



PROPOSED SALE OF PROPERTY AT 22 SENOKO WAY

1. INTRODUCTION

The Board of Directors of SATS Ltd. ("**SATS**") is pleased to announce that its wholly-owned subsidiary, Country Foods Pte. Ltd. , has granted an Option to Purchase (the "**Option**") to Thong Siek Food Industry Pte Ltd (the "**Purchaser**") relating to the sale of the property located at 22 Senoko Way Singapore 758044 (the "**Property**") and the Purchaser has on 28 January 2016 exercised the Option ("**Proposed Sale**").

The completion of the Proposed Sale is subject to the approval from Jurong Town Corporation and other relevant regulatory approvals ("**Completion**").

2. SALE PRICE

The total sale price payable by the Purchaser for the Property is S\$15 million ("**Consideration**"), exclusive of goods and services tax, and will be satisfied in cash in the following manner: -

- (i) 1% of the Consideration was paid on the grant of the Option, and 9% of the Consideration was paid upon the exercise of the Option; and
- (ii) The balance 90% of the Consideration is to be paid upon Completion.

The Consideration was arrived at on a willing-buyer willing-seller basis after arm's length negotiations between the parties, and after taking into account prevailing market conditions.

The net book value and net tangible value of the Property as at 30 September 2015 were approximately S\$5.8 million.

3. **NON-DISCLOSEABLE TRANSACTION**

As none of the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST ("**Listing Manual**") exceeds 5%, the Proposed Sale constitutes a non-discloseable transaction under Rule 1008 of the Listing Manual.

The Proposed Sale is not expected to have any material impact on the consolidated net tangible assets and earnings per share of SATS and its subsidiaries for the current financial year ending 31 March 2016.

4. **INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the directors of SATS or the controlling shareholders of SATS has any interest (whether direct or indirect) in the Proposed Sale other than through their shareholdings in SATS.

5. **DOCUMENTS FOR INSPECTION**

A copy of the Option is available for inspection during normal business hours at the registered office of SATS at 20 Airport Boulevard, Singapore 819659 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

S. Prema

Company Secretary

28 January 2016

Singapore