

ASSET ACQUISITIONS AND DISPOSALS::ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX LISTING MANUAL

Issuer & Securities

Issuer/ Manager

SATS LTD.

Securities

SATS LTD. - SG1I52882764 - S58

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No

Announcement Details

Announcement Title

Asset Acquisitions and Disposals

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Announcement Pursuant to Rule 706A of the SGX Listing Manual

Announcement Reference

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Submitted By (Co./ Ind. Name)

Low Siew Tian

Designation

Assistant Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached.

Attachments

[SATS Ann - Rule 706A for 2HFY22-23.pdf](#)

Total size = 107K MB



SATS LTD.

(Incorporated in the Republic of Singapore)
(UEN/Company Registration No. 197201770G)

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX LISTING MANUAL

Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited, SATS Ltd. ("**SATS**" or the "**Company**") wishes to announce the following transactions that occurred during the half-year ended 30 September 2022: -

INCORPORATION OF SUBSIDIARY / INDIRECT SUBSIDIARY

- (a) Nanjing Weizhou Airline Food Corp., Ltd. ("**NWZ**"), a 50% owned joint venture company of the Company, had incorporated a subsidiary in China known as Jiangxi Weilian Air Catering Co., Ltd. ("**Jiangxi Weilian**"), with NWZ holding 66% of Jiangxi Weilian's registered capital.

Information relating to Jiangxi Weilian is as follows:

| | |
|---------------------------|--|
| Name of company: | Jiangxi Weilian Air Catering Co., Ltd. |
| Date of incorporation: | 28 July 2022 |
| Country of incorporation: | China |
| Registered Capital: | RMB 10 million (SGD 2 million) ¹ |
| Shareholders: | Nanjing Weizhou Airline Food Corp., Ltd – 66% Jiangxi Airport – 34% |
| Principal activity: | Food business, catering services and other consumer goods business |

- (b) SATS had incorporated a wholly-owned subsidiary in Singapore known as SATS Investments (III) Pte. Ltd. ("**SIPL III**").

Information relating to SIPL III is as follows:

| | |
|---------------------------|----------------------------------|
| Name of company: | SATS Investments (III) Pte. Ltd. |
| Date of incorporation: | 20 September 2022 |
| Country of incorporation: | Singapore |
| Paid-up capital: | SGD 1 |
| Principal activity: | Investment holding company |



- (c) SATS Investments (III) Pte. Ltd., a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary in France known as SATS International SAS (“**SATS International**”).

Information relating to SATS International is as follows:

| | |
|---------------------------|-------------------------------|
| Name of company: | SATS International SAS |
| Date of incorporation: | 23 September 2022 |
| Country of incorporation: | France |
| Paid-up capital: | EURO 1 (SGD 1.4) ² |
| Principal activity: | Holding activity |

DISSOLUTION OF WHOLLY-OWNED SUBSIDIARY

SATS Group Services Sdn. Bhd. (“**SGSSB**”), a wholly-owned subsidiary of the Company incorporated in Malaysia, had been struck off from the Register of the Companies Commission of Malaysia and dissolved under Section 550 of the Companies Act 2016 on 7 June 2022 (“**Strike-Off**”).

SGSSB was a dormant company. The Strike-Off is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 March 2023.

DISPOSAL OF SHARES RESULTING IN A COMPANY CEASING TO BE AN ASSOCIATED COMPANY

SATS Investments Pte. Ltd. (“**SIPL**”), a wholly-owned subsidiary of the Company, had on 12 July 2022 entered into a Share Purchase Agreement (“**SPA**”) with Dewina Brahim’s Holdings Sdn. Bhd. (“**Dewina**”) and Brahim’s Holdings Berhad to dispose of SIPL’s total shareholdings in the capital of Brahim’s SATS Investment Holdings Sdn. Bhd. (“**BSIH**”) to Dewina (“**Disposal**”).

The Disposal represents a sale by SIPL of 49% of the total issued share capital of BSIH (“**Sale Shares**”) for a cash consideration of RM10.0 million (approximately S\$3.2 million)³ (“**Consideration**”). The Consideration was arrived at on an arm’s length and willing buyer-willing seller basis. Announcements in relation to the Disposal and the completion of the Disposal (“**Completion**”) were made on 13 July 2022 and 7 September 2022, respectively.

As at 31 March 2022, the unaudited book value and net tangible asset value attributable to the Sale Shares were approximately negative RM 47.7 million (negative S\$15.1 million)³. The Disposal is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 March 2023.



Following Completion, BSIH ceased to be an associated company of SIPL and an indirect associated company of the Company. Accordingly, the Company ceased to have any interest in BSIH and its 70%-owned subsidiary, Brahim's Food Services Sdn. Bhd.

Issued by SATS Ltd. on 9 November 2022

Note:

The following exchange rates used here are solely for illustrative purposes and should not be construed as a representation that the relevant amounts have been or could be converted at these rates or at any other rates.

- 1 RMB1: SGD0.2048 (as at July 2022),
- 2 EURO1: SGD1.4084 (as at September 2022),
- 3 SGD1: RM3.16 (as at July 2022)