"Commitment to Excellence"

April 02, 2024

To,	To,
The General Manager,	The Listing Department,
Department of Corporate Services,	National Stock Exchange of India Limited
BSE Limited,	Exchange Plaza, C-1, Block G
P.J. Towers, Dalal Street,	Bandra Kurla Complex
Mumbai – 400001	Bandra (E), Mumbai – 400 051
Company Code No.: 543972	Trading Symbol: AEROFLEX

Sub: Acquisition Updates.

Dear Sir/Ma'am,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the Acquisition Updates.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

FOR AEROFLEX INDUSTRIES LIMITED

ASAD DAUD

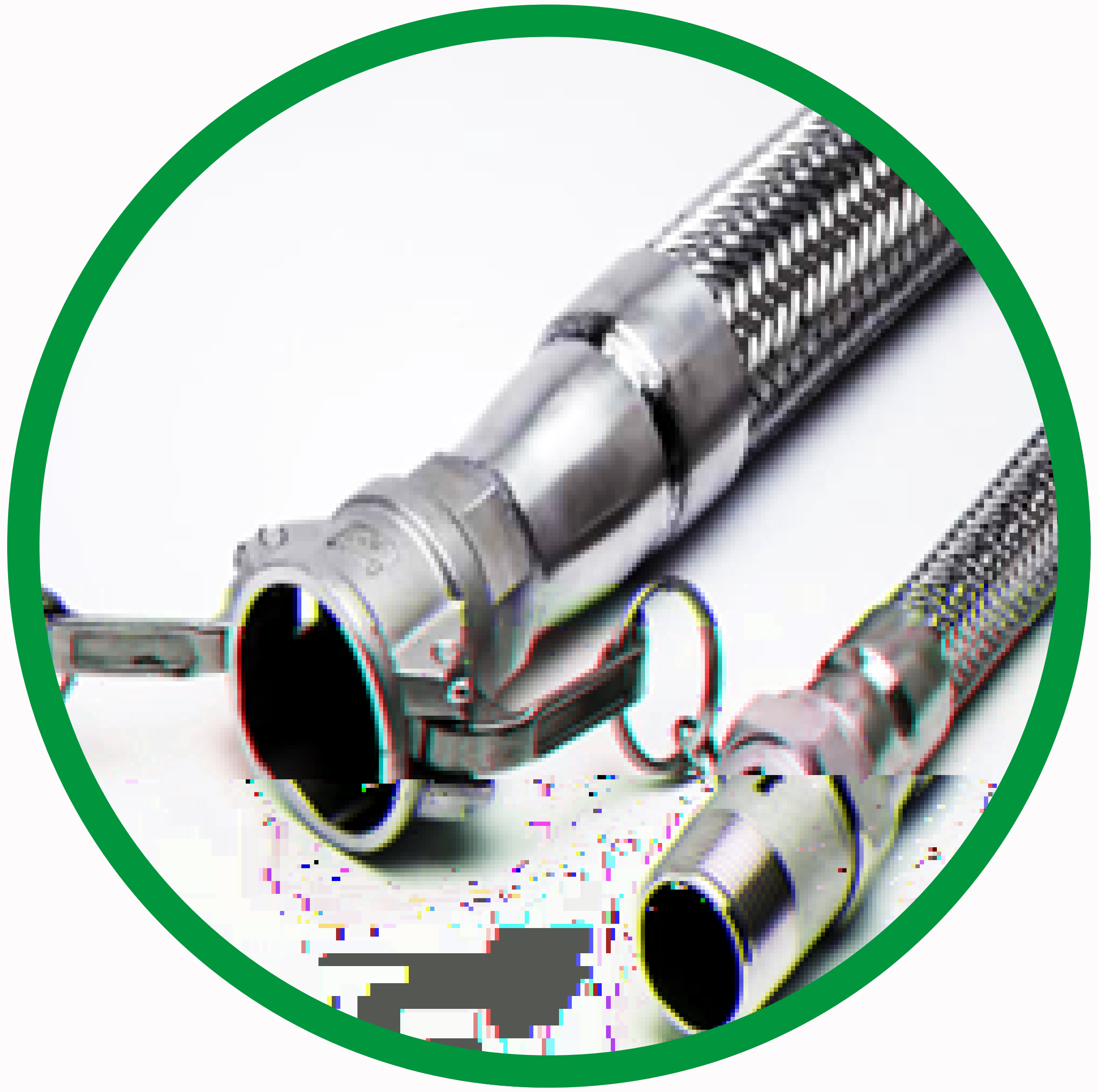
Asad Daud
Managing Director
DIN:02491539

