or sub-scale competitors at attractive valuations.

Swissport can position itself not just as a participant but as a key driver of industry consolidation, capable of leading the next phase of integration across regions and service lines.

STRATEGIC M&A OPPORTUNITIES

As outlined before, within the framework of the current corporate strategy, M&A can serve as a key enabler of growth and capability enhancement, particularly in the areas of Safety and Operational Excellence and Global Service Coverage**.**

Specific to the strategic initiatives, 6 themes can be identified:

1) **Acquisition of Regional Cargo Handlers**
    a) Target mid-sized air cargo handling operators in growth markets (e.g., India, Middle East, Latin America).
    b) Focus on companies with specialized capabilities (e.g., pharma, perishables, e-commerce) to strengthen Swissport's cargo logistics offering.
2) **Integration of Airport Support Services Providers**
    a) Acquire ancillary airport service companies (aircraft cleaning, de-icing, cabin presentation, security screening) to expand into adjacent revenue streams.
    b) Seek bolt-ons that allow Swissport to offer a one-stop service package to airport operators and airlines.
3) **Expansion into Emerging Markets via JVs or Minority Stakes**
    a) Form joint ventures with local ground handling firms in countries with regulatory or ownership restrictions (e.g., India, Saudi Arabia, Indonesia).
    b) Take minority or controlling stakes in established local operators to accelerate network expansion without full balance sheet exposure.
4) **Digital and Technology Acquisitions**
    a) Acquire or partner with aviation technology startups specializing in ramp automation, resource planning, or GSE electrification.
    b) Invest in AI-based dispatching, safety monitoring, and cargo traceability platforms to enhance operational efficiency.
5) **Hospitality and Lounge Network Consolidation**
    a) Pursue acquisitions or licensing deals with regional lounge operators to expand Swissport's Aspire Executive Lounges brand footprint.
    b) Focus on airports in North America, Asia, and Africa, where third-party lounge fragmentation offers entry points.
6) **Selective Consolidation Among Competitors**
    a) Monitor potential divestments or carve-outs by smaller or over-leveraged rivals (e.g., regional players in Europe or Latin America).
    b) Evaluate partnership or merger scenarios if industry consolidation accelerates, potentially with Menzies or Çelebi-scale assets, should antitrust conditions permit.

POTENTIAL VALUE-CREATION LEVERS

1) **Operational Synergies and Scale Consolidation**
    a) Pursue acquisitions of regional or mid-tier ground handlers to consolidate fragmented markets and extract cost and procurement synergies.
    b) Integrate overlapping operations to improve asset utilization and workforce efficiency across stations.
    c) Leverage network scale to negotiate better airport concessions and equipment financing terms.
2) **Technology and Digital Integration**
    a) Acquire or invest in aviation tech firms offering ramp automation, AI-driven resource management, or real-time safety analytics.
    b) Integrate acquired systems into Swissport's digital platform to drive productivity and margin uplift through data optimization.
    c) Partner with startups specializing in electric GSE or predictive maintenance to accelerate sustainability-linked transformation.
3) **Margin Enhancement through Service Diversification**
    a) Target adjacent service providers (e.g., aircraft cleaning, de-icing, fueling logistics, or terminal support) that add high-margin ancillary revenue streams.
    b) Acquire specialized cargo or pharma logistics companies with premium yield profiles to rebalance toward more resilient, less cyclical segments.
4) **Expansion in Resilient and Growth Hubs**
    a) Acquire stakes or form joint ventures in airports with strong structural growth (e.g., Riyadh, Delhi, Nairobi, Bangkok) where air traffic is expanding faster than GDP.
    b) Prioritize emerging markets with regulatory liberalization in ground handling to capture early-mover advantages.
    c) Strengthen exposure to cargo-driven hubs (e.g., Liège, Miami, Singapore) to anchor long-term volume resilience.

