

**AUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)**

|   | The Group                       |                                 | The Group      |               |
|---|---------------------------------|---------------------------------|----------------|---------------|
|   | 2 <sup>nd</sup> Half<br>2023-24 | 2 <sup>nd</sup> Half<br>2022-23 | 2023-24        | 2022-23       |
| <b>REVENUE</b>  | <b>580.2</b>                    | <b>433.8</b>                    | <b>1,094.2</b> | <b>796.0</b>  |
| <b>EXPENDITURE</b>  |                                 |                                 |                |               |
| Staff costs   | 296.7                           | 234.4                           | 576.3          | 426.4         |
| Material costs  | 121.9                           | 65.0                            | 204.8          | 118.8         |
| Depreciation  | 28.4                            | 30.0                            | 57.6           | 59.3          |
| Amortisation of intangible assets   | 2.7                             | 2.4                             | 5.5            | 4.7           |
| Company accommodation   | 10.8                            | 9.9                             | 20.0           | 18.9          |
| Subcontract costs   | 57.4                            | 53.3                            | 109.9          | 93.0          |
| Other operating expenses  | 60.1                            | 54.3                            | 117.8          | 101.2         |
|   | <u>578.0</u>                    | <u>449.3</u>                    | <u>1,091.9</u> | <u>822.3</u>  |
| <b>OPERATING PROFIT/(LOSS)</b>  | <b>2.2</b>                      | <b>(15.5)</b>                   | <b>2.3</b>     | <b>(26.3)</b> |
| Interest income   | 12.1                            | 9.2                             | 24.4           | 12.3          |
| Finance charges   | (2.2)                           | (1.0)                           | (4.4)          | (2.0)         |
| (Loss)/Surplus on disposal of property, plant and equipment and intangible assets | (0.1)                           | (*)                             | 0.1            | *             |
| Impairment loss (allowance)/reversal of financial and non-financial assets        | (26.8)                          | 1.7                             | (26.8)         | 1.7           |
| Impairment loss reversal of associated companies                                  | -                               | 2.0                             | -              | 2.0           |
| Surplus on disposal of associated companies                                       | 2.3                             | -                               | 2.3            | -             |
| Surplus on disposal of subsidiaries   | 0.4                             | -                               | 0.4            | -             |
| Share of profits of associated companies, net of tax                              | 35.7                            | 23.9                            | 70.7           | 48.5          |
| Share of profit of a joint venture company, net of tax                            | 15.3                            | 12.5                            | 30.3           | 29.3          |
| <b>PROFIT BEFORE TAXATION</b>   | <b>38.9</b>                     | <b>32.8</b>                     | <b>99.3</b>    | <b>65.5</b>   |
| Taxation  | (1.1)                           | 1.1                             | (2.2)          | 1.0           |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>  | <b>37.8</b>                     | <b>33.9</b>                     | <b>97.1</b>    | <b>66.5</b>   |
| <b>PROFIT ATTRIBUTABLE TO:<br/>OWNERS OF THE PARENT</b>                           | <b>37.8</b>                     | <b>33.9</b>                     | <b>97.1</b>    | <b>66.4</b>   |
| Non-controlling interests   | *                               | *                               | *              | 0.1           |
|   | <u>37.8</u>                     | <u>33.9</u>                     | <u>97.1</u>    | <u>66.5</u>   |
| BASIC EARNINGS PER SHARE (CENTS)  | 3.37                            | 3.02                            | 8.65           | 5.91          |
| DILUTED EARNINGS PER SHARE (CENTS)  | 3.35                            | 3.01                            | 8.61           | 5.89          |

\* Amount less than \$0.1M

**Notes – Profit for the financial year is arrived at after charging/(crediting) the following:**

|  | The Group                       |                                 | The Group |         |
|--|---------------------------------|---------------------------------|-----------|---------|
|  | 2 <sup>nd</sup> Half<br>2023-24 | 2 <sup>nd</sup> Half<br>2022-23 | 2023-24   | 2022-23 |
|  | \$M                             | \$M                             | \$M       | \$M     |
| Impairment loss allowance/(reversal) for trade receivables, contract assets and amounts owing by related parties | 1.6                             | (0.5)                           | 3.8       | (2.1)   |
| Net exchange loss/(gain)   | 1.2                             | 5.0                             | (1.8)     | 1.5     |
| Under/(Over)provision of tax in respect of prior year  | 0.7                             | (2.1)                           | (5.5)     | (2.3)   |
| (Write-back)/Provision for obsolete stocks, net  | (0.6)                           | 0.9                             | 1.0       | 2.4     |

### 1(a)(i) Consolidated Statement of Comprehensive Income

#### STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)

|   | The Group                       |                                 | The Group    |               |
|---|---------------------------------|---------------------------------|--------------|---------------|
|   | 2 <sup>nd</sup> Half<br>2023-24 | 2 <sup>nd</sup> Half<br>2022-23 | 2023-24      | 2022-23       |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>  | <b>37.8</b>                     | <b>33.9</b>                     | <b>97.1</b>  | <b>66.5</b>   |
| <b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>  |                                 |                                 |              |               |
| <u>Item that will not be reclassified to profit or loss:</u>                          |                                 |                                 |              |               |
| Actuarial gain on remeasurement of defined benefit plan                               | 0.4                             | 0.7                             | 0.4          | 0.7           |
|   | <u>0.4</u>                      | <u>0.7</u>                      | <u>0.4</u>   | <u>0.7</u>    |
| <u>Items that may be reclassified subsequently to profit or loss:</u>                 |                                 |                                 |              |               |
| Foreign currency translation on foreign operations                                    | (7.6)                           | (57.5)                          | 11.0         | (15.0)        |
| Re-classification of foreign currency translation upon disposal of foreign operations | 0.8                             | –                               | 0.8          | –             |
| Net fair value adjustment on cash flow hedges   | (1.6)                           | (3.2)                           | (0.8)        | (0.6)         |
| Share of other comprehensive income/(loss) of associated/joint venture companies      | 0.2                             | 11.6                            | (5.4)        | 4.2           |
|   | <u>(8.2)</u>                    | <u>(49.1)</u>                   | <u>5.6</u>   | <u>(11.4)</u> |
| <b>OTHER COMPREHENSIVE (LOSS)/INCOME, NET OF TAX</b>                                  | <b>(7.8)</b>                    | <b>(48.4)</b>                   | <b>6.0</b>   | <b>(10.7)</b> |
| <b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>  | <b>30.0</b>                     | <b>(14.5)</b>                   | <b>103.1</b> | <b>55.8</b>   |
| <b>TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:</b>                             |                                 |                                 |              |               |
| <b>OWNERS OF THE PARENT</b>   | 30.1                            | (13.8)                          | 103.0        | 55.9          |
| Non-controlling interests   | (0.1)                           | (0.7)                           | 0.1          | (0.1)         |
|   | <u>30.0</u>                     | <u>(14.5)</u>                   | <u>103.1</u> | <u>55.8</u>   |

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)**

|  | The Company                     |                                 | The Company  |             |
|--|---------------------------------|---------------------------------|--------------|-------------|
|  | 2 <sup>nd</sup> Half<br>2023-24 | 2 <sup>nd</sup> Half<br>2022-23 | 2023-24      | 2022-23     |
| <b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>                          | <b>(12.9)</b>                   | <b>31.9</b>                     | <b>(0.7)</b> | <b>33.3</b> |
| <b>OTHER COMPREHENSIVE (LOSS)/INCOME</b>                             |                                 |                                 |              |             |
| <b>Other comprehensive (loss)/income, net of tax</b>                 |                                 |                                 |              |             |
| <u>Item that may be reclassified subsequently to profit or loss:</u> |                                 |                                 |              |             |
| Actuarial gain on remeasurement of defined benefit plan              | –                               | 0.7                             | –            | 0.7         |
| Net fair value adjustment on cash flow hedges                        | (1.6)                           | (3.2)                           | (0.8)        | (0.6)       |
| <b>OTHER COMPREHENSIVE (LOSS)/INCOME, NET OF TAX</b>                 | <b>(1.6)</b>                    | <b>(2.5)</b>                    | <b>(0.8)</b> | <b>0.1</b>  |
| <b>TOTAL COMPREHENSIVE (LOSS)/INCOME</b>                             | <b>(14.5)</b>                   | <b>29.4</b>                     | <b>(1.5)</b> | <b>33.4</b> |

