



Anticipated Merger between SIA Engineering Company Limited and Pos Aviation Engineering Services Sdn Bhd

Reference Number	:	MAVCOM/ED/CC/DIV4/2021(2)
Application	:	Voluntary Notification and Application for an Anticipated Merger under section 55 of Act 771
Applicants	:	SIA Engineering Company Limited and Pos Aviation Sdn Bhd
Receipt of Application	:	26 October 2021
Summary of Application	:	<p>SIA Engineering Company Limited (“SIAEC”) and Pos Aviation Sdn Bhd (“PASB”) (collectively, the “Applicants”) are seeking for approval pursuant to section 55 of Act 771 in relation to SIAEC’s proposed acquisition from PASB of 49% equity of Pos Aviation Engineering Services Sdn Bhd (“PAES”).</p> <p>PAES is a wholly-owned subsidiary of PASB and is primarily in the business of providing aircraft maintenance certification and engineering services at the following airports in Malaysia:</p> <ol style="list-style-type: none">1. Kuala Lumpur International Airport2. Kuala Lumpur International Airport 2 (klia2)3. Penang International Airport4. Sultan Azlan Shah Airport (Ipoh)5. Kota Kinabalu International Airport6. Kuching International Airport7. Langkawi International Airport <p>The Applicants note that the proposed acquisition would not result in any substantial lessening of competition (SLC) as PAES has a relatively small market share and has no market power or ability to foreclose the market of ground handling services in Malaysia.</p> <p>The Applicants further note that PAES’ competitors have higher market shares than PAES and that the proposed acquisition will strengthen PAES so as to ensure continued options in the ground handling market for the benefit of airlines.</p>



	<p>The Applicants further provide that the proposed acquisition will have benefits in terms of economic efficiencies through synergies with SIAEC and cost reductions. The application also provides that the proposed acquisition will bring about employment opportunities and promote market growth as the proposed acquisition will result in the introduction of new market segments and in turn, promote investment in Malaysia.</p>												
<p>Timeline</p>	<table border="1"> <thead> <tr> <th data-bbox="564 707 895 779">Date</th> <th data-bbox="895 707 1386 779">Status</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 779 895 853">26 October 2021</td> <td data-bbox="895 779 1386 853">Receipt of Application</td> </tr> <tr> <td data-bbox="564 853 895 965">11 November 2021</td> <td data-bbox="895 853 1386 965">Publication of the summary of the Application for public consultation</td> </tr> <tr> <td data-bbox="564 965 895 1039">13 December 2021</td> <td data-bbox="895 965 1386 1039">Close of the public consultation</td> </tr> <tr> <td data-bbox="564 1039 895 1151">20 July 2022</td> <td data-bbox="895 1039 1386 1151">Publication of the <u>Proposed Decision</u> for public consultation</td> </tr> <tr> <td data-bbox="564 1151 895 1256">3 August 2022</td> <td data-bbox="895 1151 1386 1256">Close of the public consultation for the Proposed Decision</td> </tr> </tbody> </table>	Date	Status	26 October 2021	Receipt of Application	11 November 2021	Publication of the summary of the Application for public consultation	13 December 2021	Close of the public consultation	20 July 2022	Publication of the <u>Proposed Decision</u> for public consultation	3 August 2022	Close of the public consultation for the Proposed Decision
Date	Status												
26 October 2021	Receipt of Application												
11 November 2021	Publication of the summary of the Application for public consultation												
13 December 2021	Close of the public consultation												
20 July 2022	Publication of the <u>Proposed Decision</u> for public consultation												
3 August 2022	Close of the public consultation for the Proposed Decision												