RISK ANALYSIS

Swissport's business model, while asset-light compared to airlines, remains indirectly exposed to fluctuations in global air traffic volumes. The company's revenue base includes fixed and recurring components from long-term service contracts, which partly buffer short-term demand shocks. Nevertheless, overall activity levels in passenger and cargo operations continue to represent the primary performance driver. The table below summarizes the main external risk factors and the corresponding mitigation measures embedded in Swissport's strategy and operations.

Risk	Explanation	Mitigation
1. Macroeconomic volatility	Economic slowdowns, inflation, or tightening credit conditions can reduce airline activity and ground service demand, particularly in discretionary passenger segments.	Geographic and customer diversification; flexible cost base; global presence limits dependence on individual markets.
2. Geopolitical instability	Conflicts or regional tensions can disrupt flight routes, reduce travel flows, or restrict cargo corridors, affecting operations and revenue in specific markets.	Broad international footprint (revenues from 45 countries, 53% EMEA); operational agility to redeploy resources to stable regions.

3. Technological disruption	Alternative transport modes (e.g., high-speed rail) and digital substitutes (e.g., videoconferencing) may structurally reduce business travel demand.	Continuous service innovation; expansion into cargo logistics, lounges, and integrated airport services less exposed to passenger trends.
4. Pandemic or catastrophic events	Health crises or natural disasters can severely restrict mobility, mirroring the global disruption seen during COVID-19.	Operational resilience plans; scalable staffing models; diversification across airports and service types to absorb volume shocks.
5. Fuel price volatility	Rising fuel costs impact airlines' profitability and route economics, indirectly influencing flight frequencies and ground handling volumes.	Financial hedging mechanisms; balanced exposure between passenger and cargo handling; efficiency-driven pricing and contract structures.
6. Regulatory and trade changes	Evolving aviation safety, environmental, or labor regulations, as well as trade restrictions, can increase compliance costs or limit access to specific markets.	Proactive compliance and engagement with regulators; expansion into new subsidiaries and markets with favorable regulatory conditions.

LAST FIVE M&A TRANSACTIONS

Target	Role	Announced Date	Closed Date	Buyer/Investors
Asc Handling Limited	Buyer	Jul-22-2025	-	Swissport International AG
Via Net.works Europe Holding B.V.	Buyer	Nov-07-2024	-	Swissport International AG
Swissport Saudi Arabia Ltd	Seller	Nov-27-2023	Jan-31-2024	Asyad Investments
Swissport Saudi Arabia Ltd	Seller	Dec-01-2022	Jun-30-2022	Asyad Investments
Belgium Airport Services	Buyer	Mar-07-2022	Mar-01-2022	Swissport International AG

LAST KEY DEVELOPMENTS

Date	Event Type	Headline
Sep-03-2025	Strategic Alliances	Aspire Executive Lounges Announces the Opening of Its Latest Airport Lounge at Yul Montreal-Trudeau International Airport, in Partnership with American Express
Jul-22-2025	M&A Transaction Announcements	Swissport International AG signed a binding agreement to acquire Asc Handling Limited.
Mar-11-2025	Client Announcements	Swissport Renews Ground Handling License at Zurich Airport
Nov-07-2024	M&A Transaction Announcements	Swissport International AG announced the acquisition of Via Net.works Europe Holding B.V.

POTENTIAL M&A TRANSACTIONS

1. GOLDAIR HANDLING S.A. (GREECE – GROUND HANDLING)

Pros:

a) Established independent handler with strong presence in Greece and the Balkans, operating at over 30 airports.
b) Proven expertise in passenger, ramp, and cargo handling; longstanding relationships with European and Middle Eastern carriers.
c) Offers immediate network complementarity and regional depth in Southeastern Europe, an area where Swissport's footprint is limited.

Cons:

a) Family ownership and regional focus may limit openness to majority acquisition.
b) Smaller scale compared to global peers; potential need for capital infusion to meet group standards.

