



## MEDIA RELEASE

### SATS AND OMAN AIR FORM CARGO HANDLING JOINT VENTURE IN OMAN

**Singapore, 31 March 2016** – SATS Ltd. (SATS) today announced that it has, through its wholly-owned subsidiary SATS Investments Ptd Ltd, signed a joint venture agreement with Oman Air SAOC (Oman Air) for cargo handling at Muscat International Airport.

Pursuant to the agreement, Oman Air will transfer its cargo handling business and related assets to its wholly-owned subsidiary Oman Air Cargo LLC. Subsequently, SATS will acquire from Oman Air 165,000 shares of OMR 1 each of the said subsidiary, representing 33% of its share capital, at a purchase consideration of OMR 6,369,000 (approximately S\$22,455,000<sup>1</sup>). The joint venture company will then be renamed Oman SATS Cargo LLC.

Oman SATS Cargo is expected to commence operations during the second quarter of 2016. It will become the single source provider of cargo handling services first at the existing cargo facility and then at the new state-of-the-art cargo terminal in Muscat International Airport.

SATS will provide the requisite management and technical know-how to the joint venture including staff training as well as reviewing of existing cargo processes and operations work flow at the new cargo terminal in Muscat.

Paul Gregorowitsch, Oman Air's Chief Executive Officer said: "The joint venture with SATS is one of our initiatives intended to prepare for the growth in airline operations in the coming years as well as secure a quality improvement in the services provided to our cargo customers. With SATS as our partner, we also believe that the subsequent growth of the new company will result in increased employment and career development opportunities for Omani citizens".

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<sup>1</sup> The illustrative exchange rate used in this announcement is OMR 1 : S\$ 3.52567 as at 31 March 2016. This illustrative exchange rate 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.

Alex Hungate, SATS' President and Chief Executive Officer said: "This strategic partnership with Oman Air will enhance connectivity for our cargo customers across Asia and strengthen Oman's position as a transit hub. We also see opportunities to develop cold-chain handling capabilities and promote carriage of premium and temperature-controlled airfreight for Oman Air and other airlines."

The completion of the acquisition is subject to the fulfillment of certain conditions precedent.

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### **About Oman Air**

Oman Air, the national carrier of the Sultanate of Oman, was founded in 1993 and has evolved into an acclaimed international luxury airline with an Official 4 Star Airline ranking from Skytrax. With a fleet of 40 aircraft flying to over 49 destinations across the Middle East, Europe, Asia and Africa, Oman Air's hospitality, comfort and space offer all customers a seamless passenger experience, whether they are travelling in First Class, Business Class or Economy Class. The airline's commitment to quality and innovation has seen it pioneer inflight mobile phone and Wi-Fi connectivity and receive awards from prestigious organisations in the Middle East, Europe and Asia, including 'Best Business Class Seat in the World' at the Skytrax World Airline Awards 2011 & 2012, the 'Middle East's Leading Airline - Business Class' and 'Middle East's Leading Airline - Economy Class' categories at the World Travel Awards Middle East 2015. Furthermore, Oman Air has won the 'Best Airline Staff Service' award 2014 & 2015 at the prestigious World Airline Awards run by Skytrax, and most recently during the World Travel Awards 2015, Oman Air was named 'World's Leading Airline Economy Class', also the Airline's lounge at Muscat International Airport won the 'World's Leading Airport Lounge Business Class' award.

[www.omanair.com](http://www.omanair.com)

### **About SATS Ltd.**

SATS is Asia's leading provider of Gateway Services and Food Solutions.

Our comprehensive Gateway Services encompass airfreight handling, passenger services, ramp handling, baggage handling, aviation security services, aircraft interior and exterior cleaning as well as cruise centre management. Our Food Solutions include airline catering, institutional and remote catering, aviation laundry as well as food distribution and logistics.

SATS is present at 45 airports and 12 countries across Asia and the Middle East.

SATS has been listed on the Singapore Exchange since May 2000. For more information, please visit [www.sats.com.sg](http://www.sats.com.sg).

### **Media Contacts:**

#### **Melissa Low**

Assistant Manager, Public Affairs and Branding  
SATS  
DID: (65) 6541 8200  
HP: (65) 9363 6516  
Email: [melissa\\_lowym@sats.com.sg](mailto:melissa_lowym@sats.com.sg)

#### **Lance John**

Manager  
Edelman Public Relations  
DID: (65) 6347 2329  
HP: (65) 9773 4015  
Email: [lance.john@edelman.com.sg](mailto:lance.john@edelman.com.sg)