

**SATS LTD.**

**MINUTES OF THE 51<sup>ST</sup> ANNUAL GENERAL MEETING OF  
SATS LTD. (“SATS” or the “COMPANY”)  
HELD ON FRIDAY, 19 JULY 2024 AT 11.00 AM  
AT GRAND BALLROOM  
LEVEL 4, GRAND COPTHORNE WATERFRONT HOTEL SINGAPORE  
392 HAVELOCK ROAD, SINGAPORE 169663**

**PRESENT**

Board of Directors

Ms. Euleen Goh Yiu Kiang	Chairman
Mr. Irving Tan Yew Tiang	Chairman-Designate
Mr. Kerry Mok Tee Heong	President and Chief Executive Officer (“ <b>PCEO</b> ”)
Mr. Achal Agarwal	
Ms. Vinita Bali	
Ms. Chan Lai Fung	
Mr. Chia Kim Huat	
Mr. Eng Aik Meng	
Mr. Mak Swee Wah	
Mr. Pier Luigi Sigismondi	
Ms. Jessica Tan Soon Neo	
Ms. Deborah Tan Yang Sock (Mrs. Deborah Ong)	

Absent with Apologies

Ms. Jenny Lee Hong Wei  
Dr. Detlef Trefzger

Shareholders:

As set out in the attendance records maintained by the Company

In Attendance

Mr. Manfred Seah	Chief Financial Officer (“ <b>CFO</b> ”)
Mr. François Mirallié	Deputy Chief Executive Officer, Worldwide Flight Services (“ <b>Deputy CEO, WFS</b> ”)
Mr. Ian Chye	Company Secretary

Auditors and Advisors:

As set out in the attendance records maintained by the Company

Scrutineer

Mr. Kelvin Thio RHT Governance, Risk & Compliance (Singapore) Pte Ltd

**1. WELCOME ADDRESS**

- 1.1 The Chairman, Ms. Euleen Goh, welcomed all to the Company’s 51st Annual General Meeting (“**AGM**” or the “**Meeting**”).

## **2. PCEO'S PRESENTATION**

- 2.1 The PCEO opened with a recount of the acquisition of Worldwide Flight Services ("**WFS**"), which thrust the Company into a leading position as preeminent air cargo handler globally. The acquisition is significant in that the Company's transformation from an Asia-centric to a global multinational company positions the Company strategically and presents opportunities for future growth. The PCEO also provided an update on the integration process and expressed optimism that integration efforts are tracking well and to his expectations.
- 2.2 The PCEO then took the meeting through an overview of the Company's performance since 2010, emphasising the challenges faced during the COVID years and how the Company began its pivot to focus on strategic opportunities and imperatives that drive resilience, value creation and sustainable growth. The WFS acquisition marks a key milestone for the Company, and PCEO was happy to report that in the first year post WFS acquisition, the Company had achieved record revenue of S\$5.1 billion for the financial year ended 31 March 2024.
- 2.3 Turning to the Gateway Services business, the PCEO shared notable initiatives undertaken over the past FY to support the enlarged cargo business, and in particular, within the e-commerce segment. With regard to the Food Solutions business, recent commercial developments in India and Japan were highlighted. He also shared that the Company is embarking on a strategic partnership with Mitsui which leverages Mitsui's regional distribution channels to drive growth opportunities for the business beyond aviation, particularly in Japan.
- 2.4 The PCEO then shared that the Company most recently announced that the Gateway Services business will be reorganised into two business units: (a) one which focuses on Singapore as an air hub and contributes to Changi Airport's world-class operations and ambitions, led by a new CEO, and (b) another which focuses on growing the Company's Gateway Services business in the APAC region, recognising and tapping into the region's potential growth prospects.
- 2.5 The PCEO then concluded his presentation with an articulation of the Company's Environmental, Social, and Governance ("**ESG**") efforts and a reflection of the pathways towards meeting its sustainability goals.
- 2.6 A copy of his presentation slides was published on the Company's website and SGXNet on 19 July 2024.

## **3. QUORUM, PROXIES AND PANELLIST**

- 3.1 Following the PCEO's presentation, the Chairman, having noted that a quorum was present, declared the Meeting opened at 11.25 a.m.
- 3.2 The Chairman informed the Meeting that the proxies lodged have been checked, that she had been appointed to act as proxy for some shareholders, and that she would vote according to their instructions.

**SATS Ltd.**

Minutes of 51<sup>st</sup> Annual General Meeting held on 19 July 2024

---

- 3.3 The Chairman introduced her fellow Board members, the PCEO, the CFO, Deputy CEO of WFS and the Company Secretary, who were present at the Meeting.
- 3.4 The Chairman further informed that the Company's auditors, KPMG LLP, the Company's legal advisors, Allen & Gledhill LLP, and the Company's remuneration consultant, AON Singapore, were also present at the Meeting.
- 3.5 The Chairman added that the Company has responded in writing to all questions raised in advance of the AGM. The questions and responses were published on the Company's website and SGXNet on 13 July 2024.

**4. ELECTRONIC VOTING**

- 4.1 The Chairman informed the Meeting that voting of all resolutions at the Meeting would be by poll and conducted electronically. A video on the electronic voting was screened.

