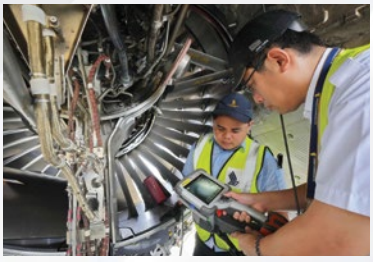
SIA ENGINEERING COMPANY

DRIVING PERFORMANCE

ANNUAL REPORT 2023/2024

Mission Statement

SIA Engineering Company (SIAEC) is engaged in providing aviation engineering services of the highest quality, at competitive prices for customers and a profit to the Company.



Corporate Profile

Listed on the mainboard of the Singapore Exchange in 2000, SIAEC is one of the world's leading maintenance, repair and overhaul (MRO) organisations.

SIAEC's one-stop maintenance facility in Singapore offers world-class MRO services to a client base of more than 80 international carriers and aerospace equipment manufacturers. Complementing its full spectrum of MRO services is its portfolio of 24 subsidiaries and joint ventures in 8 countries, forged with strategic partners and leading original equipment manufacturers (OEMs). The Company holds certifications from 29 national airworthiness authorities worldwide.

2023/2024 AT A GLANCE

NET PROFIT

$97.1 MILLION

SIAEC secured a component support programme with Air India

SIAEC completed the acquisition of 49% of the share capital of Pos Aviation Engineering Services

SIAEC expanded the scope of services for Scoot to include new Embraer E190-E2 Fleet

SIAEC signed an A321neo maintenance agreement with Hawaiian Airlines

SIAEC completed the acquisition of 10% additional stake in Jade Engineering

SIAEC unit signed a lease agreement for hangar facilities in Subang, Malaysia

SIAEC and Eaton signed an agreement to form a component MRO joint venture in Malaysia

SIAEC and Cambodia Airport Investment Co., Ltd. signed an agreement to form a Line Maintenance joint venture in Cambodia

SIA Engineering (Philippines) and Embraer to explore further partnership for E-Jets E2 series MRO services

REVENUE

$1,094.2 MILLION

Asia Pacific Aircraft Component Services expanded its component repair capabilities with additional licenses from Honeywell

SIAEC and Thales to explore business development and collaboration opportunities in the Asia-Pacific region

SIAEC and Xiamen Iport Group to explore MRO collaboration in Fujian, China

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Chairman's Message

Dear Shareholders,

The financial year ended 31 March 2024 (FY2023/24) marked SIA Engineering Company's (SIAEC) return to an operating profit for the first time since the onset of the COVID-19 pandemic four years ago.

Amid a strong recovery in air travel demand, global air passenger traffic volume for the year 2023 was approximately 94.0%[1] of the 2019 pre-pandemic level compared to 68.5%[2] in 2022. In Asia-Pacific, it reached 86.0%[3], up from 44.1%[2] in the prior year. In parallel with this improvement, the global aircraft maintenance, repair and overhaul (MRO) services market grew by 31.0% year-on-year, from $77.0 billion in 2022[4] to $101.0 billion in 2023[5], reaching 98.0% of its 2019 value.

SIAEC has been able to capitalise on the demand recovery with its core strategy of expanding capacity, capabilities and geographical presence, along with efforts to manage cost amid inflationary pressures and enhance productivity through its Continuous Improvement programme.

In FY2023/24, the number of flights handled by Line Maintenance Singapore was 39.1% higher than in the previous financial year. Flight recovery (percentage of pre-COVID levels) in March 2024 was 94.4%, an improvement of 15.7 percentage points over 78.7% in March 2023. Likewise, the total number of maintenance checks at Base Maintenance in Singapore and Clark grew almost 30.0% as demand increased and new customers were secured.

