



DIVESTMENT OF WHOLLY-OWNED SUBSIDIARY AIRCRAFT MAINTENANCE SERVICES AUSTRALIA PTY LTD

SINGAPORE, December 14, 2018 - Mainboard-listed **SIA Engineering Company Limited (SIAEC)** today announced that it has entered into an agreement with **Heston Services Limited (Heston)** for the divestment of 100% of the issued share capital of SIAEC's wholly-owned subsidiary, **Aircraft Maintenance Services Australia Pty Ltd (AMSA)**.

AMSA is based in Australia and is in the business of providing line maintenance services in major Australian airports.

The divestment of AMSA is in line with SIAEC's overall strategy to streamline and rationalise its line maintenance international operations, and to focus on areas of high growth potential and competitive advantage.

SIAEC will receive an estimated A\$4.5 million in cash upon the completion of the divestment. The consideration for the divestment was arrived at after arm's length negotiations, on a "willing-buyer, willing-seller" basis, and after taking into account, *inter alia*, the net asset value and financial performance of AMSA. No valuation was performed for the purpose of the divestment.

The divestment of AMSA is expected to result in a gain of approximately S\$5.5 million for SIAEC for the financial year ending 31 March 2019. The completion of the transaction is subject to the satisfaction (or waiver) of conditions precedent contained in the agreement with Heston.

Based on AMSA's audited financial statements for the financial year ended 31 March 2018, the negative net tangible asset value of SIAEC's stake in AMSA is A\$1.1 million.

The transaction is not expected to have a material impact on the net tangible assets per share or the earnings per share of the SIAEC Group in FY2018/2019.

None of the Directors of SIAEC has any interest, direct or indirect, in the transaction.

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About SIA Engineering Company

(Company Registration No. 198201025C)

www.siaec.com.sg

SIA Engineering Company (SIAEC) is a major provider of aircraft maintenance, repair and overhaul (MRO) services in Asia-Pacific. SIAEC has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at 39 airports in 8 countries, as well as airframe and component services on some of the most advanced and widely used commercial aircraft in the world. Apart from MRO services, SIAEC also offers a comprehensive and integrated suite of solutions under its fleet management services.

The 26 ventures with original equipment manufacturers and strategic partners in Singapore, Australia, Hong Kong, Indonesia, Japan, Philippines, United States and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 26 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe, China and other countries.

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