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**BALANCE SHEETS AS AT 31 MARCH 2024 (IN \$ MILLION)**

|  | The Group      |                | The Company    |                |
|--|----------------|----------------|----------------|----------------|
|  | 31 Mar 2024    | 31 Mar 2023    | 31 Mar 2024    | 31 Mar 2023    |
| <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b> |                |                |                |                |
| Share capital                                      | 420.0          | 420.0          | 420.0          | 420.0          |
| Treasury shares                                    | (4.5)          | (5.0)          | (4.5)          | (5.0)          |
| Capital reserve                                    | (0.4)          | (0.5)          | (0.4)          | (0.5)          |
| Share-based compensation reserve                   | 7.5            | 5.8            | 7.5            | 5.8            |
| Foreign currency translation reserve               | (24.1)         | (35.3)         | –              | –              |
| Fair value reserve                                 | (1.3)          | 4.4            | (0.3)          | 0.5            |
| Equity transaction reserve                         | (2.2)          | (2.2)          | –              | –              |
| General reserve                                    | 1,292.1        | 1,278.9        | 745.8          | 830.8          |
|  | 1,687.1        | 1,666.1        | 1,168.1        | 1,251.6        |
| <b>NON-CONTROLLING INTERESTS</b>                   | 16.2           | 10.6           | –              | –              |
| <b>TOTAL EQUITY</b>                                | 1,703.3        | 1,676.7        | 1,168.1        | 1,251.6        |
| <b>NON-CURRENT LIABILITIES</b>                     |                |                |                |                |
| Deferred tax liabilities                           | 0.7            | 0.5            | –              | –              |
| Lease liabilities                                  | 80.1           | 90.1           | 73.8           | 83.3           |
| Long-term bank loan                                | 2.4            | 0.5            | –              | –              |
|  | 83.2           | 91.1           | 73.8           | 83.3           |
|  | <b>1,786.5</b> | <b>1,767.8</b> | <b>1,241.9</b> | <b>1,334.9</b> |
| Represented by:                                    |                |                |                |                |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>               | 185.2          | 175.1          | 147.0          | 138.8          |
| <b>RIGHT-OF-USE ASSETS</b>                         | 103.4          | 112.4          | 96.3           | 104.5          |
| <b>INTANGIBLE ASSETS</b>                           | 32.0           | 40.8           | 24.9           | 19.6           |
| <b>SUBSIDIARY COMPANIES</b>                        | –              | –              | 107.7          | 143.2          |
| <b>ASSOCIATED COMPANIES</b>                        | 487.4          | 452.7          | 167.7          | 178.9          |
| <b>JOINT VENTURE COMPANY</b>                       | 261.6          | 232.6          | 61.9           | 61.9           |
| <b>DEFERRED TAX ASSETS</b>                         | 17.8           | 17.5           | 16.3           | 16.7           |
| <b>CURRENT ASSETS</b>                              |                |                |                |                |
| Trade debtors                                      | 70.9           | 34.2           | 51.8           | 23.8           |
| Contract assets                                    | 151.1          | 160.2          | 142.8          | 149.1          |
| Prepayments and other debtors                      | 20.4           | 17.8           | 14.0           | 6.9            |
| Amounts owing by immediate holding company         | 30.9           | 43.7           | 30.5           | 43.3           |
| Amounts owing by related parties                   | 19.4           | 18.4           | 27.0           | 24.8           |
| Inventories  | 61.7           | 43.3           | 28.3           | 25.9           |
| Short-term deposits                                | 604.9          | 603.5          | 579.8          | 589.1          |
| Cash and bank balances                             | 41.1           | 29.5           | 12.9           | 12.3           |
|  | 1,000.4        | 950.6          | 887.1          | 875.2          |
| Assets held for sale                               | 0.5            | 1.5            | 0.5            | 1.5            |
|  | 1,000.9        | 952.1          | 887.6          | 876.7          |
| Less:  |                |                |                |                |
| <b>CURRENT LIABILITIES</b>                         |                |                |                |                |
| Trade and other creditors                          | 220.1          | 162.0          | 196.0          | 140.2          |
| Contract liabilities                               | 46.2           | 21.5           | 31.3           | 20.8           |
| Lease liabilities                                  | 25.2           | 22.6           | 23.4           | 20.6           |
| Amounts owing to related parties                   | 0.3            | 1.2            | 10.5           | 17.2           |
| Bank loans   | 2.7            | 2.0            | –              | –              |
| Tax payable  | 7.3            | 6.1            | 6.3            | 6.6            |
|  | 301.8          | 215.4          | 267.5          | 205.4          |
| <b>NET CURRENT ASSETS</b>                          | 699.1          | 736.7          | 620.1          | 671.3          |
|  | <b>1,786.5</b> | <b>1,767.8</b> | <b>1,241.9</b> | <b>1,334.9</b> |

**1(b)(ii) Aggregate amount of group's borrowings and debt securities  
(in \$ Million)  
Amount repayable in one year or less, or on demand**

| <b>As at 31 Mar 2024</b> |           | <b>As at 31 Mar 2023</b> |           |
|--------------------------|-----------|--------------------------|-----------|
| Secured                  | Unsecured | Secured                  | Unsecured |
| –                        | 2.7       | –                        | 2.0       |

**Amount repayable after one year**

| <b>As at 31 Mar 2024</b> |           | <b>As at 31 Mar 2023</b> |           |
|--------------------------|-----------|--------------------------|-----------|
| Secured                  | Unsecured | Secured                  | Unsecured |
| –                        | 2.4       | –                        | 0.5       |

**Details of any collateral**

The borrowings above exclude lease liabilities of \$105.3 million (2023: \$112.7 million).

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)**

| <b>The Group</b> |                |
|------------------|----------------|
| <b>2023-24</b>   | <b>2022-23</b> |

**CASH FLOW FROM OPERATING ACTIVITIES**

|  |              |             |
|--|--------------|-------------|
| Profit before taxation   | 99.3         | 65.5        |
| Adjustments for:   |              |             |
| Depreciation   | 57.6         | 59.3        |
| Amortisation of intangible assets  | 5.5          | 4.7         |
| Impairment loss allowance/(reversal) for trade receivables, contract assets and amounts owing by related parties | 3.8          | (2.1)       |
| Share-based compensation expense   | 6.7          | 4.5         |
| Rent concessions   | -            | (0.6)       |
| Unrealised exchange differences  | (0.6)        | 0.6         |
| Interest income  | (24.4)       | (12.3)      |
| Finance charges  | 4.4          | 2.0         |
| (Surplus)/Loss on disposal of property, plant and equipment and intangible assets                                | (0.1)        | *           |
| Surplus on disposal of associated companies  | (2.3)        | -           |
| Surplus on disposal of subsidiaries  | (0.4)        | -           |
| Impairment loss reversal of an associated companies  | -            | (2.0)       |
| Impairment loss allowance/(reversal) of financial and non-financial assets                                       | 26.8         | (1.7)       |
| Share of profits of associated and joint venture companies, net of tax   | (101.0)      | (77.8)      |
| <b>Operating profit before working capital changes</b>   | <b>75.3</b>  | <b>40.1</b> |
| (Increase)/Decrease in debtors   | (45.4)       | 26.7        |
| Decrease/(Increase) in contract assets   | 10.4         | (35.6)      |
| Increase in inventories  | (18.4)       | (7.6)       |
| Increase in creditors  | 58.5         | 33.2        |
| Increase in contract liabilities   | 10.4         | 8.8         |
| Decrease/(Increase) in amounts owing by immediate holding company  | 11.8         | (6.1)       |
| (Increase)/Decrease in amounts owing by related parties, net   | (1.4)        | 2.1         |
| <b>Cash generated from operations</b>  | <b>101.2</b> | <b>61.6</b> |
| Income taxes (paid)/refunded   | (0.8)        | 3.0         |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>   | <b>100.4</b> | <b>64.6</b> |

