



Date: February 21, 2023

To,

<b>National Stock Exchange of India Limited</b> Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400051  Symbol: SAPPHIRE	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001  Scrip Code: 543397
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Dear Sir/ Madam,

**Subject: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015**

**Reg: Acquisition – Increase in Equity Stake of Gamma Island Food Private Limited, step-down subsidiary of Sapphire Foods India Limited (“Company”) through Gamma Pizzakraft (Overseas) Private Limited, wholly-owned subsidiary of the Company.**

In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), this is to inform that the Board of Directors of Gamma Pizzakraft (Overseas) Private Limited (“GPOPL”), wholly-owned subsidiary of Sapphire Foods India Limited (“Company”), has considered and approved subscription of upto 81,914 Equity Shares of Gamma Island Food Private Limited (“GIFPL”), subsidiary of GPOPL and step-down subsidiary of the Company, for a total consideration of upto MVR 18,840,220 (“Proposed Acquisition”). Pursuant to this proposed acquisition, the equity share holding of GPOPL in GIFPL will be increased from the existing 51% up to 75%.

The details as required under Regulations 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are enclosed herewith at **Annexure A**.

You are requested to kindly take the above on record and disseminate the same on your exchange website.

Thanking you,

Yours faithfully,

**For Sapphire Foods India Limited**



**Sachin Dudam**

**Company Secretary and Compliance Officer**

## ANNEXURE A

**Details with respect to the proposed acquisition as required under Regulation 30 read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015.**

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	<p>Gamma Island Food Private Limited ("GIFPL").</p> <p>GIFPL is a limited liability company, incorporated in the Republic of Maldives. The principal objective of GIFPL is to operate Pizza Hut and KFC restaurants in Maldives under franchisee agreements.</p> <p>During FY 2021-22, the total revenue of GIFPL was 26,374,562 MVR ('Maldivian Rufiyaa').</p>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	<p>GIFPL, being a step-down subsidiary of the Company (indirectly through GPOPL), the proposed acquisition falls within related party transaction.</p> <p>Apart from being a step-down subsidiary of the Company (indirectly through GPOPL), none of the Company's promoter/ promoter group /group companies have any interest in the equity shares being acquired.</p> <p>The proposed acquisition is by way of subscription to the additional equity shares issued by GFIPL to GPOPL, in one or more tranches, pricing of which is based on a chartered accountant report.</p>
3.	Industry to which the entity being acquired belongs	GFIPL is principally engaged in operating of Pizza Hut and KFC restaurants in Maldives under franchisee agreements.



4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>The objective of proposed acquisition is to, inter-alia, principally support GFIPL in its business expansion (opening of new stores) plan in Maldives and to further consolidate shareholding in GFIPL. The proposed acquisition will result in an increase of GPOPL shareholding in GFIPL from the existing 51% up to 75%.</p> <p>The business of the step-down subsidiary is in line with the business of the Company.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Subject to requisite approvals including franchisor approval, if any.
6.	Indicative time period for completion of the acquisition	March 2023
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
8.	Cost of acquisition or the price at which the shares are acquired	Acquisition of upto 81,914 equity shares for total consideration of upto MVR 18,840,220
9.	Percentage of shareholding / control acquired and / or number of shares acquired	Pursuant to the proposed acquisition, the holding of GPOPL in GFIPL will increase from the existing 51% up to 75% of equity share capital.
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>GIFPL is a limited liability company, incorporated in the Republic of Maldives on September 25, 2017. The principal objective of GIFPL is to operate Pizza Hut and KFC restaurants in Maldives under franchisee agreements.</p> <p>The revenue of GFIPL for the previous three financial years are as below:</p> <p>FY2021-22: MVR 26,374,562  FY2020-21: MVR 18,547,170  FY2019-20: MVR 34,831,338</p>