**5. NOTICE OF ANNUAL GENERAL MEETING**

- 5.1 The Chairman informed the Meeting that the Notice of the AGM ("**Notice**") had been circulated to shareholders prior to the Meeting and could be found in the Annual Report and the booklet that was sent to the shareholders on 20 June 2024. The Chairman also informed that the Notice had also been advertised in the Business Times on 20 June 2024, and posted on SATS' Website and SGXNET on even date.
- 5.2 With the consent of shareholders, the Notice was taken as read.
- 5.3 Save for Ordinary Resolution 10 (*Directors' fees for the financial year ending 31 March 2025*) and Ordinary Resolution 15 (*Authority to grant awards and allot and issue shares under the SATS Performance Share Plan (as altered) and/or the SATS Restricted Share Plan (as altered)*) where a Shareholder or proxy from the floor would be invited to propose these resolutions, the Chairman will propose all other resolutions for approval by the shareholders.

**ORDINARY BUSINESS**

**6. RESOLUTION 1: To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2024 and the Auditors' Report thereon**

- 6.1 The Meeting proceeded to receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2024 and the Auditors' Report.
- 6.2 The Chairman proposed the motion and invited questions from the shareholders.

**6.3 Responses to questions raised by shareholders**

6.3.1 Questions from a shareholder

- (i) Reference was made to pages 66 and 67 of the Annual Report (*Five-year Group Financial and Operational Summary*). The shareholder commented

- that the Company's target of achieving a 15% Return on Equity ("ROE") may be overly ambitious. He suggested that just achieving a 10% ROE, similar to the performance of five years back, would be commendable. The shareholder also acknowledged and commended the Company's progress on its profit recovery since the COVID years, but emphasized that returning to a S\$0.06 dividend and a 10% ROE would be a significant achievement.
- (ii) Post-acquisition of WFS, what issues have the Company encountered (or is encountering) during the integration process? Examples might be staffing concerns, morale issues, cultural challenges, union-related challenges? Might the Company offer some insights from ground-level operations from both the gateway services and food services business?
  - (iii) The debt-to-equity ratio is 1.6x, compared to 0.3x five years ago. What strategies are being considered to further reduce the Company's debt?
  - (iv) In relation to Ms Euleen Goh's retirement as Chairman and a Director of the Company, what is the Company's view on leadership continuity?

Response

Responding to the first comment, the Chairman expressed support and encouragement for the PCEO's ambition and motivation to exceed previous performance levels, particularly with a stretch goal of 15% ROE. She believes that this ambition can be supported under an enlarged global platform which offers much potential for growth.

As to the second question, the PCEO shared that the integration journey over the past year was challenging, presenting not just infrastructure and technology challenges but also in relation to talent retention and attraction. Prior to the acquisition, the Company was largely Asia-focused. However, at the corporate level, there is now a need for the regional teams to operate globally. Some staff members will require time to adjust to a global culture and perform with a global mindset. The PCEO stressed the importance of creating a culture of mutual understanding and flexibility. After overcoming these initial challenges, the focus will shift to pursuing new opportunities.

On the challenge of executing effectively and creating value for customers post WFS-acquisition, the PCEO expressed confidence that with the current team, the Company can stretch its goals. He noted that achieving these goals will not be easy, but it is essential to set a high bar and strive to achieve and to bring value back to the shareholders for their support throughout this journey.

Turning to relationships with union leaders, the PCEO shared that the Company is fortunate to have leaders on the ground who maintain strong relationships with union leaders and is optimistic that this relationship will continue as it remains a core focus.

On strengthening of the Company's balance sheet, CFO highlighted the key priorities for reshaping the balance sheet to enhance business value:

- (i) **Repayment of Debt:** Prioritising the reduction of debt to deleverage as quickly as possible.
- (ii) **Reinvestment in CAPEX:** Continuing to re-invest in capital expenditures to support sustainable growth.

- (iii) **Rewarding Shareholders:** Prudently paying dividends to provide sustainable returns to shareholders.

Whilst acknowledging that the Company has a high debt load, the CFO informed that the Company is committed to repaying at least S\$200 million of its borrowings in the current financial year and to maintaining its A3 credit rating received from Moody's, which is based on a forward outlook of 18 months. Currently, the debt to EBITDA ratio stands at 4.6 times, down from 5.2 times. The CFO expressed confidence that, with continued earnings growth and cash flow generation, the Company would be able to reduce the ratio to around four times within the next 15 to 18 months.

Turning to leadership continuity, the Chairman reassured the shareholders that despite her retirement, the Company maintains a strong, experienced, and diverse Board. She highlighted that Mr. Irving Tan has extensive global experience in operations, government relations, and governance, and expressed confidence in Mr. Tan's ability to lead the Company in its forward journey. Mr. Tan also shared that Ms. Goh will be serving the Company as an advisor to him after the conclusion of the Meeting and that he would benefit from her deep institutional knowledge, expertise and insights in the Company.

#### 6.3.2 Questions from a shareholder

- (i) Reference was made to the last slide that PCEO presented. What is the current ROE of WFS prior to integration?
- (ii) How does the Company plan to leverage its scale to achieve synergies to reach the target ROE, the profit margin component and the operating leverage component?
- (iii) In the 4<sup>th</sup> quarter of financial year ended 31 March 2024 ("4QFY24"), the Company generated S\$260 million in operating cash flow. If this cash flow amount is sustainable, would it not then amount to S\$1 billion annually, which could be used to reduce its debt?
- (iv) With the acquisition of WFS, are there any synergies or opportunities for the Food Solutions division to leverage the WFS network to enhance its operations, considering the strong footprint the Company has now established?

