



## JOINT VENTURE AGREEMENT FOR TERMINAL MANAGEMENT SERVICES AT SELETAR AIRPORT BUSINESS AVIATION CENTER

### 1. Introduction

The Board of Directors of SATS Ltd. (“**SATS**” or the “**Company**”) wishes to announce pursuant Rule 704 (17)(c) of the Listing Manual that the Company’s wholly-owned subsidiary, SATS Airport Services Pte. Ltd. (“**SAS**”), has on 16 May 2018 entered into a joint venture agreement (“**JV Agreement**”) with Jet Aviation (Asia Pacific) Pte. Ltd. and Universal Singapore Airport Services Pte. Ltd., to set up a company in Singapore (the “**JVCO**”) (“**Transaction**”).

### 2. Business Activities of JVCO

The primary business of the JVCO will be to carry on the business of providing terminal management services as the operator of the Seletar Airport Business Aviation Center.

### 3. Capital and Shareholding of the JVCO

Pursuant to the JV Agreement, the initial issued and paid-up capital of the JVCO is S\$2,800,000 (“**Capital**”). The shareholding structure of the JVCO will be as follows: -

Shareholders	Capital Contribution (S\$)	Percentage of shareholding (%)
SATS Airport Services Pte. Ltd.	1,456,000	52
Jet Aviation (Asia Pacific) Pte. Ltd.	672,000	24
Universal Singapore Airport Services Pte. Ltd.	672,000	24
<b>Total</b>	<b>2,800,000</b>	<b>100</b>

The proposed Capital was arrived at based on the business needs and initial working capital requirements of the JVCO.

### 4. Financial Effect

The consideration for the subscription of S\$1,456,000, representing 52% of the total issued and paid-up capital of the JVCO will be funded through internal resources and paid in cash. As the JVCO will be a newly incorporated entity, no valuation was conducted and the Transaction is not expected to have any material impact on the Company’s net tangible assets per share and consolidated earnings per share for the current financial year.

**5. Interest of Directors and Controlling Shareholders**

None of the Directors or the controlling shareholders of the Company has any interest (whether direct or indirect) in the Transaction other than through their shareholdings (if any) in the Company.

**BY ORDER OF THE BOARD**

S. Prema  
Company Secretary  
16 May 2018  
Singapore