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MEDIA RELEASE

SATS TO RAISE APPROXIMATELY S\$798.8 MILLION VIA RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE TO PARTIALLY FUND WFS ACQUISITION

- 323 rights shares for every 1,000 existing shares held at a rights issue price of S\$2.20 per rights share, representing a 16% discount to TERP¹.
- SATS' largest shareholder, Temasek, via its indirect wholly-owned subsidiary, Venezia Investments Pte. Ltd, has committed to subscribe for its pro rata 39.68% entitlement to the rights issue.
- The remaining 60.32% of the rights issue is underwritten by DBS, BofA, Citi, OCBC and UOB.

Singapore, 22 February 2023 – SATS Ltd. (“**SATS**”) today announced it has received the necessary approvals from all jurisdictions for the acquisition of Worldwide Flight Services (“**WFS**”), and that it will undertake a renounceable, underwritten rights issue to raise gross proceeds of approximately S\$798.8 million to partially fund the acquisition. Entitled shareholders will be allotted rights to subscribe for 323 rights shares for every 1,000 existing shares held as at the record date at the price of S\$2.20 per rights share, representing a discount of 16% to TERP. The record date for the rights issue will be at 5.00 p.m. on 2 March 2023. The rights issue will commence when an offer information statement is lodged with the Monetary Authority of Singapore on or around 2 March 2023.

¹ Such theoretical ex-rights price is the theoretical market price of each share assuming the completion of the rights issue, and is calculated based on the last transacted price of the shares on the Main Board of the SGX-ST of S\$2.75 on the last trading day, and the number of shares following the completion of the rights issue.



On 28 September 2022, SATS announced that it had signed a sale and purchase agreement to acquire the world's leading air cargo company, WFS, for a total cost of approximately S\$1,820 million. The approval of SATS' shareholders for the acquisition was sought and obtained at the SATS' extraordinary general meeting held on 18 January 2023. The acquisition received 96.8% approval from voting shareholders during the extraordinary general meeting.

SATS will fund the estimated total cost of the acquisition of approximately equivalent to S\$1,820 million through:

- Net proceeds from the rights issue
- A three-year Euro denominated term loan equivalent to approximately S\$700 million from SATS' principal bankers
- Cash from the Company's existing cash balance to fund the remainder of the Total Acquisition Cost

Venezio Investments Pte. Ltd, an indirect wholly-owned subsidiary of Temasek, has given an irrevocable undertaking to subscribe for its pro rata 39.68% entitlement to the rights issue. No commission or fee will be paid to Temasek or Venezio in connection with the irrevocable undertaking.

The remaining 60.32% of the rights issue will be underwritten by the banks. DBS is the Lead Financial Adviser for the rights issue, and together with BofA and Citi, are the Joint Financial Advisers and Underwriters. OCBC and UOB are Co-Lead Managers for the rights issue.

In addition, SATS Directors who are also SATS shareholders intend to subscribe for their pro rata entitlements.



Rationale for the Rights Issue

SATS believes the funding plan provides a prudent and balanced mix of sources and presents shareholders with an optimal value proposition for the WFS acquisition. The Group believes that it will be able to deleverage and meet its debt commitments with the potential free cash flows that will be generated from the combined business.

In accordance with the general mandate granted by SATS' shareholders at the Annual General Meeting held on 22 July 2022, no shareholder approval is required for the rights issue.

Rationale for the Acquisition of WFS

With all of the regulatory conditions for the transaction having been satisfied, SATS' proposed acquisition of WFS is expected to close on 3 April 2023 and will create a pre-eminent global air cargo handling platform. It will allow SATS to gain leading positions in strategic hubs connecting key trade lanes across North America and Europe, complementing its operations in Asia Pacific. Acquiring WFS will also enable SATS to expand its capabilities to meet growing demand from customers wanting to transport higher-value goods, including pharmaceutical products, vaccines and specialised cargo, on a global scale.

Kerry Mok, PCEO of SATS, said, "WFS will provide SATS with an industry-leading platform from which we can drive future growth and secure greater earnings resilience. The renounceable rights issue allows all shareholders the opportunity to participate in SATS' long-term growth."

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About SATS Ltd.

SATS is Asia's leading provider of food solutions and gateway services. Using innovative food technologies and resilient supply chains, we create tasty, quality food in sustainable ways for airlines, foodservice chains, retailers and institutions. With heartfelt service and advanced technology, we connect people, businesses and communities seamlessly through our comprehensive gateway services for customers such as airlines, cruise lines, freight forwarders, postal services and eCommerce companies.

Fulfilling our purpose to feed and connect communities, SATS delights customers in over 60 locations and 14 countries across the Asia Pacific, UK, and the Middle East. SATS has been listed on the Singapore Exchange since May 2000. For more information, please visit www.sats.com.sg.

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No person should acquire any Rights or Rights Shares except on the basis of the information contained in the offer information statement to be lodged by SATS with the Monetary Authority of Singapore (the "**Offer Information Statement**"). The information contained in this announcement is not for release, publication or distribution to persons in the United States of America (the "**United States**") and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights or Rights Shares and the acquisition or purchase of the Rights or Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. SATS assumes no responsibility in the event there is a violation by any person of such restrictions.

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