
1Q21: GMFI Recorded Improvement in EBITDA

Tangerang, August 27th, 2021 – PT Garuda Maintenance Facility Aero Asia Tbk ("GMF", Ticker Code: "GMFI") recorded an operating income of MUS\$ 62.8 in the first quarter of 2021. This decreased compared to the same period last year when the Company's performance has not been significantly affected by the COVID-19 pandemic. The recovery at the beginning of this year was also impeded by the rising cases of COVID-19, both domestic and globally, as well as the re-implementation of several restrictions policies. Similarly, IATA also reported that the recovery of flight activity was again hampered by the impact of travel restrictions and uneven progress on vaccinations. The recovery of the Company's affiliated customers also experienced a similar trend, where block hours and flight frequency had decreased since December 2020. This condition resulted in the decrease of maintenance events in the Company's core business.

In response, GMF had carried out several measures to drive cost efficiency and increase revenue to maintain business sustainability amid the market dynamics. In line with the reduced production activities and aggressive efficiency measures, the Company managed to lower the operating expenses by 52% year on year (YoY), from MUS\$ 139.7 in 1Q20 to MUS\$ 67.7 in 1Q21. GMF CEO Andi Fahrurrozi said that the highest decrease was seen in the subcontracts and materials expenses achieved through vendor engagement, material procurement cooperation with customers, and the development of in-house capabilities. "GMF can optimally reduce subcontract and material expenses by reducing the number of component maintenance work conducted by third parties, and buying materials more selectively, effectively, and efficiently without neglecting quality and operational," said Andi.

The improvement in profitability was reflected in the Company's earnings before interest, tax, depreciation, amortization (EBITDA) which increased significantly from the previous year, reversing from negative EBITDA of MUS\$ -28.2 in 1Q20 to positive EBITDA of MUS\$ 2.6 in 1Q21. This is in line with the Company's effort in enacting gradual and comprehensive improvement through sustainable recovery strategies, including efficiency and cash flow management policies, provision of COVID-19-related services such as aircraft disinfection and prolong checks, and aggressive penetration to markets that are less affected by the pandemic such as cargo and passenger to freighter (freighter) aircraft, redelivery works to lessors, private/business jets, defense industry, and industrial gas turbine engine. "GMF targets a positive EBITDA of MUS\$ 4 if the COVID-19 handling in Indonesia continues to improve," said Andi.

Comply with Regulation and Accounting Standards, GMF Restated Financial Statement

In addition to 1Q21 performance, GMFI's Public Expose, which was held on August 27th, also disclosed the restatement of consolidated financial statements for the year ended December 31st, 2019, and January 1st, 2019, due to the misstatements in the recognition of expenses. Consequently, the Company's equity on December 31, 2019, was adjusted to MUS\$ 127.2. Net loss in the year ended December 31, 2019 also adjusted to MUS\$ 54.

In response, Andi said that the restatement showed Company's commitment to comply with the existing regulations and accounting standards. Public expose was also held in compliance with Disclosure of Material Information policy and the Company's responsibility to the public and shareholders. "In the process, GMF frequently coordinated with the Financial Services

Authority (OJK), auditors, and other stakeholders to ensure that the restatement was carried out in accordance with the rules and compliance principles," concluded Andi. As the mitigation measures, the Company has cooperated with consultants to improve the system, as well as tightening the financial controls.

About GMF

PT Garuda Maintenance Facility Aero Asia Tbk (GMF) is a company engaged in the maintenance, repair, and overhaul of aircraft and industrial services. As the largest MRO service provider in Indonesia, with more than 70 years of experience, GMF originated as Garuda Indonesia Technical Division. Located in the Soekarno Hatta International Airport, GMF has customers from more than 60 countries worldwide. As a world-class MRO, GMF has obtained civil aviation authority certifications from more than 20 countries, including FAA (America), EASA (Europe), CASA (Australia), and DGCA (Indonesia). In 2017, GMF became a public company by releasing its share to the public. Currently, GMF is expanding its business by penetrating the industrial gas turbine engine market. Thus, GMF is expected to realize its vision to become the most valuable MRO company through its mission in providing integrated and reliable maintenance solutions as a contribution to the nation.

Media Contact:

Diorezky Yoga Pratama

P: +6221 550 8717

E: diorezky@gmf-aeroasia.co.id /
corporatecommunications@gmf-aeroasia.co.id