Strategic Fit:

a) Represents a regional consolidation opportunity in a strategically important but fragmented European market.
b) A potential bolt-on acquisition delivering incremental scale, access to touristic and regional airports, and margin uplift through integration with Swissport's procurement, systems, and training frameworks.

2. AEROGROUND FLUGHAFEN MÜNCHEN GMBH (GERMANY – GROUND HANDLING)

Pros:

a) Subsidiary of Munich Airport Group providing ground and cargo handling services primarily at Munich, Nuremberg, and Berlin airports.
b) High service quality standards, strong safety culture, and advanced digital systems, compatible with Swissport's operational excellence model.
c) Offers exposure to premium airport environments and potential for collaboration or partial acquisition through public–private structures.

Cons:

a) Public ownership limits acquisition flexibility. Any investment would require alignment with airport authorities and local stakeholders.
b) Moderate scale, integration synergies would be operational rather than transformational.

Strategic Fit:

a) A strategic partnership or minority investment could strengthen Swissport's presence at a key European hub while reinforcing its Safety and Operational Excellence pillar.
b) Provides opportunities for knowledge transfer, benchmarking, and joint innovation in digital ramp and process automation.

3. NAS – NATIONAL AVIATION SERVICES (KUWAIT – GROUND HANDLING & LOUNGE SERVICES)

Pros:

a) Fast-growing regional player operating in over 60 airports across the Middle East, Africa, and South Asia.
b) Strong in airport hospitality, cargo, and ground handling; diversified across emerging markets with high traffic growth potential.
c) Offers access to underpenetrated regions where Swissport has limited exposure.

Cons:

a) Exposure to geopolitical volatility and varying regulatory environments.
b) Integration complexity due to diverse operating standards and market conditions across regions.

Strategic Fit:

a) A partnership or partial acquisition could create a bridgehead into high-growth markets, supporting Swissport's Global Service Coverage and diversification goals.
b) NAS's mixed portfolio of ground handling and lounge services aligns well with Swissport's multi-service strategy, offering synergy in operations, training, and technology transfer.

Candidate	Type	Strategic Value	Fit with Value Levers	Deal Feasibility	Estimated EV	Commentary
Goldair Handling S.A. (Greece)	Ground Handling	Regional consolidation in Southeastern Europe; strengthens network coverage in tourism-driven markets (Greece, Cyprus, Balkans).	Operational synergies, cost optimization, regional diversification	Medium–High	€100–150m	Attractive bolt-on opportunity offering strong local market position and network complementarity. Integration could deliver margin uplift and procurement savings. Family ownership may require a partnership-first approach.
AeroGround Flughafen München GmbH (Germany)	Ground Handling	Access to high-quality ground operations at major German airports (MUC, NUE, BER); benchmark in safety and service excellence.	Safety & operational excellence, digital ramp innovation	Medium	€80–120m	Publicly owned subsidiary of Munich Airport; a full buyout unlikely, but a strategic partnership or minority investment could secure access to premium operational expertise and strengthen Swissport's German footprint.
NAS – National Aviation Services (Kuwait)	Ground Handling & Lounge Services	Expansion into emerging markets across the Middle East, Africa, and South Asia; diversified service portfolio including lounges and cargo.	Network expansion, service diversification, margin enhancement	Medium	€200–300m	Fast-growing regional player; partnership or partial acquisition would enhance Swissport's access to high-growth regions. Integration complexity and geopolitical exposure should be mitigated through phased entry or JV structure.