Encl.: as above

Aeroflex Industries Limited
Business Office & Factory
Plot No: 41 & 42/13, 14, 18, Village: Chal, Near Taloja M.I.D.C.,
Post: Ghot Camp, Tal: Panvel, Dist: Raigad,
Maharashtra - 410 208 India
Phone: +91 22 6146 7100 (100 Lines), Fax: +91 22 6146 7136
Email: info@aeroflexindia.com, Website: www.aeroflexindia.com
CIN: U24110MH1993PLC074576

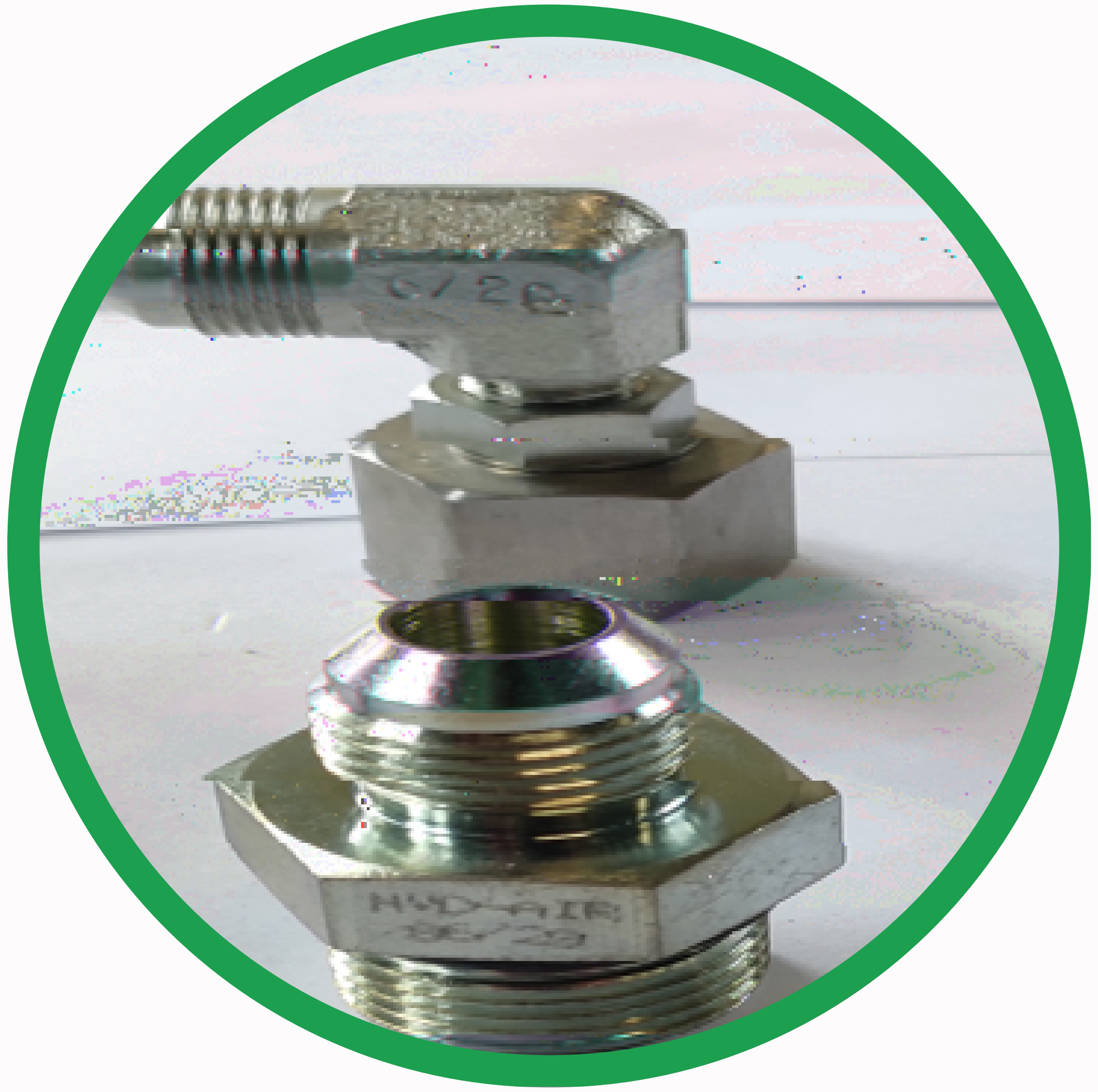
AEROFLEX INDUSTRIES LIMITED
"Commitment to Excellence"

