



**OFFER TO ACQUIRE 49% OF THE SHARES IN THE CAPITAL OF BRAHIM'S AIRLINE
CATERING HOLDINGS SDN BHD**

1. The Board of Directors of SATS Ltd. (the "**Company**") wishes to announce that SATS Investments Pte Ltd (a wholly-owned subsidiary of the Company) has on 21 October 2015 made a conditional binding offer (the "**Offer**") to the Board of Directors of Brahim's Holdings Berhad ("**BHB**") for the acquisition of BHB's 490,000 ordinary shares of RM1.00 each representing 49% of the total issued and fully paid-up ordinary shares in Brahim's Airline Catering Holdings Sdn Bhd ("**BACH**") (the "**Proposed Acquisition**"). BACH in turn owns 70% of the issued and paid-up share capital in Brahim's Airlines Catering Sdn Bhd with Malaysia Airlines Berhad holding the other 30% interest. Under the Offer, the proposed consideration for the Proposed Acquisition (subject to adjustment) is RM 110 million plus additional earn-out consideration of up to RM 108 million which is conditional upon certain agreed financial targets being achieved.
2. BHB is currently considering the terms of the Offer. The Company will make further announcements to update shareholders of the status of the Proposed Acquisition as and when appropriate.
3. The Directors of the Company do not anticipate that the Proposed Acquisition will have any material impact on the Company's net tangible assets or earnings per share for the financial year ending 31 March 2016.

BY ORDER OF THE BOARD

Prema d/o K Subramaniam
Company Secretary

22 October 2015