#### Response

The Chairman explained that the Company's business models have significantly evolved since pre-COVID days to the present. Costs, operations and the overall macroenvironment have changed in such a way that it is unrealistic to expect a return to pre-pandemic conditions. The PCEO also elaborated on the following strategies to drive future growth post acquisition of WFS:

- (i) **Customer collaboration:** Continue focusing on collaboration with key customers, particularly the top 20 customers, and continue to increase efforts to grow demand by partnering with industry giants to develop and implement global solutions.

- (ii) **Operational Excellence:** WFS has been driving operational excellence, achieving 2%-3% productivity savings annually. There is a team focusing on identifying and leveraging operational efficiencies to maximise the benefits of the WFS acquisition.
- (iii) **Synergies:** The PCEO opined on the challenges and imperatives required to achieve a target of S\$100 million in EBITDA over three to five years. With an enlarged platform and an expanded portfolio, the Company is focused on finding new value streams to drive these targets, including the execution of more contracts on a global scale.

As to the third question from this shareholder, the CFO responded that given that WFS was private equity-owned, WFS was highly levered and reliant on debt capital. Following the acquisition, the Company undertook a refinancing exercise to reduce the cost of debt from about 8% to 4.5%. Cashflow improvements can be observed over the last four quarters. While operating cash flow has yet to reach S\$1 billion, both companies are generating sound operating profit & cash flow, thanks to new value streams created by the teams. The Company is also closely monitoring the financial management of lease payments as part of its cost optimisation efforts in managing and bringing down debt.

As to the final question, the PCEO explained that the movement of food, particularly across countries, is complex due to various import restrictions, especially for protein. The Company's central kitchen in Thailand, does however, hold the necessary license to support the distribution of protein meals to various countries. While the Company is currently focused on expanding within Asia, the PCEO also shared that for regions outside Asia, the Company's wholly-owned subsidiary, Monty's Bakehouse, (specialising in food innovation, particularly for ready-to-eat handheld snacks for airlines) can potentially leverage the WFS footprint to serve customers in countries where they are present. The Company had also just entered into a strategic partnership with Mitsui & Co., Ltd. ("**Mitsui**") and intends to harness the strengths of both companies to drive growth for the foods business in Asia.

### 6.3.3 Questions from a shareholder

- (i) What are the threats and significant challenges you foresee in your flight operations given the recent turbulence?
- (ii) Considering the supply chain disruptions, such as geopolitical tensions and their impact on air cargo, how do you manage these threats? How do you handle technological and business model changes that may cause disruptions?

#### Response

The Chairman responded that WFS was acquired with growth in mind and to establish resiliency in the Company's businesses following the COVID experience. Echoing the Chairman's comment, the PCEO opined that in light of current geopolitical tensions, supply chain disruptions, and associated issues such as increasing congestions at global ports and the disruption to Panama Canal's traffic, the Company is in a position to benefit from our expanded network. Air cargo volumes are rebounding, and the Company is experiencing increased air freight volumes.

Regarding concerns around geopolitical tensions and how these might affect the Company's businesses, the PCEO shared that these have impacted operations. Airlines have had to avoid certain routes, which particularly impacts flights to and from Europe and has resulted in disruptions to some operations. That said, the PCEO did share his optimism that the supply chains will adapt to these disruptions, and we have a role to play with an extensive network. As the world's leading air cargo handler, the Company is very much committed to working closely to support its customers and remain the handler of choice. Cybersecurity is also a top priority for the Company, especially in view of our expanded network, and the Company has a team dedicated to this.

Climate change has also impacted operations. One example is the recent experiences of turbulence faced by airlines, and another is the increased frequency of inclement weather. Despite these challenges, the teams on the ground are well-equipped and highly motivated to handle these challenges. The PCEO thanked them for their commitment to ensuring smooth operations, from handling baggage to delivering cargo, despite weather volatility. He emphasised the importance on having a strong team on the ground, good relationships with our customers and working closely with partners to navigate these challenges.

#### 6.3.4 Questions from a shareholder

The shareholder congratulated the Management on their success and expressed enthusiasm for the Company's future plans. He encouraged the Management to aim high, suggesting an increase in ROE from 15% to 20%. He then posed the following questions:

- (i) Where do you see the impact of Artificial Intelligence ("AI") and automation in improving bottom-line benefits? With the potential for significant cost reductions, how will these technologies affect your operations, considering the large workforce and expected growth?
- (ii) There have been reports about increasing handling fees. What is the current status of these fees?
- (iii) Is the Company considering insects as part of its alternative protein plans?

#### Response

The Chairman commended Management for their hard work and teamwork in leading the Company to its current success, with results consistently improving quarter on quarter. She thanked the shareholder for his encouraging words, and expressed her confidence that the Management is committed to do their best and will not be complacent.

The PCEO shared that technology and automation are important parts of the Company's business strategy, as we would need to leverage automation and AI to increase productivity as our business expands. The COO is leading a team to drive digitalisation at various levels within the organisation, through Technology, Operational Excellence, and Analytics. These initiatives include the use of analytics to deploy staff in response to disruptions at the airport, deploying autonomous buses at Changi Airport and developmental plans for the use of automated robots and robotic arms in baggage handling for the upcoming Terminal 5. These technologies will help to address the challenge of finding workers to meet growing demands.