2nd April 2024



AEROFLEX INDUSTRIES LIMITED

H-A
HYD-AIR



MANAGEMENT QUOTE

AEROFLEX INDUSTRIES LIMITED

"Commitment to Excellence"

Asad Daud

Ma a D c

In light of the acquisition, Mr. Asad Daud, the Managing Director of Aeroflex, commented,

The approval from our Board marks a significant milestone as we move forward with the acquisition of Hyd-Air Engineering Priviate Limited. Furthermore, the synergy between Aeroflex's R&D capabilities and Hyd-Air's expertise promises to enrich our product offerings, fostering innovation and bolstering our competitiveness in the market.

This strategic move not only opens pathways for our entry into critical sectors like Railways, Shipbuilding, and Heavy Industries but also positions Aeroflex for significant growth in Sales and EBITDA margins by expanding our assembly product offerings. The acquisition of Hyd-Air strengthens our market position and sets Aeroflex on a path for long-term success.

DEAL DETAILS

- Name of the target entity: Hyd-Air Engineering Private Limited
- Brief of Company: Manufacturer of Hydraulic fittings, Fluid Connectors & Flanges etc.
- Turnover: FY23 (audited): INR 5.17 crore; FY24 (provisional): INR 8.06 crore
- Cost of acquisition : INR 17,20,86,172/-
- Percentage of shareholding / control acquired and / or number of shares acquired : 100% shareholding
- Indicative time period for completion of the acquisition: Within 60 Days from the date of execution of Share Purchase Agreement
- Objects and impact of acquisition: Acquisition of Hyd-Air Engineering Private Limited will help the Company to:
  * Use Hyd-Air's products as components and fittings to boost the sales of its assembly products business
  * Increase its product portfolio
  * Dive deeper into sectors such as Railways and Shipbuilding and other heavy industries

ACQUISITION OBJECTIVES (1/2)

ACQUISITION OBJECTIVES (2/2)

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Capacity Expansion

Current capacity utilisation of approx 30% ensures room for growth to leverage existing infrastructure. Aeroflex further plans to invest approx INR 18 crores to increase production capacity over the next 2-3 years.

Strategic Location Advantage

Locational advantages by tapping into a robust vendor network and proximity to marquee OEMs in the MIDC-Chakan, Pune region.

Infrastructure Availability

The site has a land area of approx 60,000 sqft, with a current built-up area of approx 17,000 sqft. Additionally, there is potential for further expansion, with an additional 43,000 sqft available for future development.

