

## **GMFI Holds Extraordinary General Meeting of Shareholders (EGMS) to Accelerate Rights Issue Process for Strengthening Capital Structure**

**Jakarta, October 28<sup>th</sup>, 2024** — PT Garuda Maintenance Facility Aero Asia Tbk ("GMFI"), a subsidiary of Garuda Indonesia that provides aircraft maintenance services, conducted an Extraordinary General Meeting of Shareholders (EGMS) to seek shareholder approval for a capital increase through the Rights Issue mechanism, officially referred to as Capital Increase with Pre-emptive Rights (CIPR). The new capital will be raised by issuing Series B shares to fortify the Company's capital structure and strengthen its equity position.

This strategic initiative is part of GMFI's broader effort to enhance its financial standing and optimize the use of existing assets. The plan includes non-cash capital contributions from PT Garuda Indonesia (Persero) Tbk in the form of fixed assets valued at IDR 418 billion.

Andi Fahrurrozi, CEO of GMFI, explained, "This initiative reflects our strategy to ensure GMFI maintains a healthy capital structure, supporting sustainable business growth." With this rights issue, GMFI will gain better flexibility in managing and utilizing assets, particularly in Maintenance, Repair, and Overhaul (MRO) activities, to ensure compliance with applicable regulations.

During the EGMS, shareholders approved several vital resolutions, including implementing the rights issue, changes in the capital structure, and issuing up to 11.7 billion new Series B shares with a nominal value of IDR 25 per share. Garuda Indonesia will acquire 89.1% of the newly issued shares as the principal shareholder. GMFI's Articles of Association amendments were also approved to accommodate the new shares.

The CIPR process is scheduled for completion by December 2024 and is expected to deliver significant benefits to both GMFI and its shareholders. Strengthening its capital base will enhance GMFI's financial capacity to address challenges in the increasingly competitive aviation industry. Furthermore, the rights issue allows shareholders to maintain or increase their ownership stakes in GMFI.

By adopting a prudent approach and involving all stakeholders, GMFI aims to maximize the benefits of the additional capital to strengthen its financial position and support future business development. The proceeds will be allocated for working capital, ensuring smooth operations and fulfilling the Company's core needs, such as raw material purchases and service improvements. Furthermore, these funds will support GMFI's efforts to enhance operational efficiency, ensuring aircraft maintenance quality meets regulatory standards.

Andi added, "This rights issue is more than just a financial maneuver—it is a strategic step to provide GMFI with the flexibility to optimize its core assets. With additional capital, we will aggressively pursue operational efficiency and accelerate investments in critical areas such as MRO technology, which will have long-term impacts on our global competitiveness."

#### **Positive Performance in the First Half of 2024**

In the first half of 2024, GMFI reported significant improvements in its financial performance. As of June 30, 2024, GMFI's revenue amounted to USD 216.48 million, surpassing the USD 166.91 million recorded in the same period of the previous year. Net profit also surged to USD 13.26 million, compared to USD 2.04 million in the previous period, reflecting a robust 548.9% growth. Additionally, GMFI's EBITDA increased by 29% to USD 31.72 million in the same period in 2023.

The financial upturn can be attributed to various efficiency initiatives implemented by GMFI, including optimized inventory management, improved customer service level agreements (SLA), and effective cost management. The Company also recorded positive operational cash flow, providing greater flexibility for pursuing business development projects.

"With this positive performance in the first half of the year, we are increasingly confident in addressing challenges in the second half and maximizing the company's growth potential moving forward," Andi concluded.



## About GMFI

PT Garuda Maintenance Facility Aero Asia Tbk (GMF) is a company engaged in the provision of industrial services, as well as the repair, maintenance, and overhaul of aircraft. As the largest aircraft MRO (Maintenance, Repair, and Overhaul) company in Indonesia with over 70 years of experience, GMF initially started as a division of PT Garuda Indonesia (Persero) Tbk, located at Soekarno Hatta International Airport. GMF has served more than 190 customers across more than 60 countries. In carrying out its business activities, GMF has been recognized by aviation authorities around the world with certifications from more than 25 countries, including the FAA (United States), EASA (Europe), and DGCA (Indonesia). In 2017, GMF officially became a publicly traded company by offering its shares to the public under the ticker code GMFI. Currently, GMF is expanding its operations to enter the power services and defense industries segments. As a result, GMF is expected to realize its vision of becoming the most valuable MRO company through its mission of providing integrated and reliable maintenance solutions as a contribution to the nation and the state.

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