



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 transaction that occurred during the fourth quarter ended 31 March 2020: -

ACQUISITION OF SHARES RESULTING IN A COMPANY BECOMING A SUBSIDIARY

On 29 February 2020, SATS Investments Pte. Ltd., a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement ("**SPA**") to acquire 100% of the share capital ("**Sale Shares**") of Monty's Bakehouse UK Limited ("**Monty's Bakehouse UK**") from its existing shareholders ("**Acquisition**").

The total consideration (before any post-completion adjustments as provided in the SPA) for the Sale Shares is approximately GBP26.74M (ca. SGD48.40M)¹, which includes a deferred earn-out consideration of up to GBP10.12M (ca. SGD18.32M) payable over 3 years ("**Purchase Consideration**").

The Purchase Consideration was determined after arms' length negotiations between the parties on a willing buyer and willing seller basis, taking into account *inter alia* the past revenue and profitability of Monty's Bakehouse UK and its subsidiaries ("**Monty's Group**"). The Purchase Consideration will be funded through internal resources and be paid in cash.

The net asset value of Monty's Group as at Completion Date was approximately GBP8.61M (ca. SGD15.58M).

Completion of the Acquisition took place concurrently with the signing of the SPA on 29 February 2020.

An announcement on the Acquisition was made on 2 March 2020.

¹ The exchange rate used at the time when the announcement was released on 2 March 2020 is GBP1: SGD 1.81 which is solely for illustrative purposes and should not be construed as a representation that the relevant amounts have been or could be converted at this rate or at any other rate.



This announcement excludes transactions as set out below, which were previously announced pursuant to Rule 704(17)(c) and (d) and Rule 704(18)(c) of the Listing Manual before Rule 706A came into effect on 7 February 2020: -

Date of Announcement	Subject of Announcement
3 April 2019	Completion of Acquisition of SATS Yihai Kerry Kunshan Food Co., Ltd.
17 May 2019	Execution of Agreements in relation to Nanjing Weizhou Airline Food Corp., Ltd.
9 July 2019	Execution of S&P Agreement in relation to Food And Allied Support Services Corporation Pte. Ltd.
19 July 2019	Completion of Acquisition of 45% Interest in Nanjing Weizhou Airline Food Corp., Ltd.
23 August 2019	Completion of Divestment of 51% Interest in Food And Allied Support Services Corporation Pte. Ltd.
5 September 2019	Acquisition of SATS BRF Food Pte. Ltd. (Now known as Country Foods Pte. Ltd.)
29 September 2019	Execution of Sale and Purchase Agreement in relation to Taj Madras Flight Kitchen Private Limited
17 October 2019	Completion of Sale and Purchase Agreement and Corporate Restructuring in relation to TMFK
29 October 2019	Completion of Acquisition of 50% Interest in Nanjing Weizhou Airline Food Corp., Ltd.
11 November 2019	Incorporation of Subsidiary – Ganzhou SATS Aviation Food Co., Ltd.
21 January 2020	Incorporation of an Indirect Subsidiary – Huizhou Weilian Airline Food Co., Ltd.

BY ORDER OF THE BOARD

S. Prema
Company Secretary

9 July 2020
Singapore