Sectoral Advantage

This acquisition opens doors to new sectors including Railways, Shipbuilding, and Heavy Industries, providing Aeroflex with a strategic advantage to diversify its portfolio and penetrate lucrative markets with high growth potential.

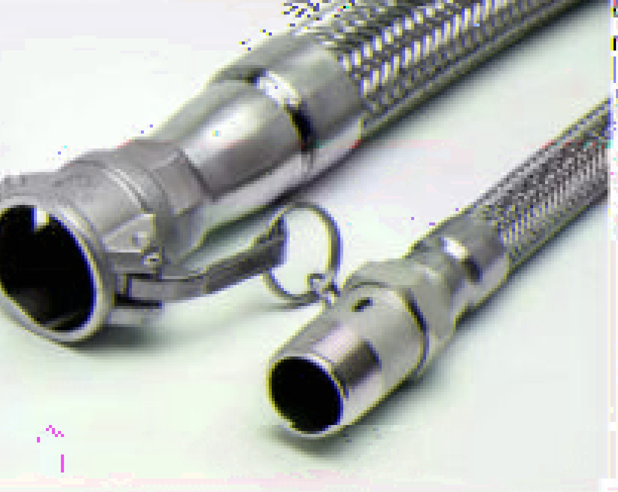
Continuity of Present Team

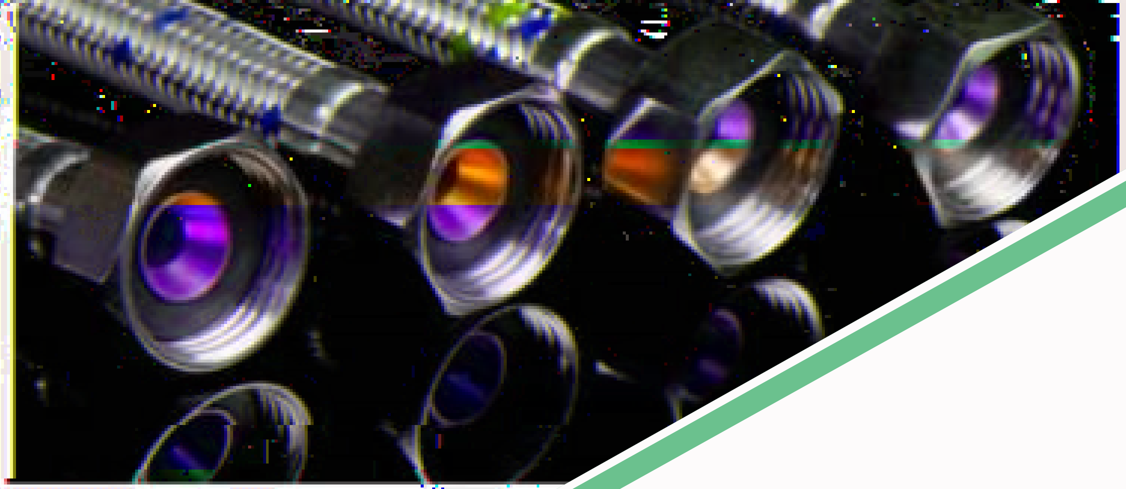
Retaining existing team post-acquisition, maintaining stability and fostering a seamless transition.

Synergies in Research and Development

Synergies between Aeroflex's R&D capabilities and NABL lab with Hyd-Air's expertise to broaden the product portfolio and drive innovation, enhancing market competitiveness.

Aeroflex gains a direct advantage by using the acquired company's products in its fluid control assemblies, fueling expansion into assembly products. Additionally, combining Aeroflex's R&D with Hyd Air's expertise broadens the product range and drives innovation for enhanced market competitiveness and facilitating aggressive expansion into sectors such as Railways, Shipbuilding & Heavy Industries. With the strategic acquisition of Hyd Air, Aeroflex is poised for a substantial increase in Sales and EBITDA margins following the addition of assembly products into its portfolio. This strategic move strengthens Aeroflex's market position.





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Thank You