

Santova Limited - Update On Acquisition Of Masterfreight Internationale Spedition Gmbh, Germany And Acquisition Of Aemc Trading Agency

Release Date: 05/05/2015 07:30:00 Code(s): SNV Update on acquisition of Masterfreight Internationale Spedition GMBH, Germany and acquisition of AEMC Trading Agency

SANTOVA LIMITED

(Registration Number: 1998/018118/06)

("Santova")

Share Code: SNV

ISIN: ZAE000159711

UPDATE ON ACQUISITION OF MASTERFREIGHT INTERNATIONALE SPEDITION GMBH, GERMANY AND ACQUISITION OF AEMC TRADING AGENCY, SOUTH AFRICA ESTABLISHMENT OF NEW OFFICES IN HAMBURG, GERMANY

Shareholders are referred to the SENS published on 12 November 2014 announcing the acquisition of Masterfreight Internationale Spedition GmbH ("Masterfreight"), a freight forwarding and clearing agent based in Frankfurt, Germany focused on air freight imports and exports.

The Board of Santova is pleased to announce the expansion of Masterfreight through the establishment of a new office in Hamburg, Germany effective 1 April 2015, which will be focused on sea freight imports and exports. This expansion is part of the Group's strategy to establish sea and air freight capabilities in all major transportation gateways throughout Europe.

STRATEGIC ACQUISITION OF AEMC TRADING AGENCY, SOUTH AFRICA

INTRODUCTION

The Board of Santova is pleased to announce that Santova Logistics (Pty) Limited a wholly owned subsidiary of Santova has agreed to acquire the business of AEMC Trading Agency (Pty) Limited ("AEMC") on a going concern basis and to be operated going forward as a separate division of Santova Logistics (Pty) Limited.

RATIONALE

AEMC is a procurement and logistics business founded in 1996 and based in Cape Town offering specialist services in the areas of cross border transport, warehousing and projects to clients requiring a point to point solution for moving cargo in Africa. The acquisition of AEMC is part of Santova's stated strategy to expand its services and footprint into Africa and will have a synergist impact on Santova's already established projects capability.

## CONSIDERATION AND CATEGORISATION

The total maximum purchase consideration for AEMC may be up to R1.6 million depending on the achievement of future profit warranties, which is less than 5% of the company's market capitalisation and is thus neither a category 1 or 2 transaction in terms of the JSE Listings Requirements. The board, however, considers it prudent to inform shareholders of this strategic acquisition for Santova.

The effective date of the acquisition will be 1 May 2015. The acquisition is subject to certain conditions precedent and the purchase price will be settled partially in cash and partially in shares.

The acquisition is expected to have a positive impact on the Group's results, however the full effects of this will only be felt in future financial periods and will not materially affect the Group's results for the 2016 financial year end.

5 May 2015

Durban

Sponsor and Corporate Advisor

River Group

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