\* Amount less than \$0.1M

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)**

|   | <b>The Group</b> |                |
|---|------------------|----------------|
|   | <b>2023-24</b>   | <b>2022-23</b> |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                    |                  |                |
| Capital expenditure   | (39.2)           | (48.6)         |
| Purchase of intangible assets   | (9.5)            | (11.0)         |
| Proceeds from disposal of property, plant and equipment and intangible assets | 0.2              | 0.6            |
| Return of shareholders' equity upon dissolution of an associated company      | 13.8             | –              |
| Acquisition of a subsidiary, net of cash acquired                             | 15.7             | (4.6)          |
| Disposal of a subsidiary, net of cash disposed                                | *                | –              |
| Investment in associated company  | (3.0)            | –              |
| Interest received from deposits   | 25.0             | 7.5            |
| Dividends received from associated companies                                  | 27.8             | 36.7           |
| <b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>                    | <b>30.8</b>      | <b>(19.4)</b>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                    |                  |                |
| Dividends paid by subsidiary companies to non-controlling interests           | (0.7)            | (1.2)          |
| Dividends paid  | (84.3)           | –              |
| Finance charges paid  | (0.5)            | (0.1)          |
| Repayment of lease liabilities  | (30.9)           | (30.4)         |
| Proceeds from borrowings  | 2.7              | 3.2            |
| Repayment of borrowings   | –                | (3.6)          |
| Purchase of treasury shares   | (4.0)            | (5.0)          |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                                  | <b>(117.7)</b>   | <b>(37.1)</b>  |
| <b>NET CASH INFLOW</b>  | <b>13.5</b>      | <b>8.1</b>     |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>               | <b>633.0</b>     | <b>625.5</b>   |
| Effect of exchange rate changes   | (0.5)            | (0.6)          |
| <b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>                     | <b>646.0</b>     | <b>633.0</b>   |
| <b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>                                  |                  |                |
| Short-term deposits   | 604.9            | 603.5          |
| Cash and bank balances  | 41.1             | 29.5           |
| <b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>                     | <b>646.0</b>     | <b>633.0</b>   |

\* Amount less than \$0.1M

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)**

|   | Attributable to Owners of the Parent |                 |                 |                                  |                                      |                    |                            |                 |                | Non-controlling interests | Total Equity   |  |
|---|--------------------------------------|-----------------|-----------------|----------------------------------|--------------------------------------|--------------------|----------------------------|-----------------|----------------|---------------------------|----------------|--|
|   | Share capital                        | Treasury shares | Capital reserve | Share-based compensation reserve | Foreign currency translation reserve | Fair value reserve | Equity transaction reserve | General reserve | Total          |                           |                |  |
| <b>The Group</b>  |                                      |                 |                 |                                  |                                      |                    |                            |                 |                |                           |                |  |
| <b>Balance at 1 April 2023</b>  | <b>420.0</b>                         | <b>(5.0)</b>    | <b>(0.5)</b>    | <b>5.8</b>                       | <b>(35.3)</b>                        | <b>4.4</b>         | <b>(2.2)</b>               | <b>1,278.9</b>  | <b>1,666.1</b> | <b>10.6</b>               | <b>1,676.7</b> |  |
| Profit for the financial year   | -                                    | -               | -               | -                                | -                                    | -                  | -                          | 97.1            | 97.1           | *                         | 97.1           |  |
| Actuarial gain on remeasurement of defined benefit plan                               | -                                    | -               | -               | -                                | -                                    | -                  | -                          | 0.4             | 0.4            | -                         | 0.4            |  |
| Foreign currency translation on foreign operations                                    | -                                    | -               | -               | -                                | 10.9                                 | -                  | -                          | -               | 10.9           | 0.1                       | 11.0           |  |
| Re-classification of foreign currency translation upon disposal of foreign operations | -                                    | -               | -               | -                                | 0.8                                  | -                  | -                          | -               | 0.8            | -                         | 0.8            |  |
| Net fair value adjustment on cash flow hedges   | -                                    | -               | -               | -                                | -                                    | (0.8)              | -                          | -               | (0.8)          | -                         | (0.8)          |  |
| Share of other comprehensive loss of associated/joint venture companies               | -                                    | -               | -               | -                                | (0.5)                                | (4.9)              | -                          | -               | (5.4)          | -                         | (5.4)          |  |
| Other comprehensive income of the year, net of tax                                    | -                                    | -               | -               | -                                | 11.2                                 | (5.7)              | -                          | 0.4             | 5.9            | 0.1                       | 6.0            |  |
| <b>Total comprehensive income/(loss) for the financial year</b>                       | <b>-</b>                             | <b>-</b>        | <b>-</b>        | <b>-</b>                         | <b>11.2</b>                          | <b>(5.7)</b>       | <b>-</b>                   | <b>97.5</b>     | <b>103.0</b>   | <b>0.1</b>                | <b>103.1</b>   |  |
| Share-based compensation expense  | -                                    | -               | -               | 6.3                              | -                                    | -                  | -                          | -               | 6.3            | -                         | 6.3            |  |
| Share awards released   | -                                    | 4.6             | -               | (4.6)                            | -                                    | -                  | -                          | -               | -              | -                         | -              |  |
| Purchase of treasury shares   | -                                    | (4.0)           | -               | -                                | -                                    | -                  | -                          | -               | (4.0)          | -                         | (4.0)          |  |
| Treasury shares reissued pursuant to equity compensation plans                        | -                                    | (0.1)           | 0.1             | -                                | -                                    | -                  | -                          | -               | -              | -                         | -              |  |
| Dividends   | -                                    | -               | -               | -                                | -                                    | -                  | -                          | (84.3)          | (84.3)         | (0.7)                     | (85.0)         |  |
| <b>Total contributions by and distributions to owners</b>                             | <b>-</b>                             | <b>0.5</b>      | <b>0.1</b>      | <b>1.7</b>                       | <b>-</b>                             | <b>-</b>           | <b>-</b>                   | <b>(84.3)</b>   | <b>(82.0)</b>  | <b>(0.7)</b>              | <b>(82.7)</b>  |  |
| Acquisition of a subsidiary with non-controlling interests                            | -                                    | -               | -               | -                                | -                                    | -                  | -                          | -               | -              | 5.6                       | 5.6            |  |
| Disposal of subsidiary with non-controlling interests                                 | -                                    | -               | -               | -                                | -                                    | -                  | -                          | -               | -              | 0.6                       | 0.6            |  |
| <b>Total changes in ownerships interests in subsidiary</b>                            | <b>-</b>                             | <b>-</b>        | <b>-</b>        | <b>-</b>                         | <b>-</b>                             | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>-</b>       | <b>6.2</b>                | <b>6.2</b>     |  |
| <b>Total transactions with owners, recognised directly in equity</b>                  | <b>-</b>                             | <b>0.5</b>      | <b>0.1</b>      | <b>1.7</b>                       | <b>-</b>                             | <b>-</b>           | <b>-</b>                   | <b>(84.3)</b>   | <b>(82.0)</b>  | <b>5.5</b>                | <b>(76.5)</b>  |  |
| <b>Balance at 31 March 2024</b>   | <b>420.0</b>                         | <b>(4.5)</b>    | <b>(0.4)</b>    | <b>7.5</b>                       | <b>(24.1)</b>                        | <b>(1.3)</b>       | <b>(2.2)</b>               | <b>1,292.1</b>  | <b>1,687.1</b> | <b>16.2</b>               | <b>1,703.3</b> |  |



