



EXECUTION OF MEMORANDUM OF AGREEMENT WITH TURKISH AIRLINES

1. Introduction

The Board of Directors of SATS Ltd. (“**Company**”) wishes to announce that the Company’s wholly owned subsidiary, SATS Investments Pte. Ltd. (“**SIPL**”), has on 17 October 2017 entered into a memorandum of agreement (“**MOA**”) with Turkish Airlines Inc. (“**THY**”) relating to the provision of in-flight catering services to THY and other airlines at Istanbul New Airport.

2. Information on Turkish Airlines

Established in 1933 with a fleet of five aircraft, Star Alliance member, THY, is a 4-star airline today with a fleet of 329 (passenger and cargo) aircraft flying to 300 destinations worldwide with 251 international and 49 domestic destinations.

3. Principal Terms of the MOA

3.1 Pursuant to the MOA and subject to due diligence, SATS will invest into a catering company in Turkey which would operate one of the largest flight kitchens in the world at a key aviation hub, which is in line with the vision of SATS to feed and connect Asia.

3.2 The MOA, unless otherwise mutually terminated earlier or mutually extended by both parties, is valid for a period of 6 months from the date of its signing during which the parties are allowed to evaluate the opportunities leading up to the execution of the definitive agreements and the conclusion of the transaction.

3.3 Completion of the transaction is subject to the fulfillment of certain conditions precedent, including the conclusion of the definitive agreements, securing all necessary approvals such as governmental and regulatory approvals, and the completion of satisfactory due diligence.

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4. Interest of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in this transaction, other than through their respective interests (if any) in the Company.

5. Further Announcements

The Company will make further announcements on relevant updates on the transaction, in compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited, upon finalization of the terms and conditions of the definitive agreements or as and when there are material developments on this matter.

6. Cautionary Statement

Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities in the Company. In particular, shareholders and potential investors of the Company should note that there is no certainty or assurance that any business activities or transactions mentioned in this announcement will materialize. Persons who are in doubt as to the action they should take should consult their financial, tax or other professional advisers.

BY ORDER OF THE BOARD

S. Prema

Company Secretary

18 October 2017

Singapore