Our Component Services unit secured a 12-year Inventory Technical Management (ITM) agreement with Air India Group, expanding the ITM fleet under our management to 186 aircraft, from 109 aircraft previously. Our Engine Services unit improved its operational resilience amid industry supply chain challenges by increasing its Work-in-Progress capacity at our quick-turn engine maintenance facility by 67.0%, from 12 to 20 engines. At the same time, we broadened our engine test capability to include CFM LEAP-1A and LEAP-1B engines.

Notwithstanding the industry supply chain challenges, most of our engine and component MRO Joint Ventures (JVs) performed better on the back of higher engine deliveries and component repair volume.

As a result of higher business volume and charging rates, our revenue in FY2023/24 grew 37.5% year-on-year to $1,094.2 million while net profit increased 46.2% to $97.1 million. We posted our first full-year operating profit in four years of $2.3 million, reversing the operating loss of $26.3 million a year ago.

The Board of Directors has proposed a final ordinary dividend of 6.0 Singapore cents per share for FY2023/24. If it is approved by shareholders, our full-year ordinary dividend would be 8.0 cents per share (including the interim dividend of 2.0 cents per share paid earlier), representing 93.0% of net profit.

MRO Demand Continues to Grow

Looking ahead, the global MRO market is expected to expand at a compounded annual growth rate (CAGR) of 1.8% between 2024 and 2034[5]. For Asia-Pacific (including China and India), the CAGR forecast for the same period is 1.9%. The aircraft fleet size in the Asia-Pacific region is expected to be the world's largest by 2034 on the back of a steady increase in passenger traffic. As one of the region's key aerospace hubs, Singapore is projected to benefit from this growth. Aerospace companies here, including some of our JVs, have earmarked over $750.0 million for investment projects over the next three to five years[6].

Even as we pursue opportunities to tap the growing demand, we remain vigilant of factors such as a tight labour market, inflationary pressures, the rapid increase in cost and elevated interest rates, supply chain disruptions and macroeconomic uncertainties arising from geopolitical conflicts.

Thus far, SIAEC has been able to navigate these challenges. We continue to actively recruit maintenance personnel to keep pace with the recovery in flight volumes and business activity. We have not let up our efforts to boost operational productivity and efficiency, and to reskill and upskill our workforce. In this regard, we are focused on scaling up Lean, digitalisation and automation initiatives under our Continuous Improvement programme.

1 International Air Transport Association (IATA), 31 January 2024
2 IATA, December 2022
3 IATA, 19 February 2024
4 Oliver Wyman, Global Fleet and MRO Market Forecast 2023-2033
5 Oliver Wyman, Global Fleet And MRO Market Forecast 2024-2034
6 Singapore Economic Development Board, 1 March 2024

Expanding Our Business

As MRO demand continues to grow, our eyes are firmly set on the future of SIAEC and how we can further expand our business to drive sustainable performance and long-term value for our stakeholders. We continue to lay the groundwork for broadening our capabilities, expanding capacity and exploring more opportunities in growth markets. Core to these plans are the synergistic partnerships and joint ventures that we have established in key markets across the region.

Last year, we extended our Line Maintenance International network to Malaysia through a 49% stake in Pos Aviation Engineering Services, increasing our reach to 33 airports in eight countries. By March 2025, we expect to have a presence in Cambodia through a 51%-owned JV with Cambodia Airport Investment, which will set up line maintenance services at the future Techo Takhmao International Airport in Phnom Penh.

To meet the rising demand for aircraft maintenance checks, SIAEC's third base maintenance hub located at Sultan Abdul Aziz Shah Airport in Subang, Malaysia is expected to be operational by late 2025. Two hangars, with a combined capacity of six concurrent aircraft checks, will boost our base maintenance capacity and complement our component and line maintenance JVs in Malaysia. Given the lower operating cost environment, we see a strategic advantage in setting up shop in Malaysia and have leased the hangars for a period of 15 years from December 2023, with an option to renew for a further term of 15 years.

Through this network expansion, we aim to provide our customers with more maintenance options across multiple locations, enabling us to serve them better and potentially create more opportunities for cross-selling and third-party business. A good example is Hawaiian Airlines, which started as a customer at Base Maintenance in Singapore before extending and expanding the scope of work to include aircraft checks at SIA Engineering Philippines and line maintenance services at some of our stations.