**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (IN \$ MILLION)**

|  | Attributable to Owners of the Parent |                 |                 |                                  |                                      |                    |                            |                 |                | Non-controlling interests | Total Equity   |  |
|--|--------------------------------------|-----------------|-----------------|----------------------------------|--------------------------------------|--------------------|----------------------------|-----------------|----------------|---------------------------|----------------|--|
|  | Share capital                        | Treasury shares | Capital reserve | Share-based compensation reserve | Foreign currency translation reserve | Fair value reserve | Equity transaction reserve | General reserve | Total          |                           |                |  |
| <b>The Group</b>   |                                      |                 |                 |                                  |                                      |                    |                            |                 |                |                           |                |  |
| <b>Balance at 1 April 2022</b>   | <b>420.0</b>                         | <b>(5.8)</b>    | <b>1.5</b>      | <b>5.1</b>                       | <b>(19.8)</b>                        | <b>0.1</b>         | <b>(2.2)</b>               | <b>1,211.8</b>  | <b>1,610.7</b> | <b>10.6</b>               | <b>1,621.3</b> |  |
| Profit for the financial year  | -                                    | -               | -               | -                                | -                                    | -                  | -                          | 66.4            | 66.4           | 0.1                       | 66.5           |  |
| Actuarial gain on remeasurement of defined benefit plan                          | -                                    | -               | -               | -                                | -                                    | -                  | -                          | 0.7             | 0.7            | -                         | 0.7            |  |
| Foreign currency translation on foreign operations                               | -                                    | -               | -               | -                                | (14.8)                               | -                  | -                          | -               | (14.8)         | (0.2)                     | (15.0)         |  |
| Net fair value adjustment on cash flow hedges                                    | -                                    | -               | -               | -                                | -                                    | (0.6)              | -                          | -               | (0.6)          | -                         | (0.6)          |  |
| Share of other comprehensive (loss)/income of associated/joint venture companies | -                                    | -               | -               | -                                | (0.7)                                | 4.9                | -                          | -               | 4.2            | -                         | 4.2            |  |
| Other comprehensive (loss)/income of the year, net of tax                        | -                                    | -               | -               | -                                | (15.5)                               | 4.3                | -                          | 0.7             | (10.5)         | (0.2)                     | (10.7)         |  |
| <b>Total comprehensive (loss)/income for the financial year</b>                  | <b>-</b>                             | <b>-</b>        | <b>-</b>        | <b>-</b>                         | <b>(15.5)</b>                        | <b>4.3</b>         | <b>-</b>                   | <b>67.1</b>     | <b>55.9</b>    | <b>(0.1)</b>              | <b>55.8</b>    |  |
| Share-based compensation expense   | -                                    | -               | -               | 4.5                              | -                                    | -                  | -                          | -               | 4.5            | -                         | 4.5            |  |
| Share awards released  | -                                    | 3.8             | -               | (3.8)                            | -                                    | -                  | -                          | -               | -              | -                         | -              |  |
| Purchase of treasury shares  | -                                    | (5.0)           | -               | -                                | -                                    | -                  | -                          | -               | (5.0)          | -                         | (5.0)          |  |
| Treasury shares reissued pursuant to equity compensation plans                   | -                                    | 2.0             | (2.0)           | -                                | -                                    | -                  | -                          | -               | -              | -                         | -              |  |
| Dividends  | -                                    | -               | -               | -                                | -                                    | -                  | -                          | -               | -              | (1.1)                     | (1.1)          |  |
| <b>Total contributions by and distributions to owners</b>                        | <b>-</b>                             | <b>0.8</b>      | <b>(2.0)</b>    | <b>0.7</b>                       | <b>-</b>                             | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>(0.5)</b>   | <b>(1.1)</b>              | <b>(1.6)</b>   |  |
| Acquisition of a subsidiary with non-controlling interests                       | -                                    | -               | -               | -                                | -                                    | -                  | -                          | -               | -              | 1.2                       | 1.2            |  |
| <b>Total changes in ownerships interests in subsidiary</b>                       | <b>-</b>                             | <b>-</b>        | <b>-</b>        | <b>-</b>                         | <b>-</b>                             | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>-</b>       | <b>1.2</b>                | <b>1.2</b>     |  |
| <b>Total transactions with owners, recognised directly in equity</b>             | <b>-</b>                             | <b>0.8</b>      | <b>(2.0)</b>    | <b>0.7</b>                       | <b>-</b>                             | <b>-</b>           | <b>-</b>                   | <b>-</b>        | <b>(0.5)</b>   | <b>0.1</b>                | <b>(0.4)</b>   |  |
| <b>Balance at 31 March 2023</b>  | <b>420.0</b>                         | <b>(5.0)</b>    | <b>(0.5)</b>    | <b>5.8</b>                       | <b>(35.3)</b>                        | <b>4.4</b>         | <b>(2.2)</b>               | <b>1,278.9</b>  | <b>1,666.1</b> | <b>10.6</b>               | <b>1,676.7</b> |  |

\* Amount less than \$0.1M

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (IN \$ MILLION)**

| <b>The Company</b>   | Share capital | Treasury shares | Capital reserve | Share-based compensation reserve | Fair value reserve | General reserve | Total          |
|--|---------------|-----------------|-----------------|----------------------------------|--------------------|-----------------|----------------|
| <b>Balance at 1 April 2023</b>                                 | <b>420.0</b>  | <b>(5.0)</b>    | <b>(0.5)</b>    | <b>5.8</b>                       | <b>0.5</b>         | <b>830.8</b>    | <b>1,251.6</b> |
| Loss for the financial year                                    | –             | –               | –               | –                                | –                  | (0.7)           | (0.7)          |
| Other comprehensive loss for the year, net of tax:             |               |                 |                 |                                  |                    |                 |                |
| Net fair value adjustment on cash flow hedges                  | –             | –               | –               | –                                | (0.8)              | –               | (0.8)          |
| <b>Total comprehensive loss for the financial year</b>         | <b>–</b>      | <b>–</b>        | <b>–</b>        | <b>–</b>                         | <b>(0.8)</b>       | <b>(0.7)</b>    | <b>(1.5)</b>   |
| Share-based compensation expense                               | –             | –               | –               | 6.3                              | –                  | –               | 6.3            |
| Share awards released  | –             | 4.6             | –               | (4.6)                            | –                  | –               | –              |
| Purchase of treasury shares                                    | –             | (4.0)           | –               | –                                | –                  | –               | (4.0)          |
| Treasury shares reissued pursuant to equity compensation plans | –             | (0.1)           | 0.1             | –                                | –                  | –               | –              |
| Dividends  | –             | –               | –               | –                                | –                  | (84.3)          | (84.3)         |
| <b>Total contributions by and distributions to owners</b>      | <b>–</b>      | <b>0.5</b>      | <b>0.1</b>      | <b>1.7</b>                       | <b>–</b>           | <b>(84.3)</b>   | <b>(82.0)</b>  |
| <b>Balance at 31 March 2024</b>                                | <b>420.0</b>  | <b>(4.5)</b>    | <b>(0.4)</b>    | <b>7.5</b>                       | <b>(0.3)</b>       | <b>745.8</b>    | <b>1,168.1</b> |

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (IN \$ MILLION)**

| <b>The Company</b>  | Share capital | Treasury shares | Capital reserve | Share-based compensation reserve | Fair value reserve | General reserve | Total          |
|---|---------------|-----------------|-----------------|----------------------------------|--------------------|-----------------|----------------|
| <b>Balance at 1 April 2022</b>                                  | <b>420.0</b>  | <b>(5.8)</b>    | <b>1.5</b>      | <b>5.1</b>                       | <b>1.1</b>         | <b>796.8</b>    | <b>1,218.7</b> |
| Profit for the financial year                                   | –             | –               | –               | –                                | –                  | 33.3            | 33.3           |
| Other comprehensive (loss)/income for the year, net of tax:     |               |                 |                 |                                  |                    |                 |                |
| Actuarial gain on remeasurement of defined benefit plan         | –             | –               | –               | –                                | –                  | 0.7             | 0.7            |
| Net fair value adjustment on cash flow hedges                   | –             | –               | –               | –                                | (0.6)              | –               | (0.6)          |
| <b>Total comprehensive (loss)/income for the financial year</b> | <b>–</b>      | <b>–</b>        | <b>–</b>        | <b>–</b>                         | <b>(0.6)</b>       | <b>34.0</b>     | <b>33.4</b>    |
| Share-based compensation expense                                | –             | –               | –               | 4.5                              | –                  | –               | 4.5            |
| Share awards released   | –             | 3.8             | –               | (3.8)                            | –                  | –               | –              |
| Purchase of treasury shares                                     | –             | (5.0)           | –               | –                                | –                  | –               | (5.0)          |
| Treasury shares reissued pursuant to equity compensation plans  | –             | 2.0             | (2.0)           | –                                | –                  | –               | –              |
| <b>Total contributions by and distributions to owners</b>       | <b>–</b>      | <b>0.8</b>      | <b>(2.0)</b>    | <b>0.7</b>                       | <b>–</b>           | <b>–</b>        | <b>(0.5)</b>   |
| <b>Balance at 31 March 2023</b>                                 | <b>420.0</b>  | <b>(5.0)</b>    | <b>(0.5)</b>    | <b>5.8</b>                       | <b>0.5</b>         | <b>830.8</b>    | <b>1,251.6</b> |

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**SHARE CAPITAL AND SHARE PLANS IN THE COMPANY**

**(A) Share Capital**

During the financial year, there was no issuance of new ordinary shares.

| <b>Group and Company</b>  | <b>Number of Shares</b> | <b>Share Capital (\$ Million)</b> |
|---|-------------------------|-----------------------------------|
| Issued and fully paid share capital<br><u>Ordinary Shares</u><br>Balance at 1 April 2023 and<br>31 March 2024 | 1,124,116,360           | 420.0                             |

As at 31 March 2024, the Company has an issued share capital of 1,124,116,360 ordinary shares (31 March 2023: 1,124,116,360 ordinary shares) of which 1,935,914 were held by the Company as treasury shares (31 March 2023: 2,126,738). The treasury shares held represents 0.2% (31 March 2023: 0.2%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 31 March 2024 and 31 March 2023.