With respect to handling fees, the PCEO informed that it will be implemented from 1 August 2024. The decision to postpone was made in response to feedback from industry players who needed additional time to adjust their contracts with their customers. The PCEO shared that the handling fee introduced is the lowest in the region, as SATS is mindful of its impact to Singapore's competitiveness and is committed to ensuring that Singapore remains as an efficient hub that supports the local economy.

On alternative protein, the aim is to integrate alternative protein into regular food offerings in a way that is acceptable to consumers. The intent is not to completely replace animal protein with alternative protein. The Company continues to explore its benefits, particularly for its sustainability benefits and understanding its impact on our customers remains a key priority.

6.3.5 Questions from a shareholder

- (i) Are there any non-core businesses or assets that the Management plans to dispose of to improve the balance sheet? Additionally, what synergies and cost savings are expected from the WFS acquisition, and how much more can be realised?
- (ii) Does the Company plan to focus more on cargo and reduce its emphasis on the food business? What are the strategies for elevating the food business, potential expansion plans, and resource allocation moving forward?
- (iii) Please provide more information about the financial performance, metrics of the food business and the high staff cost.

Response

The PCEO replied there is an ongoing effort to evaluate what is core and what is non-core to our business portfolio. The Company assesses whether an asset is aligned with our strategy and adds value to our network, and considers divesting non-core asset only if the reinvestment will generate greater returns than the existing asset. This is an ongoing assessment and is carefully managed to ensure that we do not lose sight of value creation.

With regards to synergies, as mentioned in the PCEO's presentation, Management had set a target of S\$100 million in EBITDA over five years and we have already achieved S\$40 million. The Management is committed to achieving this target by leveraging the global network to secure more businesses.

The PCEO clarified that the Company's primary expense is manpower costs. However, the Management is working to mitigate manpower cost increases through technology. While inflation significantly impacts manpower cost, initiatives are underway to improve staff productivity by exploring job redesign and automation.

The CFO addressed the financial performance and metrics of the food business, which currently represents 22% of the Group's total business, down from around 50% before the WFS acquisition. While it is recovering more slowly, the earnings of the food business will grow. We have invested in three new kitchens during the COVID period, which will increase in contributions as they ramp up their operations. The Company is also reviewing the current operations and processes to identify opportunities for improvement, which will drive further efficiencies.



6.3.6 Question from a shareholder

Could you provide an estimated value of your non-core businesses?

Response

The Chairman responded that it is inappropriate to provide specific figures due to market dependencies and the timing of the assessments. The Chairman entreated shareholders to trust in the Management team's ability to deliver on the Company's targets.

6.3.7 Question from a shareholder

- (i) Could you provide more details on the profitability measures such as gross margins for the gateway services and food solutions businesses? Given your transformation into a global business, investors would like to understand which businesses are more profitable.
- (ii) What are the prospects for the food business going forward?

Response

The Chairman directed the shareholder to pages from 212 to 215 of the Annual Report, where detailed information on Food Solutions, Gateway Services, and the breakdown of these businesses by segment can be found.

6.3.8 Question from a shareholder

- (i) What is the target for Return on Assets?
- (ii) Has the Management explored incentives to encourage cross-selling between the Cargo and the Food Solutions to accelerate growth?
- (iii) As shareholders, will we have the opportunity to taste SATS food?

Response

The Chairman responded that the Company works on a framework of metrics that includes Return on Assets and Return on Invested Capital. While it is inappropriate to go into details at this stage, the Chairman assured that these metrics are part of the overall framework to enhance ROE.

Regarding incentives for the Management to cross-sell, the Management works on a balanced scorecard, which includes incentives for leveraging synergies between different business segments to help each other to grow as a whole for the Company.

To address the query about tasting SATS food, the Chairman encouraged shareholders to use their Twyst vouchers to sample some of the SATS food offerings.

6.3.9 Questions from a shareholder

- (i) Reference was made to page 61 of the Annual Report, regarding solar panels installed at the WFS facility in Belgium. Given that disposal of solar panels involves huge challenges, including potential environmental concerns, how does the Company plan to address these issues in the long term?
- (ii) Regarding the use of insects as an alternative protein source, there is concern about the exoskeletons of insects being indigestible for most

humans. How does the Company address this issue if it is to be used in food products?

Response

The Chairman assured that the Company works closely with the relevant agencies and experts regarding the above comments raised.

6.3.10 Question from a shareholder

The dividend has decreased from S\$0.17 in 2017 and S\$0.18 in 2018 to S\$0.015 in 2024. To achieve a market capitalisation of S\$10 billion, the dividend would need to be S\$0.36. Given this, how do you plan to increase dividends to meet shareholder expectations?

Response

The Chairman assured shareholders that the Company remains committed to providing equitable and sustainable dividends. The Company's earnings will be allocated to reduce debt, reinvest in profitable opportunities, and return dividends to shareholders. The Chairman encouraged shareholders to continue their support and look forward to the Company's future growth.

