



## **ACQUISITION OF 35% SHAREHOLDING RESULTING IN FULL OWNERSHIP OF SIA ENGINEERING PHILIPPINES CORPORATION**

**SINGAPORE, 26 October 2020** - **SIA Engineering Company Limited** ("SIAEC") wishes to announce that it has on 26 October 2020 entered into an agreement with **Cebu Air, Inc.** ("CEB") to acquire CEB's entire 35% shareholding in **SIA Engineering Philippines Corporation** ("SIAEP") (the "**Acquisition**").

SIAEP is currently 65% owned by SIAEC and 35% by CEB. It has a state-of-the-art facility located in Clark, Philippines and is in the business of providing airframe maintenance, repair, de-lease checks, cabin retrofits and overhaul services for 737, A320 and A330 aircraft, as well as line maintenance services at Clark.

The consideration for the acquisition of CEB's 35% stake in SIAEP is US\$7.74M in cash. This was arrived at after arm's length negotiations on a willing-buyer, willing-seller basis and took into account, *inter alia*, the net asset value and financial performance of SIAEP. The Acquisition will be accounted for as an equity transaction. Based on SIAEP's audited financial statements for the financial year ended 31 March 2020, 35% of the net asset value of SIAEP, to be acquired by SIAEC, was US\$9.32M.

Completion of the Acquisition is subject to the satisfaction (or waiver) of conditions precedent set out in the agreement with CEB. Following the Acquisition, SIAEP will become a wholly-owned subsidiary of SIAEC.

This Acquisition is in line with SIAEC's strategy to strengthen its core competencies and enhance SIAEP's status as the Group's centre of excellence for narrow-body aircraft maintenance, repair and overhaul ("**MRO**") offerings. The SIAEC Group is now in a stronger position to seize new opportunities, and provide customers with cost-competitive and integrated MRO solutions, from airframe to engines and components, for modern aircraft fleets of various sizes and composition.

The relative figures computed pursuant to Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited are less than 5%.

The change in SIAEC's ownership of SIAEP is not expected to have a material impact on the net tangible assets or earnings per share of the SIAEC Group in FY2020/21.

None of the Directors 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](http://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 34 airports in 7 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 25 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 26 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States, Europe, China and other countries.

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