**(B) Restricted Share Plan and Performance Share Plan**

- (i) Management staff are entitled to the Restricted Share Plan ("RSP"). In addition, senior management staff are entitled to participate in the Performance Share Plan ("PSP"). Both plans were first approved by the shareholders of the Company on 25 July 2005 and expired on 24 July 2015. On 21 July 2014, the shareholders of the Company approved the RSP 2014 and PSP 2014, which replaced the RSP and PSP respectively.
- (ii) Depending on the achievement of pre-determined targets over a stipulated period for the RSP and PSP, the final number of restricted shares and performance shares awarded could range between 0% and 150% of the initial grant of the restricted shares and between 0% and 200% of the initial grant of the performance shares.

- (iii) As at 31 March 2024, the number of outstanding shares granted under the Company's RSP and PSP were 2,911,816 (31 March 2023: 2,419,100) and 1,243,100 (31 March 2023: 1,146,800) respectively. The movement of these share awards during the financial year ended 31 March 2024 is as follows:

**RSP**

| Date of grant | Balance at 01.04.2023/ Date of grant | Adjustment * | Cancelled | Released    | Balance at 31.03.2024 |
|---------------|--------------------------------------|--------------|-----------|-------------|-----------------------|
| 07.07.2020    | 352,762                              | -            | -         | (352,762)   | -                     |
| 04.01.2021    | 5,005                                | -            | -         | (5,005)     | -                     |
| 07.07.2021    | 820,658                              | 2,900        | (6,508)   | (417,700)   | 399,350               |
| 05.11.2021    | 11,000                               | (2,900)      | -         | (4,000)     | 4,100                 |
| 07.07.2022    | 1,224,975                            | -            | (25,514)  | (414,729)   | 784,732               |
| 25.01.2023    | 4,700                                | -            | -         | (1,600)     | 3,100                 |
| 07.07.2023    | 1,782,134                            | -            | (22,000)  | (39,600)    | 1,720,534             |
| Total         | 4,201,234                            | -            | (54,022)  | (1,235,396) | 2,911,816             |

\* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

**PSP**

| Date of grant | Balance at 01.04.2023/ Date of grant | Adjustment * | Cancelled | Released | Balance at 31.03.2024 |
|---------------|--------------------------------------|--------------|-----------|----------|-----------------------|
| 06.07.2018    | -                                    | 8,946        | -         | (8,946)  | -                     |
| 05.07.2019    | -                                    | 25,474       | -         | (25,474) | -                     |
| 07.07.2020    | 422,200                              | (422,200)    | -         | -        | -                     |
| 04.01.2021    | 7,100                                | (7,100)      | -         | -        | -                     |
| 07.07.2021    | 346,300                              | -            | -         | -        | 346,300               |
| 05.11.2021    | 9,700                                | -            | -         | -        | 9,700                 |
| 07.07.2022    | 357,500                              | -            | -         | -        | 357,500               |
| 25.01.2023    | 4,000                                | -            | -         | -        | 4,000                 |
| 07.07.2023    | 525,600                              | -            | -         | -        | 525,600               |
| Total         | 1,672,400                            | (394,880)    | -         | (34,420) | 1,243,100             |

\* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

**(C) Deferred Share Award ("DSA")**

Grants of Deferred Share Award ("DSA") of fully paid ordinary shares are granted to senior management staff. At the end of a 3-year vesting period, an additional final award will be vested equal to the Base Award multiplied by the accumulated dividend yield. The details of the DSA are as follows:

| Date of grant | Balance at 01.04.2023/<br>Date of grant | Adjustment * | Cancelled | Released  | Balance at 31.03.2024 |
|---------------|---|--------------|-----------|-----------|-----------------------|
| 05.07.2019    | -                                       | 2,894        | -         | (2,894)   | -                     |
| 07.07.2020    | 155,616                                 | 4,498        | -         | (160,114) | -                     |
| 07.07.2021    | 247,947                                 | -            | -         | -         | 247,947               |
| 07.07.2022    | 385,664                                 | -            | -         | (192,900) | 192,764               |
| 07.07.2023    | 861,815                                 | -            | -         | (287,300) | 574,515               |
| Total         | 1,651,042                               | 7,392        | -         | (643,208) | 1,015,226             |

\* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 March 2024, the Company has an issued share capital of 1,122,180,446 ordinary shares (31 March 2023: 1,121,989,622) excluding 1,935,914 ordinary shares (31 March 2023: 2,126,738) held by the Company as treasury shares.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the financial year, the Company purchased 1,722,200 treasury shares (2022-23: 2,150,000). The Company transferred 1,913,024 treasury shares to employees on vesting of share-based incentive plans (2022-23: 1,628,003 treasury shares to employees on vesting of share-based incentive plans).

Treasury shares are presented as a component within equity attributable to owners of the parent.

| <b>Group and Company</b>   | <b>Number of Shares</b> | <b>Treasury Shares (\$ Million)</b> |
|--|-------------------------|-------------------------------------|
| Balance at 1 April 2023  | 2,126,738               | 5.0                                 |
| Purchase of treasury shares  | 1,722,200               | 4.0                                 |
| Treasury shares transferred on vesting of share-based incentives plans | (1,913,024)             | (4.5)                               |
| Balance at 31 March 2024   | 1,935,914               | 4.5                                 |

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

The Company has no subsidiary holdings as at 31 March 2024 and 31 March 2023. There were no sales, transfers, cancellation and/or use of subsidiary holdings for the financial year ended 31 March 2024.

**2. Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

The financial statements have been audited in accordance with Singapore Standards on Auditing.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

See attached auditor's report.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period as compared to the audited financial statements as at 31 March 2023 except for the adoption of new or revised International Financial Reporting Standards ("IFRS") and Interpretations of IFRS ("INT IFRS") that are mandatory for financial year beginning on or after 1 April 2023. The adoption of these FRS and INT FRS has no significant impact to the Group.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Please refer to paragraph 4.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

|                            | Group                           |                                 | Group   |         |
|----------------------------|---------------------------------|---------------------------------|---------|---------|
|                            | 2 <sup>nd</sup> Half<br>2023-24 | 2 <sup>nd</sup> Half<br>2022-23 | 2023-24 | 2022-23 |
| Earnings per share (cents) |                                 |                                 |         |         |
| - Basic *                  | 3.37                            | 3.02                            | 8.65    | 5.91    |
| - Diluted #                | 3.35                            | 3.01                            | 8.61    | 5.89    |

\* Based on the weighted average number of ordinary shares in issue excluding treasury shares.

# Based on the weighted average number of ordinary shares in issue excluding treasury shares, after adjusting for the dilutive effect of options, restricted and performance shares.

- 7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:-**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

|                                   | Group              |                    | Company            |                    |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                   | As at<br>31 Mar 24 | As at<br>31 Mar 23 | As at<br>31 Mar 24 | As at<br>31 Mar 23 |
| Net asset value per share (cents) | 150.3              | 148.5              | 104.1              | 111.6              |

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **GROUP EARNINGS**

#### Financial Year 2023-24

The Group posted revenue of \$1,094.2 million for the financial year ended 31 March 2024, which was 37.5% higher year-on-year, on the back of a continued recovery in demand for aircraft maintenance, repair and overhaul ("MRO") services. Group expenditure rose at a lower rate of 32.8%, with the increase mainly due to higher manpower costs and material usage.

With revenue growth surpassing the increase in expenditure, the Group's operating performance improved \$28.6 million year-on-year, from an operating loss of \$26.3 million last year to an operating profit of \$2.3 million this year. It was the first year of profit at the operating level since the onset of the pandemic. If we were to exclude the government wage support recorded last year, operating performance improved by \$39.8 million.

Share of profits from associated and joint venture companies also increased, by \$23.2 million (+29.8%) to \$101.0 million. Profits from the engine and component segment rose 28.2% to \$97.7 million, while profits from the airframe and line maintenance segment increased to \$3.3 million.

In the last quarter of the financial year, the Group exited from the Pratt & Whitney PW1500G engine Risk-Revenue Sharing Programme ("RRSP") and made a one-time write-off of \$25.1 million in net assets.

Including other non-operating items, the Group posted a net profit of \$97.1 million for the financial year ended 31 March 2024, \$30.7 million higher year-on-year.

Basic earnings per share was 8.65 cents for the financial year.