6.3.11 Questions from shareholders

- (i) Reference was made to notes 20, 29, 30 and 35 to the financial statements of the Annual Report. What is the weighted average interest rate, the average lifespan of Right-of-use assets and the justification for the goodwill?
- (ii) What is the profit margin and return on total assets for the segmental businesses in Europe and America?
- (iii) Reference was made to page 215 of the Annual Report – Segment reporting (By Geographical Location). The reporting by location shows revenue allocation. In future, please provide profit allocation by geographic location.
- (iv) Reference was made to page 213 of the Annual Report, which shows a loss of S\$24.5 million under the “Others” business segments. Could you provide details on which businesses are included in this segment?
- (v) What is the update on the status of BRF, which is known for its strong position in animal protein from Brazil?
- (vi) How does the current Return of Investment (“ROI”) compare to pre-COVID levels? It seems less impressive when compared to pre-COVID performance.
- (vii) What are the reasons for the Return on Capital Employed (“ROCE”) being lower than pre-COVID levels?
- (viii) Reference was made to pages 138 and 139 of the Annual Report, which show negative working capital. How does the Company manage liquidity?
- (ix) Reference was made to page 67 of the Annual Report, which shows the dividend cover is reported as 2.5. It is not good enough. The Company should strive and target a higher dividend cover to demonstrate resilience during difficult times.

Response

Chairman thanked the shareholders for all the questions and comments raised. Regarding the detailed questions on breakdowns by sectors, locations, regions, and segments, the Chairman informed that the information has been disclosed in

the Annual Report. Sharing additional details could compromise the Company's competitive position. Therefore, the Company is unable to provide further specifics.

Regarding the growth and margins of Food Solutions, the Chairman explained that the food business is still recovering from the impact of COVID-19. Although it is recovering more slowly than Gateway Services, better performance is anticipated by next year's AGM. On the recent collaboration with Mitsui, the Chairman shared that this collaboration will benefit both Mitsui and the Company as the companies are primed to leverage their respective strengths to grow their respective businesses. On the status of partnership with BRF, the Brazil protein supplier, they have exited the joint-venture and the business is now subsumed under Country Foods, a subsidiary of the Company.

The Chairman agreed that the ROI and ROCE performances before COVID years were indeed better. However, due to the impact of COVID-19 on the Company's business model, it was necessary to reassess that model and deliberate on a transformational move that would pivot the Company into a more sustainable and resilient business. Aiming for pre-COVID margins in current conditions was no longer realistic, and there was a need to explore new sources and ways to improve the Company's margins and the bottom line. Nevertheless, the Management is striving for a 15% ROE, which will ultimately benefit all stakeholders.

On the Company's liquidity, the Chairman directed this to the CFO, who explained that the term loan extension is nearly complete, pending the refinancing situation and the high likelihood of changes in the federal rates. Additionally, the Company has secured a revolving credit facility exceeding S\$1 billion, which provides the Company adequate liquidity to refinance its debts if necessary. The CFO further explained that the weighted average interest rate is 4.27%. On the business segment, he explained that there are three divisions; Food Solutions, Gateway Services and Corporate. The Corporate division is categorised under "Others" business segment on page 213. On goodwill, the Management went through a price purchase allocation assessment and landed on a Goodwill amount of about S\$2 billion. On the geographical business profitability, CFO explained that reporting on geographical profits segment is not required by the Financial Reporting Standards and accordingly, is not presented in such format.

- 6.4 There being no further questions from shareholders, the Chairman put the motion to a vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	855,810,365	479,659	856,290,024
Percentage	99.94%	0.06%	100%

- 6.5 Based on the results of the poll, the Chairman declared Ordinary Resolution 1 carried.

**7. RESOLUTION 2: To declare a final ordinary tax-exempt (one-tier) dividend of 1.5 cents per share for the financial year ended 31 March 2024.**

7.1 The Chairman informed the shareholders that with the Company returning to profitability in the financial year ended 31 March 2024, the Board has recommended the payment of a final ordinary tax-exempt (one-tier) dividend of 1.5 cents per share for the financial year ended 31 March 2024. The Chairman added that if the resolution is approved, the final dividend will be paid on 8 August 2024.

7.2 The Chairman proposed the motion and invited questions from the shareholders.

**7.3 Responses to questions raised by a shareholder**

**7.3.1 Questions from a shareholder**

- (i) What is the dividend cover?
- (ii) Will the Company be paying an interim dividend in addition to the final dividend of S\$0.015 per share?

**Response**

The Chairman clarified that the final dividend is for the financial year ended 31 March 2024 and will be paid after the financial year end, whereas an interim dividend (if any) will be paid for the half year ending 30 September 2024. Additionally, the CFO confirmed the dividend cover is 2.5 times.

7.4 There being no further questions, the Chairman put the motion to the vote. The results of the poll vote were as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	856,441,622	350,190	856,791,812
Percentage	99.96%	0.04%	100%

7.5 The Chairman declared Ordinary Resolution 2 carried.

**8. RESOLUTIONS 3 TO 9**

8.1 The Chairman explained that Resolutions 3 to 9 relate to the re-election of Directors retiring by rotation under Article 90 or 96 of the Company's Constitution. She stated that all Directors who were standing for re-election were willing to be re-elected as Directors of the Company. They have recused themselves from determining their independence and would abstain from voting on their respective re-elections. More information about the Directors who were seeking re-election could be found on pages 34 to 39 and 230 to 241 of the Annual Report. The Chairman sought shareholders' approval for the re-election of Directors.

**9. RESOLUTION 3: To re-elect Mr. Kerry Mok Tee Heong, who will retire by rotation in accordance with Article 90 of the Constitution of the Company and who, being eligible, offers himself for re-election as a Director of the Company.**

9.1 The Chairman proposed the re-election of Mr. Kerry Mok as a Director of the Company. If re-elected, Mr. Mok would continue to serve as a member of the Executive Committee (“EXCO”).

9.2 The Chairman added that the Nominating Committee (“NC”) and the Board (with Mr. Mok recusing himself from such determination) consider Mr. Mok to be a non-independent Director.