Both our Engine Services and Component Services units have also developed additional capabilities for new-generation aircraft, placing us on firm ground to tap emerging MRO trends and opportunities.

Our Engine Services facility continues to develop new capabilities for both the CFM LEAP-1A and LEAP-1B engines as well as Pratt & Whitney's PW1900 engine to support the entry-into-service of Scoot's new fleet of Embraer E190-E2 aircraft. Meanwhile, Singapore Aero Engine Services, SIAEC's JV with Rolls-Royce, is working on expanding its capabilities and increasing its overhaul capacity by 40%; and Eagle Services Asia, which is our JV with Pratt & Whitney, has added a new facility to boost its Geared Turbofan (GTF) engine overhaul capacity by two-thirds.

Amidst global supply chain challenges, our Component Services division has been broadening our component MRO capabilities through our network of workshops and component MRO JVs. Asia Pacific Aircraft Component Services (APACS), our 75%-owned subsidiary, expanded its repair capabilities to include Honeywell's Air Data Inertial Reference Unit products on Airbus aircraft and Pre-Cooler Control Valve products on Boeing aircraft. We have set up a 49%-owned component MRO JV with Eaton in Malaysia to inspect, test, repair, maintain, modify and overhaul Eaton-manufactured aircraft components installed on airframe and engine fuel systems and hydraulics systems. This JV is expected to be sited in the same building as the APACS shop once operational.

In addition, we continue to seek partnerships and business opportunities in growth markets such as India and China. We are exploring a potential collaboration with Thales Solutions Asia in the component MRO space. A Memorandum of Understanding was also inked with Xiamen Iport Group, the owner and operator of airports in Xiamen, Fuzhou, Wuyishan and Longyan, to tap MRO opportunities in Fujian, China.

Just recently in May 2024, we became Air India's strategic partner for the development of its base maintenance facilities in Bangalore, India, which include hangars and associated repair shops to support its expanding fleet. We hope to find more opportunities to collaborate with Air India in the various MRO segments in India.

At the same time, we regularly review our portfolio to ensure alignment with our growth strategy, capitalise on industry trends, and reinforce the value that we bring to our Original Equipment Manufacturer partners. We increased our stake in JADE Engineering (formerly known as JAMCO Aero Design & Engineering) by 10 percentage points to 55%. This was to better tap the growing demand for cabin maintenance and retrofit services, including for older aircraft that are being kept in operation for longer amid aircraft capacity constraints. We also divested our entire 60% stake in Additive Flight Solutions and exited from the PW1500G engine Risk-Revenue Sharing Programme (RRSP) with Pratt & Whitney. The former will enable SIAEC to pursue other additive manufacturing technologies and materials as part of broader efforts to enhance our inhouse capabilities and collaborate with other additive manufacturing and fabrication companies, to better meet customers' needs. The latter allows us to deploy capital, which would otherwise have been used to support the funding of the RRSP, to other areas that are better aligned with our growth strategy.

Chairman's Message

The Next Steps

SIAEC's sustainable long-term growth remains our top priority. Our performance in FY2023/24 showed that we are well on the road to recovery from the COVID-19 pandemic. We will continue to review and refine our processes to achieve improved productivity, competitiveness and profitability.

We have been stepping up our vigilance and discipline in cost management to mitigate inflationary pressures whilst also leveraging data and digital tools to improve cost efficiency, and harnessing Innovation, Technology and our culture of Continuous Improvement to level up our productivity. We are institutionalising an Enterprise Operating System playbook to standardise key processes across various business units and improve production planning efficiency. This is particularly relevant as the playbook can be exported to SIAEC's new business units and markets to ensure that consistent operational excellence is maintained.