## Second Half FY2023-24

In the second half of the financial year, the Group's operating profit was \$2.2 million, a turnaround of \$17.7 million from the operating loss of \$15.5 million in the same period last year. This was largely driven by a 33.7% increase in revenue as the continued recovery of flight activities drove demand for aircraft maintenance and overhaul. Expenditure rose at a slower pace of 28.6%, with the increase mainly stemming from a rise in manpower costs and materials usage.

Associated and joint venture companies benefited from healthy demand. Share of profits rose \$14.6 million to \$51.0 million. Of this, \$49.2 million came from the engine and component segment and \$1.8 million from the airframe and line maintenance segment.

In the last quarter of the financial year, the Group exited from the PW1500G engine RRSP and made a one-time non-cash write-off of \$25.1 million in net assets.

The Group net profit for the second half ended 31 March 2024 was \$37.8 million. Without the PW1500G engine RRSP write-off, the net profit would have been \$62.9 million, an improvement of \$29.0 million year-on-year.

Basic earnings per share for the second half was 3.37 cents.

### **GROUP FINANCIAL POSITION**

As at 31 March 2024, equity attributable to owners of the parent was \$1,687.1 million, an increase of \$21.0 million (+1.3%) from 31 March 2023, mainly due to profits earned during the year, partially offset by dividend payment.

Total assets stood at \$2,088.3 million as of 31 March 2024, an increase of \$105.1 million (+5.3%) from 31 March 2023. The Group's cash balance was \$646.0 million.

Net asset value per share as at 31 March 2024 was 150.3 cents.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

#### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

### **BUSINESS UPDATES**

Demand for aircraft MRO services was robust in the financial year ended 31 March 2024 as global air travel and flight activities edged closer to pre-pandemic levels. Correspondingly, the Group recorded revenue increase across all its business units and portfolio of companies as business volume increased.

The total number of flights handled during the year by Line Maintenance in Singapore was 39.1% higher than last year. The number of flights handled in March 2024 was 94.4% of pre-pandemic volume, compared to 78.7% in March 2023. At overseas Line Maintenance stations, there was a similar trend of increase in flights handled.

Demand for hangar checks at Base Maintenance remained healthy during the year, with a notable increase in the number of light checks as more aircraft returned to service. Base Maintenance's capacity across the region will be further boosted once the Subang hangars in Malaysia become operational in 2025.

SIAEC recently expanded the scope of its Services Agreement with Scoot to include the latter's new Embraer E190-E2 fleet. The contract, which commenced on 1 April 2024, is for a period of 58 months and is estimated to generate \$52 million in revenue.

Inductions at our engine and component shops also increased during the year. In addition, the Company commenced the provision of component support coverage for Air India's Airbus A320 fleet in March 2024, under a 12-year contract.

Our engine and component joint ventures ("JVs") saw higher engine deliveries and component repair volume in parallel with the recovery in the aviation industry. To capture the expected growth in MRO demand, Singapore Aero Engine Services ("SAESL"), our joint venture with Rolls-Royce, is expanding its capabilities and increasing its overhaul capacity by 40%. Similarly, another joint venture with Pratt & Whitney, Eagle Services Asia ("ESA"), has added a new facility to boost its GTF engine overhaul capacity by two-thirds.

Arising from our regular portfolio review and rationalization, a few changes were made during the year. These included the divestment of a 60% stake in Additive Flight Solutions and exit from the PW1500G engine Risk-Revenue Sharing Programme ("RRSP") with Pratt & Whitney. The latter will allow the Company to deploy capital, which would otherwise have been used to support the funding of the RRSP, to other areas that are better aligned with its growth strategy. These include a line maintenance joint venture in Cambodia, a component MRO joint venture in Malaysia for Eaton-manufactured aircraft components, and the expansion of our line maintenance presence in Malaysia with the completion of our acquisition of 49% of the share capital of Pos Aviation Engineering Services, which have all been announced earlier.

The Company continued to roll out initiatives to improve productivity and efficiency through its Continuous Improvement programme. Among the key initiatives was the implementation of a digital task planning and management system at Base Maintenance and Line Maintenance to streamline production planning, control and execution processes for aircraft checks and maintenance tasks. Enhancements are also being made to the Company's Operating System to further improve planning and production processes and performance standards, as well as raise productivity levels.

## **OUTLOOK**

Demand for MRO services looks healthy as global air travel and flight activities edge closer to pre-pandemic levels. However, a tight labour market, supply chain issues and inflation remain key concerns that weigh on our near-term operating margins.

To address such challenges and strengthen our capacity, we continue to maintain cost discipline and leverage productivity improvements through our Continuous Improvement programme, including digitalisation efforts and workforce upskilling. In tandem with this, we continue to pursue strategies to amplify our MRO capabilities, capacities and geographical footprint through partnerships.

We remain committed to achieving net zero carbon emissions by 2050. We continue to tap into renewable energy and adopt more energy efficient equipment.

## 11. Dividend

### ***(a) Current Financial Period Reported On***

Any dividend recommended for the current financial period reported on? Yes

|                  |                              |                              |
|------------------|------------------------------|------------------------------|
| Name of dividend | Interim                      | Final                        |
| Dividend Type    | Cash                         | Cash                         |
| Dividend Rate    | 2.0 cents per ordinary share | 6.0 cents per ordinary share |
| Tax rate         | Tax exempt one-tier          | Tax exempt one-tier          |

### ***(b) Corresponding Period of the Immediately Preceding Financial Year***

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

|                  |                              |
|------------------|------------------------------|
| Name of dividend | Final                        |
| Dividend Type    | Cash                         |
| Dividend Rate    | 5.5 cents per ordinary share |
| Tax rate         | Tax exempt one-tier          |

### ***(c) Date payable***

The final dividend, if so approved by shareholders, will be paid on 14 August 2024.

### ***(d) Books closure date***

Subject to the approval being obtained at the 42<sup>nd</sup> Annual General Meeting of the Company for the payment of the final dividend, notice is hereby given that duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 up to 5 p.m. on 26 July 2024 will be registered to determine shareholders' entitlements to the final dividend. Thereafter the Share Transfer Books and the Register of Members of the Company will be closed on 29 July 2024 for the preparation of dividend warrants. The final dividend, if so approved by shareholders, will be paid on 14 August 2024 to members on the Register as at 26 July 2024.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. Interested Person Transactions**

(In \$ Million)

The aggregate value of all interested person transactions ("IPTs") entered into during the financial year 2023/24 are as follows:

|   |  | <b>FY2023/24</b>  |   |
|---|--|---|---|
| Name of interested person   | Nature of relationship                                       | Aggregate value of all IPTs (excluding all mandated transactions pursuant to Rule 920 of the SGX Listing Manual and transactions less than \$100,000) | Aggregate value of all IPTs conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000) |
| <b><u>Singapore Airlines Group</u></b>  |  |   |   |
| Singapore Airlines Limited  | Controlling shareholder of SIAEC                             | –   | 885.8*  |
| Scot TigerAir Pte Ltd   | Wholly-owned subsidiaries of SIAEC's controlling shareholder | –   | 89.7  |
| Singapore Aviation and General Insurance Company (Pte) Ltd                            |  | –   | 0.5   |
| Tata SIA Airlines Limited   | Associate of SIAEC's controlling shareholder                 | –   | 0.9   |
| <b><u>Singtel Group</u></b>   |  |   |   |
| Hope Technik Pte Ltd  | Associate of Temasek Holdings (Private) Limited ("Temasek")  | –   | 0.3   |
| NCS Communications Engineering Pte Ltd  | Associate of Temasek Holdings (Private) Limited ("Temasek")  | –   | 0.2   |
| <b><u>Non-listed Associates of Temasek Holdings (Private) Limited ("Temasek")</u></b> |  |   |   |
| Aetos Integrated Solutions Pte Ltd  | Associate of Temasek   | –   | 0.2   |
| T-Search Global Pte Ltd   | Associate of Temasek   | –   | 0.3   |
| Boardroom Corporate and Advisory Services Pte Ltd                                     | Associate of Temasek   | –   | 0.1   |
| <b><u>SATS Group</u></b>  |  |   |   |
| SATS Ltd  | Associate of Temasek   | –   | 10.1  |
| <b><u>ST Engineering Group</u></b>  |  |   |   |
| ST Engineering Aerospace Services Company Pte Ltd                                     | Associate of Temasek Holdings (Private) Limited              | –   | 0.5   |
| ST Engineering Aerospace Systems Pte Ltd  | Associate of Temasek Holdings (Private) Limited              | –   | 0.5   |
| ST Engineering Aerospace Engines Pte Ltd  | Associate of Temasek Holdings (Private) Limited              | –   | 0.1   |
| <b>Total</b>  |  | <b>–</b>  | <b>989.2</b>  |

\* Includes principal, interest and service fees, in respect of treasury transactions with SIA.