9.3 The Chairman proposed the motion and invited questions from the shareholders.

**9.4 Response to a question raised by a shareholder**

**9.4.1 Question from a shareholder**

Reference was made to page 103 of the Annual Report on the PCEO’s compensation. It states that he received approximately S\$2 million for FY2023-24. Could Mr. Mok consider donating this amount to align his interests with those of the shareholders?

**Response**

The Chairman highlighted that Mr. Kerry Mok has effectively led the Company through the challenging COVID-19 pandemic period, during which 95% of the aviation sector business was severely impacted. The Company has benchmarked Mr. Mok’s salary against market standards and his performance. The Chairman emphasised that the Company has established clear performance goals for the management team, and compensation is awarded based on these performance metrics.

9.5 There being no further questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	855,545,494	364,921	855,910,415
Percentage	99.96%	0.04%	100%

9.6 The Chairman declared Ordinary Resolution 3 carried.

**10. RESOLUTION 4: To re-elect Mr. Achal Agarwal, who will retire by rotation in accordance with Article 90 of the Constitution of the Company and who, being eligible, offers himself for re-election as a Director of the Company.**

10.1 The Chairman proposed the re-election of Mr. Achal Agarwal as a Director of the Company. If re-elected, Mr. Agarwal would continue to serve as a member of the EXCO. As announced by the Company on 8 July 2024, Mr. Agarwal would assume the role of Chairman of the Remuneration and Human Resource Committee (“RHRC”).

**SATS Ltd.**

Minutes of 51<sup>st</sup> Annual General Meeting held on 19 July 2024

---

10.2 The Chairman added that the NC and the Board (with Mr. Agarwal recusing himself from such determination) consider Mr. Agarwal to be an independent Director.

10.3 The Chairman proposed the motion and invited questions from the shareholders.

10.4 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	855,528,679	1,029,202	856,557,881
Percentage	99.88%	0.12%	100%

10.5 The Chairman declared Ordinary Resolution 4 carried.

**11. RESOLUTION 5: To re-elect Ms. Vinita Bali, who will retire by rotation in accordance with Article 90 of the Constitution of the Company and who, being eligible, offers herself for re-election as a Director of the Company**

11.1 The Chairman proposed the re-election of Ms. Vinita Bali as a Director of the Company. If re-elected, Ms. Bali would continue to serve as a member of the Audit Committee (“**AC**”). As announced by the Company on 8 July 2024, Ms. Bali would also assume the role of Chairman of the Safety, Sustainability and Risk Committee (“**SSRC**”).

11.2 The Chairman added that the NC and the Board (with Ms. Bali recusing herself from such determination) consider Ms. Bali to be an independent Director.

11.3 The Chairman proposed the motion and invited questions from the shareholders.

11.4 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	855,080,708	1,586,401	856,667,109
Percentage	99.81%	0.19%	100%

11.5 The Chairman declared Ordinary Resolution 5 carried.

**12. RESOLUTION 6: To re-elect Mr. Pier Luigi Sigismondi, who will retire in accordance with Article 96 of the Constitution of the Company and who, being eligible, offers himself for re-election as a Director of the Company.**

12.1 The Chairman proposed the re-election of Mr. Pier Sigismondi as a Director of the Company. If re-elected, Mr. Sigismondi would continue to serve as a member of the SSRC. As announced by the Company on 8 July 2024, Mr. Sigismondi would also assume the role of a member of the AC.

**SATS Ltd.**

Minutes of 51<sup>st</sup> Annual General Meeting held on 19 July 2024

---

12.2 The Chairman added that the NC and the Board (with Mr. Sigismondi recusing himself from such determination) consider Mr. Sigismondi to be an independent Director.

12.3 The Chairman proposed the motion and invited questions from the shareholders.

12.4 **Response to a question raised by a shareholder**

12.4.1 Question from a shareholder

Are all the Directors of the Company based in Singapore?

Response

The Chairman explained that Mr. Sigismondi is stationed in Singapore. The Chairman also highlighted that it is important to have the right skills, experience, and expertise on the Board to contribute effectively, regardless of the Directors' locations.

12.5 There being no further questions, the Chairman put the motion to the vote. The results of the poll vote were as follows:

Results	For	Against	Total
Vote	856,156,146	450,120	856,606,266
Percentage	99.95%	0.05%	100%

12.6 The Chairman declared Ordinary Resolution 6 carried.

13. **RESOLUTION 7: To re-elect Mr. Mak Swee Wah, who will retire in accordance with Article 96 of the Constitution of the Company and who, being eligible, offers himself for re-election as a Director of the Company**

13.1 The Chairman proposed the re-election of Mr. Mak as a Director of the Company. As announced by the Company on 8 July 2024, Mr. Mak would assume the role of a member of the EXCO and a member of the SSRC.

13.2 The Chairman added that the NC and the Board (with Mr. Mak recusing himself from such determination) consider Mr. Mak to be an independent Director.

13.3 The Chairman proposed the motion and invited questions from the shareholders.

13.4 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

Results	For	Against	Total
Vote	855,240,936	1,353,964	856,594,900
Percentage	99.84%	0.16%	100%

13.5 The Chairman declared Ordinary Resolution 7 carried.

**14. RESOLUTION 8: To re-elect Ms. Chan Lai Fung, who will retire in accordance with Article 96 of the Constitution of the Company and who, being eligible, offers herself for re-election as a Director of the Company**

14.1 The Chairman proposed the re-election of Ms. Chan as a Director of the Company. As announced by the Company on 8 July 2024, Ms. Chan would assume the role of a member of the AC and a member of the RHRC.