One of our efforts to leverage digital tools and technology to enhance our productivity is our Electronic Line Maintenance Integrated Technology Ecosystem (eLITE) system platform for line maintenance operations. Developed in-house, eLITE is a set of digital applications under a unified digital platform that has enhanced our operational efficiency and provided better support for our expanding operations. eLITE won the "Digital – Aviation" award at the Singapore Business Review Technology Excellence Awards 2024. Our digitalisation efforts were also recognised by Aviation Week Network with SIAEC being awarded the "Innovation of the Year" Award at the 2023 MRO Asia-Pacific Awards.

The aerospace and aviation industry faces a talent crunch due to competition from regional and global MROs for engineers and technicians. As a leading player in this space, SIAEC has contributed to developing a workforce that is skilled and ready to drive Singapore's, as well as our own, aerospace ambitions. To ensure a ready pool of talent, SIAEC has ongoing collaborations with Institutes of Higher Learning and government agencies to develop and bolster talent pipelines.

On the sustainability front, we support the decarbonisation of the aerospace and aviation industry through increasing the usage of renewable energy and electrification across our operations. We have set goals to halve our Scope 1 and 2 emissions by 2030 and achieve net-zero emissions by 2050. Progress has also been made towards the full implementation of the Task Force on Climate-related Financial Disclosures (TCFD) framework, which will facilitate a transition to sustainability disclosures that are aligned with the International Sustainability Standards Board.

Appreciation

Each year brings new challenges, but SIAEC has been able to overcome them because of an astute strategy and a dedicated team of people who have worked tirelessly to achieve favourable outcomes against all odds.

I want to thank our staff, unions and the management team for their hard work in navigating the complex MRO operating landscape. My gratitude also goes out to our customers, business partners and government agencies for working together with us to achieve win-win outcomes for the business and the aviation and aerospace community. To our shareholders and other stakeholders, I thank you for your continued support and trust in us. Lastly, I want to express my appreciation to my fellow Directors on the Board for always upholding the highest standards of corporate governance and contributing their collective experience to guide the Group.

In closing, I would like to thank Mr Mak Swee Wah, who retired as a Non-Executive and Non-Independent Director of the Company on 10 September 2023. SIAEC had benefitted from his wise counsel during his tenure and I wish him all the best in this future endeavours. I would also like to formally welcome Mr Tan Kai Ping, who took over Swee Wah's role. I look forward to tapping into Kai Ping's expertise and almost three decades of aviation industry experience.

The Board and I would like to express our deepest appreciation to Mr Ng Chin Hwee, who retired as Director and Chief Executive Officer of the Company on 1 October 2023. He led SIAEC through the darkest days of the pandemic and paved a smooth path towards recovery. The baton is now in the steady and experienced hands of Mr Chin Yau Seng. With Yau Seng at the helm, SIAEC will continue to build on its strong foundation and deliver greater value to all stakeholders.

Tang Kin Fei
Chairman

Corporate Calendar

2023

FEBRUARY

17 Announcement of FY2022/23 third-quarter business updates

MAY

8 Announcement of FY2022/23 full-year financial results

9 Analyst briefing on FY2022/23 full-year financial results

JUNE

21 Despatch of Notice of Annual General Meeting to shareholders and website publication of Notice of Annual General Meeting and FY2022/23 Annual Report

JULY

20 41st Annual General Meeting

25 Announcement of FY2023/24 first-quarter business updates

AUGUST

11 Payment of FY2022/23 final dividend

NOVEMBER

2 Announcement of first-half FY2023/24 financial results

3 Analyst briefing on first-half FY2023/24 financial results

29 Payment of FY2023/24 interim dividend

2024

FEBRUARY

15 Announcement of FY2023/24 third-quarter business updates

MAY

10 Announcement of FY2023/24 full-year financial results

13 Analyst briefing on FY2023/24 full-year financial results

JUNE

20 Despatch of Notice of Annual General Meeting to shareholders and website publication of Notice of Annual General Meeting and FY2023/24 Annual Report

