



SIA Engineering Company to Form Component Maintenance, Repair and Overhaul (MRO) Joint Venture with SR Technics in Malaysia



SIA Engineering Company (SIAEC) to form a component maintenance, repair and overhaul joint venture with SR Technics in Malaysia: Mr Ng Chin Hwee, CEO, SIAEC (from right) and Mr Matthias Düllmann, CFO, SR Technics at the agreement signing event during the Singapore Airshow.

SINGAPORE, 16 FEBRUARY 2022 – SIA Engineering Company Limited (“SIAEC”) wishes to announce that it has entered into an agreement with SR Technics Switzerland Ltd. (“SR Technics”) to acquire a 75% stake in SR Technics Malaysia Sdn Bhd (“SRT Malaysia”), to form a component maintenance, repair and overhaul (“MRO”) joint venture (“JV”). The JV will complement SIAEC’s existing component repair and overhaul services and fleet management programmes. This follows the earlier announcement on 1 March 2021 of the potential acquisition (in part or whole) of SRT Malaysia, located in Selangor, Malaysia.

Under the agreement, SR Technics will retain the remaining 25% stake. The consideration for the acquisition of SR Technics’ 75% stake in SRT Malaysia is USD 3.75 million in cash. This was arrived at after arm’s length negotiations on a willing-buyer, willing-seller basis, and after considering, inter alia, the net asset value and financial performance of SRT Malaysia. Based on SRT Malaysia’s adjusted net tangible assets as at 30 November 2021, the net asset value of the SRT Malaysia shares acquired by SIAEC is USD2.62 million.

The completion of this transaction is subject to the satisfaction (or waiver) of conditions precedents set out in the agreement with SR Technics.

Mr Ng Chin Hwee, Chief Executive Officer of SIAEC, said: "The setting up of this component repair and overhaul JV with SR Technics in Malaysia is a significant step in our strategic plan to grow our component repair and overhaul services network under our recently announced Component Services Division. The JV will complement SIAEC's existing portfolio of engine and component JVs with leading Original Equipment Manufacturers ("OEM"), and will be an additional platform that will broaden the scope of component repair and overhaul services that SIAEC offers to its airline customers and OEM partners."

Mr Jean-Marc Lenz, Chief Executive Officer of SR Technics, said: "With SIAEC becoming a JV partner of SR Technics Malaysia, we are convinced that both partners will benefit from the new synergies created by this JV. SR Technics Malaysia will continue to provide high quality, reliable services, and operational excellence to support the engine component repair requirements of SR Technics. Partnering with SIAEC will not only enable us further to increase the business volume on existing repair capabilities, but it will also allow us to jointly develop new repair capabilities for new engine types and aircraft platforms."

The relative figures computed pursuant to Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited are less than 5%. 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 for the financial year ending 31 March 2022.

None of the Directors and controlling shareholders of SIAEC has any interest, direct or indirect, in the Transaction, other than through their shareholdings (if any) in SIAEC.

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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 more than 25 airports in 7 countries, as well as airframe, engine and component services on some of the most advanced and widely used commercial aircraft in the world.

The 22 subsidiaries and joint ventures with original equipment manufacturers and strategic partners in Singapore, Hong Kong, Indonesia, Japan, Philippines, United States and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 27 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States of America, Europe, China and other countries.

About SR Technics

www.srtechnics.com

The SR Technics Group is a world-leading MRO service provider in the civil aviation industry headquartered in Zurich, Switzerland. Working with an extensive network of partners and business development offices in Europe, America, Asia, and the Middle East. We offer comprehensive, fully customized solutions for the Maintenance, Repair & Overhaul of aircraft engines, airframe, and components including impeccable technical support to over 500 customers worldwide.

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