14.2 The Chairman added that the NC and the Board (with Ms. Chan recusing herself from such determination) consider Ms. Chan to be an independent Director.

14.3 The Chairman proposed the motion and invited questions from the shareholders.

14.4 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

Results	For	Against	Total
Vote	856,301,706	444,721	856,746,427
Percentage	99.95%	0.05%	100%

14.5 The Chairman declared Ordinary Resolution 8 carried.

**15. RESOLUTION 9: To re-elect Mr. Irving Tan Tiang Yew, who will retire in accordance with Article 96 of the Constitution of the Company, and who, being eligible, offers himself for re-election as a Director of the Company.**

15.1 The Chairman proposed the re-election of Mr. Irving Tan Tiang Yew as a Director of the Company. As announced by the Company on 16 May 2024, Mr. Tan was appointed as Chairman-Designate as part of the Group's leadership renewal process. If re-elected, Mr. Irving Tan would assume the role of Chairman of the Board, Chairman of the EXCO, a member of the NC and a member of the RHRC.

15.2 The Chairman added that the NC and the Board (with Mr. Tan recusing himself from such determination) consider Mr. Tan to be an independent Director.

15.3 The Chairman proposed the motion and invited questions from the shareholders.

15.4 There being no questions, the Chairman put the motion to the vote. The results of the poll vote were as follows:

Results	For	Against	Total
Vote	856,304,721	446,456	856,751,177
Percentage	99.95%	0.05%	100%

15.5 The Chairman declared Ordinary Resolution 9 carried.



**SATS Ltd.**

Minutes of 51<sup>st</sup> Annual General Meeting held on 19 July 2024

---

- 15.6 Before proceeding to Resolution 10, the Chairman informed the Meeting of the stepping down / retirement of the following Directors:
- (a) Dr. Detlef Trefzger and Ms Jenny Lee Hong Wei had notified the Company of their decisions to step down as Directors of the Company with effect from the conclusion of this Meeting, as announced by the Company on 11 June 2024; and
  - (b) Ms. Euleen Goh Yiu Kiang, who was subject to retirement by rotation under Article 90 of the Constitution of the Company at this Meeting, will step down as Chairman and a Director of the Company with effect from the conclusion of this Meeting.
- 15.7 On behalf of the Board and Management, the Chairman thanked Dr. Trefzger and Ms. Lee for their commitment and dedication to the needs of the Company, wishing them well in their future endeavours. She also expressed her personal thanks to the Company and invited her successor, Mr. Tan, to share a few words.
- 15.8 Mr. Tan expressed his privilege in assuming the Chairmanship of the Company. He acknowledged the exemplary leadership of Ms. Goh and the support from shareholders, all of which have been instrumental in SATS' transformation into a global leader in air cargo. He highlighted the Company's improved financial performance and strong foundation for sustainable growth. Mr. Tan expressed his gratitude and extended thanks to Ms. Goh for her guidance and support and looked forward to SATS' next phase of growth with continued shareholder support.
- 16. RESOLUTION 10: To approve payment of Directors' fees of up to S\$1,700,000 for the financial year ending 31 March 2024**
- 16.1 The Chairman informed the Meeting that Resolution 10 was to seek the approval of shareholders for the payment of Directors' fees of up to the amount of S\$1,700,000 for the financial year ending 31 March 2025. She informed that there is an increase of S\$200,000 in the total amount of the fees from the previous financial year and the scale of fees payable to the non-executive Directors will be revised as set out in the Annual Report, for FY24-25 onwards.
- 16.2 It was noted that the fee scale has not been revised since the financial year ended 31 March 2019. The increase takes into the account the revised scale of fees for the Group's expansion, to continue attracting, retaining and motivating talent to join the Company as the Board has been and is being constantly re-shaped to include non-executive Directors with international experience and a global set of networks. It was further noted that the Board had not proposed changes or increases to the scale of fees for the non-executive Directors in FY2023-24, despite recognising that an expanded Group with a global footprint will mean an increase in the time, effort and work scope demanded of each Director.
- 16.3 It was also noted that the non-executive Directors who have shares in the Company would abstain from voting on this Resolution.
- 16.4 A Shareholder proposed the motion and the Chairman invited questions from the Meeting.

## 16.5 Responses to questions raised by a shareholder

### 16.5.1 Questions from a shareholder

- (i) How long can an individual serve as a director of the Company?
- (ii) How are new directors compensated based on their qualifications?

#### Response

The Chairman explained that a new director is appointed for an initial term of three years and thereafter, subject to the recommendation of the NC and the Board, the term may be renewed for subsequent term of up to a total period of three (3) years. After serving six years, the term of office of a director will be renewed annually, subject to the review and recommendation of the NC, and approval of the Board. According to the SGX listing rules, a Director can no longer be considered independent after nine years. He/she may remain on the Board, as non-independent directors after nine years, subject to his/her re-election and assessment by the NC.

On the remuneration of the non-executive directors, details could be found on Pages 84 to 87 of the Annual Report.

- 16.6 There being no further questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

Results	For	Against	Total
Vote	854,628,061	520,916	855,148,977
Percentage	99.94%	0.06%	100%

- 16.7 The Chairman declared Ordinary Resolution 10 carried.

