

ISSUE 16

TIGER FINALISES AGREEMENTS TO PURCHASE STAKE IN MANDALA

Tiger Airways Holdings Limited (Tiger Airways) announced on 23 September that it signed a share subscription agreement and finalised other commercial agreements in relation to its proposed purchase of a 33 per cent stake in Indonesia's PT Mandala Airlines (Mandala). Tiger Airways' investment in the Indonesian carrier will be held through Roar Aviation Pte Ltd, its wholly-owned Singapore subsidiary.

Mandala is currently undergoing a financial restructuring process in accordance with Indonesian laws. The Saratoga group will be the largest shareholder in the restructured Mandala group with a 51 per cent stake, while previous Mandala shareholders and creditors will hold the remaining 16 per cent.

The next stage of the process for completion of the proposed investment involves satisfying conditions precedent, which includes the parties ratifying certain corporate actions and obtaining regulatory approvals, among others. Completion is scheduled to take approximately 90 days, after which flight operations are expected to commence.

The restructured Mandala plans to adopt the Tiger Airways business model by offering low-fare air transport to both international and domestic Indonesian destinations within a five-hour flying radius. Like other airlines in the Tiger Airways Group, Mandala will also be adding the Airbus 320 aircraft to its fleet.