**Notes:**

1. All the transactions set out in the above are based on records from the Company's Register of Interested Person Transactions for the financial period under review, and include transactions whose durations exceed the financial period under review and/or multiple transactions with the same interested person. The transactions were based on actual or estimated values of the transactions for the entire duration of the relevant transactions in the case of fixed term contracts or annual/periodic values of the transactions in the case of open-ended contracts, taking into account agreed rates.
2. All the above interested person transactions were done on normal commercial terms.

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

The Group's businesses are organised and managed separately according to the nature of the services provided. The following tables present revenue and profit information regarding operating segments for the financial years ended 31 March 2024 and 31 March 2023 and certain assets information of the operating segments as at those dates.

| <b>2023-24 (in \$'000)</b>                                      | <b>Airframe and<br/>Line<br/>Maintenance</b> | <b>Engine and<br/>Component</b> | <b>Total<br/>segments</b> | <b>Eliminations<br/>and<br/>adjustments</b> | <b>Per<br/>consolidated<br/>financial<br/>statements</b> |
|---|--|---------------------------------|---------------------------|---|--|
| <b>SEGMENT REVENUE</b>  |  |                                 |                           |   |  |
| External revenue  |  |                                 |                           |   |  |
| Company and subsidiaries  | 836.2  | 258.0                           | 1,094.2                   | -   | 1,094.2  |
| Associated companies <sup>†</sup>                               | 53.4   | 2,737.2                         | 2,790.6                   | (2,790.6)                                   | -  |
| Joint venture company <sup>†</sup>                              | -  | 4,032.2                         | 4,032.2                   | (4,032.2)                                   | -  |
| Inter-segment revenue   | 2.4  | 1.7                             | 4.1                       | (4.1)                                       | -  |
|   | <u>892.0</u>                                 | <u>7,029.1</u>                  | <u>7,921.1</u>            | <u>(6,826.9)</u>                            | <u>1,094.2</u>   |
| <b>SEGMENT RESULTS</b>  |  |                                 |                           |   |  |
| Segment results   |  |                                 |                           |   |  |
| Company and subsidiaries  | 33.0   | (30.6)                          | 2.3                       | -   | 2.3  |
| Associated companies <sup>†</sup>                               | 8.4  | 168.9                           | 177.3                     | (177.3)                                     | -  |
| Joint venture company <sup>†</sup>                              | -  | 55.6                            | 55.6                      | (55.6)                                      | -  |
|   | <u>41.4</u>                                  | <u>193.9</u>                    | <u>235.2</u>              | <u>(232.9)</u>                              | <u>2.3</u>   |
| Interest income   |  |                                 |                           |   | 24.4   |
| Impairment loss allowance of financial and non-financial assets |  |                                 |                           |   | (26.8)   |
| Surplus on disposal of associated companies                     |  |                                 |                           |   | 2.3  |
| Surplus on disposal of subsidiaries                             |  |                                 |                           |   | 0.4  |
| Share of profits of associated companies, net of tax            |  |                                 |                           | 70.7  | 70.7   |
| Share of profits of a joint venture company, net of tax         |  |                                 |                           | 30.3  | 30.3   |
| Other unallocated amounts                                       |  |                                 |                           |   | (4.3)  |
| Profit before taxation  |  |                                 |                           |   | 99.3   |
| Taxation expense  |  |                                 |                           |   | (2.2)  |
| Profit for the financial year                                   |  |                                 |                           |   | <u>97.1</u>  |
| <b>Other segment items</b>                                      |  |                                 |                           |   |  |
| Depreciation  | 41.2   | 16.4                            | 57.6                      | -   | 57.6   |
| Amortisation of intangible assets                               | 3.2  | 2.3                             | 5.5                       | -   | 5.5  |
| <b>Segment assets</b>   |  |                                 |                           |   |  |
| Property, plant and equipment                                   | 92.8   | 92.4                            | 185.2                     | -   | 185.2  |
| Right-of-use assets   | 95.8   | 7.6                             | 103.4                     | -   | 103.4  |
| Intangible assets   | 29.7   | 2.3                             | 32.0                      | -   | 32.0   |
| Investment in associated/ joint venture companies               | 12.9   | 736.1                           | 749.0                     | -   | 749.0  |
| Other unallocated assets  |  |                                 |                           |   | 1,018.7  |
| Total assets  | <u>231.2</u>                                 | <u>838.4</u>                    | <u>1,069.6</u>            | <u>-</u>                                    | <u>2,088.3</u>   |

| <b>2022-23 (in \$'000)</b>                              | <b>Airframe and<br/>Line<br/>Maintenance</b> | <b>Engine and<br/>Component</b> | <b>Total<br/>segments</b> | <b>Eliminations<br/>and<br/>adjustments</b> | <b>Per<br/>consolidated<br/>financial<br/>statements</b> |
|---|--|---------------------------------|---------------------------|---|--|
| <b>SEGMENT REVENUE</b>                                  |  |                                 |                           |   |  |
| External revenue  |  |                                 |                           |   |  |
| Company and subsidiaries                                | 644.9  | 151.1                           | 796.0                     | -   | 796.0  |
| Associated companies <sup>†</sup>                       | 41.0   | 2,148.9                         | 2,189.9                   | (2,189.9)                                   | -  |
| Joint venture company <sup>†</sup>                      | -  | 3,742.7                         | 3,742.7                   | (3,742.7)                                   | -  |
| Inter-segment revenue                                   | -  | 2.0                             | 2.0                       | (2.0)                                       | -  |
|   | <u>685.9</u>                                 | <u>6,044.7</u>                  | <u>6,730.6</u>            | <u>-</u>                                    | <u>5,934.6</u>   |
| <b>SEGMENT RESULTS</b>                                  |  |                                 |                           |   |  |
| Segment results   |  |                                 |                           |   |  |
| Company and subsidiaries                                | (2.0)  | (24.3)                          | (26.3)                    | -   | (26.3)   |
| Associated companies <sup>†</sup>                       | (4.9)  | 114.0                           | 109.1                     | (109.1)                                     | -  |
| Joint venture company <sup>†</sup>                      | -  | 63.3                            | 63.3                      | (63.3)                                      | -  |
|   | <u>(6.9)</u>                                 | <u>153.0</u>                    | <u>146.1</u>              | <u>(172.4)</u>                              | <u>(26.3)</u>  |
| Interest income   |  |                                 |                           |   | 12.3   |
| Reversal of impairment of non-financial assets          |  |                                 |                           |   | 1.7  |
| Reversal of impairment of an associated company         |  |                                 |                           |   | 2.0  |
| Share of profits of associated companies, net of tax    |  |                                 |                           | 48.5  | 48.5   |
| Share of profits of joint venture companies, net of tax |  |                                 |                           | 29.3  | 29.3   |
| Other unallocated amounts                               |  |                                 |                           |   | <u>(2.0)</u>   |
| Profit before taxation                                  |  |                                 |                           |   | 65.5   |
| Taxation expense  |  |                                 |                           |   | <u>1.0</u>   |
| Profit for the financial year                           |  |                                 |                           |   | <u><u>66.5</u></u>                                       |
| <b>Other segment items</b>                              |  |                                 |                           |   |  |
| Depreciation  | 44.7   | 14.6                            | 59.3                      | -   | 59.3   |
| Amortisation of intangible assets                       | 2.5  | 2.2                             | 4.7                       | -   | 4.7  |
| <b>Segment assets</b>                                   |  |                                 |                           |   |  |
| Property, plant and equipment                           | 102.5  | 72.6                            | 175.1                     | -   | 175.1  |
| Right-of-use assets                                     | 104.2  | 8.2                             | 112.4                     | -   | 112.4  |
| Intangible assets                                       | 18.2   | 22.6                            | 40.8                      | -   | 40.8   |
| Investment in associated/ joint venture companies       | 22.1   | 663.2                           | 685.3                     | -   | 685.3  |
| Prepayments and other debtors (non-current)             | -  | -                               | -                         | -   | -  |
| Other unallocated assets                                |  |                                 |                           |   | 969.6  |
| Total assets  | <u>247.0</u>                                 | <u>766.6</u>                    | <u>1,013.6</u>            | <u>-</u>                                    | <u>1,983.2</u>   |