## 17. **RESOLUTION 11: To re-appoint Messrs KPMG LLP as Auditors of the Company to hold office until the next Annual General Meeting and to authorise the Directors to fix their remuneration**

- 17.1 The Chairman informed the Meeting that the Resolution 11 was to re-appoint Messrs KPMG LLP as the Company's Auditors, and authorise the Directors to fix their remuneration. She added that Messrs KPMG LLP had expressed their willingness to be reappointed as the Company's Auditors.

- 17.2 The Chairman proposed the motion and invited questions from the shareholders.

## 17.3 **Response to question raised by shareholder**

### 17.3.1 Question from a shareholder

How long can auditors serve in the Company?

#### Response

CFO responded that a review on the auditors would be conducted once every five years. Although KPMG LLP had been appointed as Auditors of the Company for

**SATS Ltd.**

Minutes of 51<sup>st</sup> Annual General Meeting held on 19 July 2024

---

the past nine years, the audit partner-in-charge had been rotated once every five years, and was thus deemed by the AC and the Board to be eligible for re-appointment.

- 17.4 There being no further questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	849,735,042	6,834,046	856,569,088
Percentage	99.20%	0.80%	100%

- 17.5 The Chairman declared Ordinary Resolution 11 carried.

**SPECIAL BUSINESS**

- 18. RESOLUTION 12: To grant authority to the Directors to issue additional shares and convertible instruments pursuant to Section 161 of the Companies Act 1967**

- 18.1 The Chairman sought shareholders' approval on Resolution 12 which would give flexibility and discretion to the Directors to issue shares at short notice, for the benefit of the Company and its shareholders, for example, to raise funds, or to facilitate an equity exchange with a strategic party, or as consideration for an acquisition. The Chairman also informed that the authority given to Directors under this share issue mandate would expire at the conclusion of the next AGM.

- 18.2 The Chairman proposed the motion and invited questions from the shareholders.

- 18.3 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	850,503,787	6,053,778	856,557,565
Percentage	99.29%	0.71%	100%

- 18.4 The Chairman declared Ordinary Resolution 12 carried.

- 19. RESOLUTION 13: To approve the proposed renewal of the Mandate for Interested Person Transactions**

- 19.1 The Chairman informed the Meeting that Resolution 13 was to renew the Mandate for Interested Person Transactions ("**IPT Mandate**") with Temasek Holdings (Private) Limited ("**Temasek**") and its associates. More details of the IPT Mandate were set out in the Company's Letter to shareholders dated 20 June 2024.

- 19.2 The Chairman added that Temasek and its associates were regarded as Interested Persons under the IPT Mandate, and would abstain from voting on this Resolution.

**SATS Ltd.**

Minutes of 51<sup>st</sup> Annual General Meeting held on 19 July 2024

---

19.3 The Chairman proposed the motion and invited questions from the shareholders.

19.4 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	265,928,014	422,482	266,350,496
Percentage	99.84%	0.16%	100%

19.5 The Chairman declared Ordinary Resolution 13 carried.

**20. RESOLUTION 14: To approve the proposed renewal of the Share Purchase Mandate**

20.1 The Chairman informed the Meeting that Resolution 14 was to renew the mandate from shareholders to acquire or purchase the Company's issued shares. More details of the share purchase mandate were set out in the Company's Letter to shareholders dated 20 June 2024.

20.2 The Chairman proposed the motion and invited questions from the shareholders.

20.3 There being no questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	855,800,538	726,044	856,526,582
Percentage	99.92%	0.08%	100%

20.4 The Chairman declared Ordinary Resolution 14 carried.

**21. RESOLUTION 15: To approve the proposed extension of, and alterations to, the SATS Performance Share Plan and the SATS Restricted Share Plan and to grant authority to the Directors to grant awards and allot and issue shares in accordance with the provisions of the SATS Performance Share Plan (as altered) and/or the SATS Restricted Share Plan (as altered)**

21.1 The Chairman informed the Meeting that Resolution 15 was to approve the proposed extension of, and alterations to, the SATS Performance Share Plan and the SATS Restricted Share Plan and to grant authority to the Directors to grant awards and allot and issue shares in accordance with the provisions of the SATS Performance Share Plan (as altered) and/or SATS Restricted Share Plan (as altered). The Chairman added that the full details of the Resolution were set out in the Notice of the AGM dated 20 June 2024.

21.2 A shareholder proposed the motion and the Chairman invited questions from the shareholders.

**21.3 Response to a question raised by a shareholder**

**21.3.1 Question from a shareholder**

What measures are in place to prevent Directors or Management from manipulating the Share Plans for their own benefit?

**Response**

The Company Secretary responded that the Company has a set of framework and process guidelines that involve inputs from various departments in the execution of such plans. As part of its governance framework, the RHRC is also involved in approving any allotments and grants under the plans.

21.4 There being no further questions, the Chairman put the motion to the vote. The result of the poll vote was as follows:

<b>Results</b>	<b>For</b>	<b>Against</b>	<b>Total</b>
Vote	823,714,383	30,824,840	854,539,223
Percentage	96.39%	3.61%	100%

21.5 The Chairman declared Ordinary Resolution 15 carried.

**22. CONCLUSION OF MEETING**

The Chairman declared that the formal business of the Meeting had concluded and declared the AGM closed. The Chairman thanked the shareholders and proxies who attended at the AGM.

The Meeting concluded at 2.00 p.m.

Approved by:

Irving Tan  
Chairman  
SATS Ltd.