

Mandatory Unconditional Cash Offer

By



Merrill Lynch (Singapore) Pte. Ltd.

(Incorporated in the Republic of Singapore)

(Company Registration No. 198602883D)

for and on behalf of



Singapore Airport Terminal Services Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 197201770G)

to acquire all the issued ordinary shares

in the capital of

Singapore Food Industries Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 197300678G)

**other than those already owned, controlled or agreed
to be acquired by Singapore Airport Terminal Services Limited**

1. Introduction

1.1 Despatch of Offer Document. Merrill Lynch (Singapore) Pte. Ltd. ("**Merrill Lynch**") wishes to announce, for and on behalf of Singapore Airport Terminal Services Limited (the "**Offeror**"), that the Offeror has today despatched the offer document dated 6 February 2009 (the "**Offer Document**"), which contains details of the mandatory unconditional cash offer (the "**Offer**") for all the issued ordinary shares ("**SFI Shares**") in the capital of Singapore Food Industries Limited ("**SFI**"), other than those already owned, controlled or agreed to be acquired by the Offeror (the "**Offer Shares**"). A soft copy of the Offer Document will be available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

2. Offer Document

2.1 Form(s) of Acceptance. Included with the Offer Document are the following documents:

2.1.1 (in the case of the Offer Document sent to an SFI shareholder whose securities account with The Central Depository (Pte) Limited ("**CDP**") is credited with Offer Shares ("**Depositor**")), a Form of Acceptance and Authorisation ("**FAA**"); and/or

- 2.1.2 (in the case of the Offer Document sent to an SFI shareholder who holds Offer Shares which are not deposited with CDP (“in scrip form”)), a Form of Acceptance and Transfer (“FAT”).

2.2 Request for Documents.

- 2.2.1 **Request for Documents.** If you are a shareholder of SFI and do not receive the Offer Document and the relevant form of acceptance within a week of the date of this Announcement, please contact M & C Services Private Limited (the “Registrar”) or CDP, as the case may be, immediately at the following addresses:

M & C Services Private Limited
138 Robinson Road #17-00
The Corporate Office
Singapore 068906
Tel No.: (65) 6227 6660

The Central Depository (Pte) Limited
4 Shenton Way #02-01
SGX Centre 2
Singapore 068807
Tel No.: (65) 6535 7511

- 2.2.2 **Scrip Shareholders.** If you are an SFI shareholder and you hold Offer Shares in scrip form, you may obtain the FAT from the Registrar on production of satisfactory evidence to this effect.
- 2.2.3 **Depositors.** If you are a Depositor and your securities account with CDP is or will be credited with Offer Shares, you may obtain the FAA from CDP on production of satisfactory evidence to this effect.
- 2.2.4 **Overseas Shareholders.** The availability of the Offer to SFI shareholders whose addresses are outside Singapore, as shown on the Register of Members of SFI, may be affected by the laws of relevant overseas jurisdictions. Accordingly, any SFI shareholder not resident in Singapore should inform himself about and observe any applicable legal requirements.

- 2.3 **Procedures for Acceptance.** The procedures for acceptance of the Offer are set out in the Offer Document and in the FAA and the FAT.

- 2.4 **Acceptance of the Offer by CPFIS Investors.** Investors (“CPFIS Investors”) who have purchased SFI Shares using their monies pursuant to the Central Provident Fund Investment Scheme (“CPFIS”) should receive further information on how to accept the Offer from their agent banks included under the CPFIS (namely, DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited) (collectively, the “CPF Agent Banks”) shortly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price (as defined in the Offer Document) in their Central Provident Fund investment accounts.

3. Options Proposal

3.1 Acceptance of Options Proposal by Optionholders. For holders of options (“**Optionholders**”) to subscribe for new SFI Shares granted under the SFI Share Option Plan, please refer to the Letter to Optionholders dated 6 February 2009 in relation to the proposal to Optionholders (the “**Options Proposal**”) and despatched today for information on how to accept the Options Proposal.

4. Closing Date

The Offer will be open for acceptance until **5.30 p.m. on 9 March 2009** (or such later date(s) as may be announced from time to time by or on behalf of the Offeror).

5. Responsibility Statement

The directors of the Offeror (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from SFI, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by

Merrill Lynch (Singapore) Pte. Ltd.

For and on behalf of

Singapore Airport Terminal Services Limited

9 February 2009

Singapore

Any inquiries relating to this Announcement or the Offer should be directed to:

Merrill Lynch (Singapore) Pte. Ltd.

Keith Magnus

Managing Director and Head of Singapore and Malaysia Investment Banking Division

Harmeet Singh Bedi

Director and Co-Head South East Asia Corporate Finance

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