## Geographical segments

Revenue\* and non-current assets information based on geographical location of customers and assets respectively are as follows:

| <b>(in \$ million)</b> | <b>Revenue*</b> |                | <b>Non-current assets<br/>31-Mar</b> |                |
|------------------------|-----------------|----------------|--------------------------------------|----------------|
|                        | <b>2023-24</b>  | <b>2022-23</b> | <b>2024</b>                          | <b>2023</b>    |
| East Asia <sup>#</sup> | 813.5           | 592.6          | 1,085.2                              | 1,010.5        |
| Europe <sup>^</sup>    | 156.2           | 89.3           | -                                    | -              |
| South West Pacific     | 31.9            | 18.6           | -                                    | -              |
| Americas               | 64.2            | 62.6           | 2.2                                  | 20.6           |
| West Asia and Africa   | 28.4            | 32.9           | -                                    | -              |
| Total                  | <u>1,094.2</u>  | <u>796.0</u>   | <u>1,087.4</u>                       | <u>1,031.1</u> |

\* Revenue from Company and subsidiary companies

# Mainly Singapore

^ Mainly France

Non-current assets information presented above consists of property, plant and equipment, right-of-use assets, intangible assets, investments in associated and joint venture companies, prepayments and other debtors and deferred tax assets as presented in the consolidated balance sheet.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments**

For details, please refer to paragraph 8.

**16. A breakdown of sales**

|  | GROUP   |         |        |
|--|---------|---------|--------|
|  | 2023-24 | 2022-23 | Change |
|  | \$M     | \$M     | %      |
| Turnover reported for first half year              | 514.0   | 362.2   | 41.9%  |
| Profit after tax reported for the first half year  | 59.3    | 32.6    | 81.9%  |
| Turnover reported for second half year             | 580.2   | 433.8   | 33.7%  |
| Profit after tax reported for the second half year | 37.8    | 33.9    | 11.5%  |

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

| Annual Dividend (in \$ million) | 2023-24 | 2022-23 |
|---------------------------------|---------|---------|
| Ordinary dividend               |         |         |
| - Final <sup>#</sup>            | 67.3    | 61.8    |
| - Interim                       | 22.5    | -       |

<sup>#</sup> 2023-24 final dividend is estimated based on number of shares outstanding as at the end of the financial year, excluding treasury shares.

**18. Disclosure of person(s) occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, SIA Engineering Company Limited (the "Company") confirms that, to the best of its knowledge, there is no person occupying a managerial position in the Company or in any of its principal subsidiaries, who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

**19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (namely, its Chief Executive Officer, Executive Vice-President and Chief Financial Officer) in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Lu Ling Ling  
Company Secretary  
10 May 2024

Singapore Co. Regn. No.: 198201025C





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## Independent auditors' report

Members of the Company  
SIA Engineering Company Limited

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of SIA Engineering Company Limited (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2024, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the year then ended, and material accounting policy information and other explanatory information, as set out on pages 17 to 105.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)") and International Financial Reporting Standards ("IFRS") so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and the consolidated financial performance, consolidated changes in equity of the Group, changes in equity of the Company and consolidated cash flows of the Group for the year ended on that date.

#### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act 2005 and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

## **Impairment risk on non-financial assets**

Refer to 2(j) 'Impairment of non-financial assets' and Note 3 'Significant accounting estimates and critical judgements' together with the relevant accounting policies.

### **Risk**

During the financial year, the airframe maintenance, repair and component overhaul ("MRO") businesses faced significant challenges amid ongoing economic uncertainties, such as supply chain disruptions, labour challenges and geopolitical tensions. Accordingly, there were indications that the property, plant and equipment and right-of-use assets (collectively, the "PPE") deployed across the Airframe Maintenance, Component Service units, and intangible assets from the Group's participative right in Engine Development Programme (collectively, the "Cash-generating units" or "CGUs") may be impaired.

There is inherent uncertainty involved in forecasting and discounting future cash flows for the value-in-use assessments. The market challenges brought about by rising costs and supply chain disruptions create additional estimation uncertainty in determining the recoverable amounts for the CGUs.

### **Airframe Maintenance**

Airframe Maintenance – Management's value-in-use computation assumed gradual increase of base maintenance work volumes at the hangars, along with improvement in operational efficiency, and financial performance to be achieved through optimising productivity of the current workforce and stabilising costs.

### **Our response**

We assessed the appropriateness of the identified CGUs and related non-financial assets deployed therein.

We reviewed the basis and methodology used to derive the recoverable amounts of the CGUs.

We held discussions with senior management to understand the assumptions used in the assessment of the recoverable amounts of the CGUs. These assumptions include revenue growth and work volume of MRO activities in future periods, operating costs and discount rates, as well as productivity gains and cost synergies from the transformation programmes.

We evaluated these assumptions by comparing them to past historical performance and the Group's planned productivity and cost initiatives. We also challenged management's judgement by assessing the growth trajectory against industry forecast and trends based on publicly available industry reports.

We stress-tested Management's key assumptions by reducing the growth estimates over revenue and profit margins.

For the termination of the PW1500G Engine Risk-Revenue Sharing Programme, we reviewed the termination agreement and considered its terms and conditions in assessing the financial impact arising from the termination.

We considered the appropriateness of disclosures in the financial statements.

## **Impairment risk on non-financial assets (continued)**

### **Risk**

The estimated recoverable amount is in excess of the carrying value of the PPE, net of accumulated impairment loss (as brought forward from the previous year). Management has considered sensitivity analysis for recoverable amount from risk of forecasting errors with the prevailing market conditions remaining highly uncertain, neither additional impairment loss nor reversal of previously recognised impairment loss was considered necessary for the current year.

Component Services – No impairment loss on PPE was considered necessary following a review of individual customer contracts, factoring in the contractual revenues secured and the financial performance of existing contracts.

### **Intangible assets - Engine development costs**

The Group has a participative right in an Engine Development Programme with Pratt and Whitney (“PW”) under the PurePower PW1500G Risk-Revenue Sharing Programme.

During the financial year, following the termination of the programme, the Group recorded impairment losses of \$25,113,000, based on the net assets value associated with this programme, which included impairment of the engine development costs and net debts of \$17,652,000 and \$7,461,000, respectively.

### **Findings**

We found the key assumptions applied by Management in the cash flow forecasts, in particular, the revenue growth, work volume of MRO activities and discount rates to be reasonable and consistent with corroborative market evidence. Our independent stress-test outcomes were not contradictory with the overall conclusion reached by Management. We also found disclosures in the financial statements to be appropriate.

### **Our response**

## **Recognition of revenue on customer contracts**

Refer to Note 2(m) 'Revenue' and Note 3 'Significant accounting estimates and critical judgements' together with the relevant accounting policies.

### **Risk**

The Group's contract revenues are derived mainly from airframe maintenance, line maintenance, inventory technical management and component overhaul and engine repair services (the "MRO Services").

The MRO Services, embedding materials and labour, represent one single performance obligation. Such performance obligation is continuously transferred to customers over time. Revenue is measured using the input method.

The input method involves cost and man-hour estimates. Actual man-hours incurred representing revenue may however be subject to negotiation with customers.

### **Our response**

We tested the controls designed and implemented by the Group over contract evaluation and authorisation, review and approval of project costing, and verification of the input method used to measure revenue.

We reviewed the contractual terms of customer contracts to identify performance obligations and assessed how the fair value of revenue has been recognised and measured, including any revenue-constraint applied by Management.

We challenged the cost and man-hour estimates used by Management and tested them by reference to historical cost experience of comparable contracts. We also reviewed Management's consistent application of the input method to recognise revenue over time.

We verified the data used in the input method and any variable consideration to relevant supporting documents.

We assessed the Group's disclosure of the nature, timing and fulfilment of performance obligations, for revenue recognition.

### **Findings**

We found Management's assumptions applied towards estimating revenue to be appropriate.

### *Other information*

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for *FY2023/24 At a Glance, Corporate Profile, Chairman's Statement, Corporate Calendar, Board of Directors, Key Executives, The Year in Review, Business Segments, Corporate Governance, Share Price and Turnover, and Shareholding Statistics* ("the Reports"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

### *Responsibilities of Management and directors for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

*Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ong Li Qin.

A handwritten signature in blue ink that reads 'KPMG LLP'.

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**  
10 May 2024