APPENDIX

SUBSIDIARIES

Company	Relationship	Geography	Industry	LTM Rev. ($M)	Business Description
10% Stake in SAS's Ground Handling Business	Merged Entity	Europe	Airport Services	–	Provides ground and cargo handling services in Scandinavia; acquired by Swissport in 2013.
Aero-Care Pty Limited	Current Subsidiary	Asia / Pacific	Airport Services	5.5	Australian ground-handling firm offering ramp, baggage, and cleaning services; acquired 2018.
Ags Aviation Ground Services N.V.	Current Subsidiary	Latin America / Caribbean	Airport Services	–	Aruba-based provider of airport ground and aviation security services; acquired 2022.
American Gateway Cargo Service Center L.P.	Current Subsidiary	United States / Canada	–	–	U.S. cargo-handling business acquired by Swissport in 2002.
APRON GmbH Airline Support Service	Current Subsidiary	Europe	Airport Services	7.84	German aviation ground- and cargo-handling company; acquired 2018.
Asc Handling Limited	Pending Acquisition	Europe	Airport Services	38.32	U.K.-based provider of cargo and passenger ground-handling services.
Belgium Airport Services	Current Subsidiary	Europe	Airport Services	13.72	Liege-based cargo-handling and logistics firm focused on ramp and e-commerce services.
Cargo Service Center SA	Current Subsidiary	Africa / Middle East	Air Freight & Logistics	–	Johannesburg-based air-cargo services provider; acquired 2002.
Checkport Schweiz AG	Current Subsidiary	Europe	Airport Services	2.56	Swiss aviation security and airport-services company.
Costanzia & C. srl	Current Subsidiary	Europe	Air Freight & Logistics	3.48	Turin-based logistics and freight-handling firm; acquired 2009.
CS-Lux	Current Subsidiary	Europe	Air Freight & Logistics	–	Luxembourg equipment-installation company serving industrial clients.
Flightcare Belgium S.A./N.V.	Current Subsidiary	Europe	Airport Services	97.14	Belgian provider of passenger, aircraft, and cargo-handling services.
Flightcare Belgium S.A./N.V. and Flightcare S.L.	Merged Entity	Europe	Airport Services	–	Combined Belgium and Spain ground-handling units acquired 2012.
Flightcare S.L.	Current Subsidiary	Europe	Airport Services	82.22	Spanish ground-handling firm serving airlines at multiple airports.
France Cargo Handling	Current Subsidiary	Europe	Air Freight & Logistics	11.32	French air-cargo and freight-arrangement services provider.

Globe Ground Korea	Current Subsidiary	Asia / Pacific	Airport Services	15.89	Seoul-based aviation support company providing passenger, ramp, and cargo services.
Peruvian Investments 2008 Pte Ltd.	Current Subsidiary	Asia / Pacific	Airport Services	19.65	Singapore-based entity operating ground-handling services in Asia.
Protectas Aviation Security Ltd.	Current Subsidiary	Europe	Security Services	14.6	European aviation security services firm; acquired 2004.
Servisair SAS	Merged Entity	Europe	Airport Services	–	French ground-handling and fueling services company merged 2013.
Servisair USA Inc.	Merged Entity	U.S. / Canada	Airport Services	15.73	U.S. ground-handling and cargo-service provider merged 2013.
ShinMaywa Ground Services Ltd.	Current Subsidiary	Asia / Pacific	Airport Services	–	Japanese ramp-handling and aircraft-maintenance services firm; acquired 2006.
Swissport Brasil Ltda	Current Subsidiary	Latin America / Caribbean	Airport Services	3.88	Brazilian ground-handling services company based in Guarulhos.
Swissport Bulgaria AD	Current Subsidiary	Europe	Airport Services	–	Sofia-based ground-services and passenger-support provider.
Swissport Canada Handling Inc.	Current Subsidiary	U.S. / Canada	Airport Services	16.24	Canadian ground-handling and de-icing services company.
Swissport Cargo Services Belgium	Current Subsidiary	Europe	Air Freight & Logistics	74.75	Belgian air-cargo-handling operator.
Swissport Cargo Services Deutschland GmbH	Current Subsidiary	Europe	Air Freight & Logistics	58.08	German air-freight-handling company based in Frankfurt.
Swissport Cargo Services Israel Ltd.	Current Subsidiary	Africa / Middle East	Airport Services	9.88	Tel Aviv-based cargo- and ground-handling operator.
Swissport Cargo Services The Netherlands B.V.	Current Subsidiary	Europe	Airport Services	1.68	Amsterdam-based cargo-handling company.
Swissport Cyprus Ltd.	Current Subsidiary	U.S. / Canada	–	18.23	Cyprus ground-handling subsidiary of Swissport.
Swissport Deutschland GmbH	Current Subsidiary	Europe	Airport Services	–	German airport ground-handling services company.
Swissport Executive	Current Subsidiary	Europe	Airport Services	–	French provider of executive aviation ground-handling services.
Swissport Finland Oy	Current Subsidiary	Europe	Airport Services	29.55	Finnish airport ground-handling and passenger-service provider.
Swissport France Holding SAS	Current Subsidiary	Europe	Airport Services	–	French holding entity for ramp and baggage-handling operations.
Swissport Fueling Inc.	Current Subsidiary	U.S. / Canada	Oil & Gas Refining / Marketing	8.18	U.S. fueling and ground-handling services operator.
Swissport Ground Handling GmbH	Current Subsidiary	Europe	Airport Services	0.71	German provider of aircraft ground-service operations.

