

GMFI Achieves Significant Growth in Financial Performance for the Fiscal Year 2023

Tangerang, 01 April 2024 – PT Garuda Maintenance Facility Aero Asia Tbk ("GMFI"), a subsidiary of PT Garuda Indonesia (Persero) Tbk focused in aircraft maintenance, has released its financial performance for the fiscal year 2023. The revenue for the year 2023 reached USD 373.2 million, marking a significant growth of 56.9% compared to the previous year. GMF also successfully recorded a net profit growth from USD 3.6 million in 2022 to USD 20.2 million in 2023.

The CEO of GMF, Andi Fahrurrozi, stated, "We are grateful for this good net profit achievement, which is a result of the restructuring efforts we have implemented. This indicates our success in leading the Company towards improvement approaching pre-global pandemic conditions."

In terms of cash flow, operational activities emerged as the main contributor, continuously showing improvement through various ongoing projects. In 2023, the aircraft engine maintenance business segment became the largest contributor to operational revenue, with a total revenue of USD 102 million, a significant increase compared to the previous year's revenue of USD 24.3 million. This increase is aligned with the reactivation activities of Garuda Indonesia's engines. This was followed by the airframe maintenance segment, which recorded revenue of USD 83.7 million, and component services with total revenue of USD 82.2 million.

These positive achievements are the result of the aggressive restructuring efforts undertaken by the Company throughout 2023, both toward trade payables and bank loans. This year's increase in net profit not only stems from operational profit achievements but also from asset value recovery, indicating that these achievements are still part of the Company's post-Covid-19 pandemic recovery process, which has long-term effects on the aviation industry.

GMFI has been implementing debt restructuring with banks continuously, the process initiated since 2022 and continued until 2023. Some forms of restructuring undertaken by GMFI with banks include extending payment terms, adjusting principal loan payment procedures, and

reducing interest rates. Meanwhile, business debt restructuring is conducted through one-on-one negotiation schemes and fulfilling commitments to agreed-upon payment plans with suppliers. The negotiation results include agreements between GMFI and suppliers such as principal amount reductions (haircut) on debts and changes in purchasing schemes to maintain business cooperation sustainability.

Business diversification strategies are also being promoted by GMFI to support its performance improvement. In 2023, GMFI secured a maintenance contract for the BBJ02 owned by the Ministry of State Secretariat. From the defense sector, GMFI also added new capabilities in 2023, where for the first time, GMFI conducted maintenance work on Bell 412 helicopters. Another achievement from the defense sector is GMFI's historic completion of the C-130H Hercules aircraft Center Wing Box replacement for the first time in Indonesia. In addition, GMFI continues to expand its international market reach with successful collaborations with customers from Korea, Europe, Southeast Asia, and the Middle East. GMFI also successfully ensured that one of its hangars is fully occupied until 2025.

GMFI is still in the process of business recovery to restore its business conditions. The Company continues to explore various initiatives to enhance equity, which has been vigorously pursued up to the present. However, considering the overall aviation industry recovery, GMFI is optimistic that various financial and operational recovery strategies and efforts will continue to improve profitability for sustainable growth. "With revenue increasing by more than 50%, in line with the increased net profit achievement, we are confident that GMFI's recovery efforts are on the right track. Moreover, this year's net profit also shows a significant increase. Other business segments such as military and industrial solutions still hold great potential for the future. The road ahead may still be challenging, but we believe that slowly but surely, GMFI will be able to achieve much more sustainable growth after this," conclude Andi.

About GMF

PT Garuda Maintenance Facility Aero Asia Tbk (GMF) is a company engaged in industrial services, aircraft maintenance, repair, and overhaul services. As the largest MRO in Indonesia with over 70 years of experience, GMFI initially stood as the Technical Division of PT Garuda Indonesia (Persero) Tbk located at Soekarno Hatta International Airport. GMFI has served more than 190 customers from 60 countries worldwide. In conducting its business activities, GMFI has been recognized by aviation authorities worldwide with certifications from more than 25 countries, including FAA (USA), EASA (Europe), and DGCA (Indonesia). In 2017, GMF officially became a publicly traded company by releasing its shares to the public with the ticker code GMFI. Currently, GMF is expanding its wings to enter the power services and defense industry segments. Thus, GMF is expected to realize its vision of becoming the most valuable MRO company through its mission to provide integrated and reliable maintenance solutions as a contribution to the nation and the state.

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