CIVIL AVIATION AUTHORITY OF MALAYSIA
ADVISORY INFORMATION 16/2026

24th November 2026

CONSULTATION ON THE APPLICATION OF AN ANTICIPATED MERGER FOR THE PROPOSED ACQUISITION OF SEPANG AIRCRAFT ENGINEERING SDN BHD BY MALAYSIA AVIATION GROUP BERHAD

1 Introduction

1.1 This Advisory Information is issued to inform the public of an upcoming public consultation by the Civil Aviation Authority of Malaysia ("CAAM") on the proposed acquisition of Sepang Aircraft Engineering Sdn Bhd ("SAE") by Malaysia Aviation Group Berhad ("MAGB").

1.2 CAAM has received an application for an anticipated merger under section 36U of the Civil Aviation Authority of Malaysia Act 2017 [*Act 788*] in relation to the proposed acquisition of SAE by MAGB.

2 Background

2.1 A conditional Sale and Purchase Agreement ("SPA") was entered into in September 2026 for the proposed acquisition by MAGB of all the shares in SAE from Airbus S.A.S. ("Airbus"). Completion of the proposed acquisition is subject to all applicable approvals from the relevant authorities, including CAAM. The proposed acquisition constitutes an anticipated merger within the meaning of section 36U of Act 788 and is therefore subject to CAAM's merger control assessment.

2.2 Upon completion of the proposed acquisition, MAGB will wholly own two maintenance, repair and overhaul ("MRO") service providers: (i) MAB Engineering Services Sdn Bhd ("MABES"); and (ii) SAE. According to the application, both companies will continue to operate independently within the MAGB group.

2.3 According to the application, MABES and SAE will continue to operate as separate business entities following completion of the proposed acquisition, reflecting their distinct commercial focus and operational priorities. MABES primarily serves the MRO requirements of the MAGB group, while SAE focuses on third-party customers. Although MAGB is the acquiring entity, the competition analysis presented in the application focuses on the MRO operations of MABES and SAE, reflecting the combined market presence of MAGB's MRO subsidiaries following the proposed acquisition.

3 Public Consultation

3.1 CAAM will conduct a public consultation in respect of the proposed anticipated acquisition. A non-confidential version of the application will be made available for review.

3.2 The consultation seeks views, comments and submissions from interested parties, including industry stakeholders and members of the public, on the potential impact of the proposed acquisition on competition and the aviation sector.

3.3 Further details, including the consultation period, relevant documents, submission procedures and deadline for responses, will be published on CAAM's official website in due course.

3.4 CAAM invites all interested parties to provide written submissions within the consultation period. All submissions received will be duly considered as part of CAAM's assessment of the proposed acquisition.

4 Other Information

4.1 Any enquiries regarding this consultation or the anticipated merger application shall be directed to the Economics and Competition Division, Civil Aviation Authority of Malaysia, Putrajaya via email at competition@caam.gov.my.

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for Civil Aviation Authority of Malaysia
24 November 2026