Swissport Group Services GmbH	Current Subsidiary	Europe	Airport Services	–	Swiss-based group services and coordination entity.
Swissport Handling Sau	Current Subsidiary	Europe	Airport Services	94.52	Spanish airport ground-handling operator.
Swissport Holdings Inc.	Current Subsidiary	U.S. / Canada	Airport Services	–	U.S. holding company for Swissport's North American operations.
Swissport Japan Ltd.	Current Subsidiary	Asia / Pacific	Airport Services	98.86	Japan-based ground-handling and cargo-services company.
Swissport Korea Ltd.	Current Subsidiary	Asia / Pacific	Airport Services	–	Korean ground-handling and logistics firm.
Swissport Losch München GmbH & Co. KG	Current Subsidiary	Europe	Airport Services	28.3	German joint venture providing ramp and VIP ground-handling in Munich.
Swissport Punj Lloyd India Pvt Ltd	Current Subsidiary	Asia / Pacific	–	–	Indian ground-handling services company.
Swissport Saudi Arabia Ltd	Current Subsidiary	Africa / Middle East	Airport Services	–	Saudi-based ground-handling and baggage-services provider.
Swissport Schweiz AG	Current Subsidiary	Europe	Airport Services	–	Swiss airport operations and air-transport support services provider.
Swissport South Africa (Pty) Ltd.	Current Subsidiary	Africa / Middle East	Airport Services	–	South African ground-handling and executive-aviation company.
Swissport Tanzania Plc (DAR:SWIS)	Current Subsidiary	Africa / Middle East	Airport Services	21.24	Tanzanian ground- and cargo-handling company operating airport lounges.
Swissportald Limited	Current Investment	Europe	Airport Services	20.71	European airport-handling investment entity.
Via Net.works Europe Holding B.V.	Pending Acquisition	Europe	Air Freight & Logistics	2.11	Dutch holding entity in air-freight logistics.

COMPARABLES

Company	EV/EBITDA	EV/EBITDAR	Comments
Çelebi Hava Servisi A.S.	8.5x	7.6x	Ground handler providing cargo, ramp, and passenger services globally
John Menzies (acquired by Agility/dnata, 2022)	6.5x	5.9x	Ground handling, similar profile to Swissport
WFS (sold to SATS, 2022)	7.2x	6.6x	Air cargo handling, comparable mix
SATS Ltd (Singapore-listed)	8x	6.5x	Air cargo & inflight catering; higher quality balance sheet
dnata (Dubai National Air Transport Assoc.)	6x	5.5x	State-owned; lower multiple due to government backing
Low	**6x**	**5.5x**	–
High	**8.5x**	**7.6x**	–
Mean	**7.24x**	**6.42x**	–
Median	**7.22x**	**6.46x**	–