



SALE AND PURCHASE AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TERMINAL & TRANSPORTTJÄNST I SIGTUNA AB AND APH LOGISTICS AB

1. Introduction

The Board of Directors (the “**Board**”) of SATS Ltd. (the “**Company**”) wishes to announce that the Company’s wholly-owned subsidiary, WFS Sweden AB (“**WFS Sweden**”), has entered into a conditional Sale and Purchase Agreement (the “**SPA**”) with Ola Elfström Aktiebolag on 15 March 2024 to acquire the entire issued and paid-up share capital of Terminal & Transporttjänst i Sigtuna AB (“**TT**”) and APH Logistics AB (“**APH**”) and, together with TT, the “**Target Group**”, the shares in the Target Group, the “**Sale Shares**” and the proposed acquisition, the “**Proposed Acquisition**”).

2. Business Activities of TT and APH

Both TT and APH are incorporated in Sweden. TT provides cargo handling and cargo transportation services to airlines, freight forwarders and time critical medical suppliers. APH specialises in border inspection services with perishable and cold chain facilities, which complements the air cargo services provided by TT.

3. Details of the Proposed Acquisition

3.1 Purchase Consideration and Funding

The purchase consideration (subject to post-completion adjustments as provided in the SPA) payable for the Sale Shares is approximately SEK94M (approximately SGD12.1M¹) (the “**Purchase Consideration**”). The Proposed Acquisition will be funded through internal resources and the Purchase Consideration will be paid in cash.

3.2 Conditions Precedent

Completion of the Proposed Acquisition is conditional upon regulatory filings and subsequent approval.

4. Rationale

The Proposed Acquisition will strengthen WFS Sweden’s position in the Stockholm market with new capacity to enable growth and diversify and expand its product offerings.

¹ The exchange rate used in this announcement is SGD1: SEK7.8 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.

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5. Financial Effects of the Proposed Acquisition

5.1 Basis of Purchase Consideration

The Purchase Consideration was arrived at after arm's length negotiation between the parties on a willing-buyer and willing-seller basis, taking into account, inter alia, the past revenue and profits of the Target Group.

5.2 Book Value and Net Tangible Assets of TT and APH

Based on the Target Group's unaudited management accounts as at 31 December 2023, the book value and net tangible asset value of the Target Group are approximately SEK5.0M (approximately SGD0.6M) and approximately SEK3.9M (approximately SGD0.5M) respectively². There was no independent valuation conducted on the Target Group for the Proposed Acquisition.

5.3 Impact on Company's Net Tangible Assets and Consolidated Earnings Per Share

The Proposed Acquisition is not expected to have any material impact on the Company's net tangible assets per share and consolidated earnings per share for the current financial year.

6. Interest of Directors and Controlling Shareholders

None of the Directors or any controlling shareholders of the Company has any interest (whether direct or indirect) in the Proposed Acquisition other than through their respective interest (if any) in the Company.

7. Document for Inspection

A copy of the SPA will be made available for inspection during normal business hours at the Company's registered office at 20 Airport Boulevard, Singapore 819659 for a period of three months from the date of this announcement.

BY ORDER OF THE BOARD

Ian Chye
Company Secretary

15 March 2024
Singapore

² The financials are prepared in accordance to Swedish GAAP.