Eaton and SIA Engineering Company to Form Component Maintenance, Repair and Overhaul Joint Venture in Malaysia



Mr Nanda Kumar, President of Aerospace Group, Eaton (left) and Mr Ng Chin Hwee, Chief Executive Officer of SIA Engineering Company (right) at the agreement signing event in Seattle, United States of America.

SINGAPORE, 11 July 2023 – Eaton (NYSE:ETN) and SIA Engineering Company Limited ("SIAEC") have signed an agreement to form a component maintenance, repair and overhaul ("MRO") joint venture ("JV").

The JV will inspect, test, repair, maintain, modify and overhaul Eaton-manufactured aircraft components installed on airframe and engine fuel systems and hydraulics systems. The JV builds presence and service capacity for Eaton and SIAEC customers in the Asia Pacific region.

Under the agreement, Eaton will hold a 51% equity stake in the JV, with SIAEC holding the remaining 49%. The initial issued and paid-up share capital will be USD16 million. Eaton and SIAEC will each subscribe to the shares in cash and in proportion to their corresponding equity stake. The agreement and services to be provided are subject to the receipt of required regulatory approvals.

Mr Ng Chin Hwee, Chief Executive Officer of SIAEC, said: "The relationship with Eaton in Malaysia is strategic for SIAEC as we have been growing component capabilities and increasing the competitiveness of our component Power-by-the-Hour product offering. This JV will be an important platform to build capabilities on new-generation aircraft and will complement our existing portfolio of engine and component JVs with other leading Original Equipment Manufacturers."

"This new venture will combine SIA Engineering Company's experience and well-respected position in the region with Eaton's global reach and existing customer base," said Mr Nanda Kumar, President, Aerospace Group, Eaton. "We look forward to building our regional presence to serve customers throughout the product lifecycle in this growing market."

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 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, 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 Eaton
In the aerospace industry, Eaton is a leading provider of hydraulic, fuel, oxygen, fluid and air conveyance, electrical, motion control and engine solutions, as well as aftermarket service and support, that power military and commercial aircraft globally. Our reliable products enable hundreds of essential tasks that make air travel possible. From advanced aerospace technologies to high-quality, cost-effective maintenance, repair and overhaul services, we help our customers meet performance, efficiency, safety and compliance needs, all while reducing life cycle and maintenance costs.

Eaton is an intelligent power management company dedicated to improving the quality of life and protecting the environment for people everywhere. We are guided by our commitment to do business right, to operate sustainably and to help our customers manage power — today and well into the future. By capitalizing on the global growth trends of electrification and digitalization, we're accelerating the planet's transition to renewable energy, helping to solve the world's most urgent power management challenges, and doing what's best for our stakeholders and all of society.

Founded in 1911, Eaton is marking its 100th anniversary of being listed on the New York Stock Exchange. We reported revenues of $20.8 billion in 2022 and serve customers in more than 170 countries. For more information, visit www.eaton.com. Follow us on Twitter and LinkedIn.

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