

SIA Engineering Company unit signs Lease Agreement for Hangar Facilities in Subang, Malaysia

- Expansion of our regional base maintenance network
- Addition of two hangar facilities with a combined capacity of six simultaneous aircraft checks

SINGAPORE, 20 DECEMBER 2023 – SIA Engineering Company Limited (“SIAEC” or “the Company”), refers to its announcement of 5 April 2022 in relation to a non-binding Memorandum of Understanding with Impeccable Vintage Properties Sdn Bhd (“IVP”), a wholly-owned subsidiary of Malaysia’s sovereign wealth fund Khazanah Nasional Berhad, to potentially lease two hangars at Sultan Abdul Aziz Shah Airport, Selangor, Malaysia (“Subang”) (the “Announcement”).

The Company wishes to update that Base Maintenance Malaysia Sdn. Bhd. (“BMM”), a wholly-owned subsidiary of the Company, has entered into an agreement with IVP for the lease of the two hangars located within Complex A of Sultan Abdul Aziz Airport in Subang (“Subang Hangars”) for a period of 15 years, with an option to renew for a further term of 15 years.

The entry into this lease agreement is a significant milestone for SIAEC as it establishes the Company’s third base maintenance hub in the Asia-Pacific region. The addition of the Subang Hangars, each being able to accommodate two wide-body aircraft, will boost SIAEC’s airframe check capacity in providing comprehensive maintenance, repair and overhaul (“MRO”) of current and next-generation aircraft for SIAEC’s expanding portfolio of airline customers.

Mr Chin Yau Seng, Chief Executive Officer of SIAEC said, “We believe that our investment in the Subang hangars complements our component and line maintenance joint ventures in Malaysia, allowing us to augment our extensive MRO offerings to our customers globally. With the expansion of our MRO network, this will further solidify our position as a leading provider of MRO services.”

Mr Fuad Sharuji, Chief Executive Officer of IVP said, “With a proven track record in MRO business, SIAEC’s establishment in Subang, Malaysia, will further bolster the thriving growth of Malaysia’s aerospace industry in support of the Government of Malaysia’s aspirations to position Malaysia as a leading aerospace hub in Southeast Asia and also in line with the Selangor Aerospace Action Plan 2020-2030, Malaysian Aerospace Industry Blueprint 2030 and 12th Malaysia Plan. The lease of the two wide-body hangars to SIAEC will further serve to benefit the local MRO industry and contribute to the Technical and Vocational Education and Training (TVET) program of the local aviation institutions.”

Datuk Wira Arham Abdul Rahman, Chief Executive Officer of the Malaysian Investment Development Authority (“MIDA”) applauded the signing of this Lease Agreement between the two parties, affirming, “The formalisation of this lease agreement between SIAEC and IVP underscores a robust commitment from a prominent global aerospace MRO company like SIAEC to establish roots in Malaysia. It stands as a testament to the nation’s competitive edge in the aerospace ecosystem. SIAEC’s reputation in delivering comprehensive MRO solutions will contribute to bolstering Malaysia’s aerospace sector, establishing the nation as an ideal investment hub for aerospace companies seeking expansion within ASEAN and beyond.”

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 2024. 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 over 30 airports in 8 countries, as well as airframe, engine and component services on some of the most advanced and widely used commercial aircraft in the world.

The 24 subsidiaries and joint ventures with original equipment manufacturers and strategic partners in Singapore, Hong Kong, Indonesia, Japan, Malaysia, Philippines, the United States of America and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 29 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States of America, Europe, China and other countries.

About Impeccable Vintage Properties Sdn Bhd

(Company Registration No. 201501025493)

Impeccable Vintage Properties Sdn. Bhd. ("IVP") is a company incorporated under the Malaysian law and is a wholly owned subsidiary of Khazanah Nasional Berhad. It currently operates out of Sultan Abdul Aziz Shah Airport, Subang providing facilities for MRO activities for narrow-body and wide-body aircraft. Aligned with Government of Malaysia's aspiration in making Subang a world-class aerospace hub, IVP serves to redevelop its assets that include three (3) aerospace hangars, component workshops, central and inflammable stores, and other supporting facilities.

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