JULY

19 42nd Annual General Meeting

26 Announcement of FY2024/25 first-quarter business updates

AUGUST

14 Payment of FY2023/24 final dividend

NOVEMBER

5 Announcement of first-half FY2024/25 financial results

6 Analyst briefing on first-half FY2024/25 financial results

Board of Directors

MR TANG KIN FEI

Chairman, Board of Directors
Chairman, Compensation & HR Committee
Chairman, Executive Committee
Chairman, Nominating Committee
Chairman, Board Working Group
Non-Executive and Independent Director

MS CHUA BIN HWEE

Chairman, Audit Committee
Member, Executive Committee
Member, Board Sustainability Committee
Non-Executive and Independent Director

MR LIM KONG PUAY

Chairman, Board Safety & Risk Committee
Chairman, Board Sustainability Committee
Member, Audit Committee
Member, Board Working Group
Non-Executive and Independent Director

DR RAJ THAMPURAN

Chairman, Technology Advisory Committee
Member, Audit Committee
Member, Board Safety & Risk Committee
Non-Executive and Independent Director

MR GOH CHOON PHONG

Member, Compensation & HR Committee
Member, Executive Committee
Non-Executive and Non-Independent Director

MR WEE SIEW KIM

Member, Board Safety & Risk Committee
Member, Compensation & HR Committee
Non-Executive and Independent Director

MS CHONG CHUAN NEO

Member, Audit Committee
Member, Nominating Committee
Member, Technology Advisory Committee
Member, Board Working Group
Non-Executive and Independent Director

MS TAN TZE GAY

Member, Audit Committee
Member, Board Sustainability Committee
Non-Executive and Independent Director

MR TAN KAI PING

Member, Board Safety and Risk Committee
Member, Nominating Committee
Member, Board Working Group
Non-Executive and Non-Independent Director
(from 10 September 2023)

MR CHIN YAU SENG

Member, Executive Committee
Member, Technology Advisory Committee
Member, Board Sustainability Committee
Non-Independent Director and Chief Executive Officer

MR MAK SWEE WAH

Member, Board Safety & Risk Committee
Member, Nominating Committee
Non-Executive and Non-Independent Director
(until 9 September 2023)

MR NG CHIN HWEE

Member, Executive Committee
Member, Technology Advisory Committee
Member, Board Sustainability Committee
Non-Independent Director and Chief Executive Officer (until 30 September 2023)

MR TANG KIN FEI, 73

Chairman, Board of Directors
Chairman, Compensation & HR Committee
Chairman, Executive Committee
Chairman, Nominating Committee
Chairman, Board Working Group
Non-Executive and Independent Director

Mr Tang Kin Fei was appointed Director and Deputy Chairman on 8 May 2017 and subsequently, as Chairman on 19 July 2018. He was the Group President and Chief Executive Officer of Sembcorp Industries Ltd from 1 May 2005 until his retirement on 31 March 2017. He then remained as an Advisor and a Non-Executive Director on the Board of Sembcorp Industries until 31 May 2017.

Mr Tang, who was previously with the Sembcorp Group for 30 years, has been credited with driving its transformation into an international energy, water, marine and urban development group. Prior to his appointment as Group President and Chief Executive Officer, Mr Tang headed Sembcorp's utilities business on Jurong Island in Singapore, which grew into a global energy and water player with a sizeable portfolio of assets and capabilities. Before joining Sembcorp, Mr Tang was the Managing Director of Wescon Asia and a project engineer in Esso Singapore.

With effect from 15 May 2023, Mr Tang was appointed as the Executive Chairman and Interim Chief Executive Officer of Metis Energy Limited, Chairman of Singapore LNG Corporation Pte Ltd and Singapore Cooperation Enterprise. He is also a Director of Athena Energy Holdings Pte Ltd, Metis Solar Pte Ltd, Summit Power International Ltd, Thermodynamics Technology Asia Limited, Thermodynamics Technology Pte Ltd, Red Dot Energy and Technology Asia Pte Ltd, Vietrof RE Pte Ltd and Progressive Renewable Developments Goondiwindi Pty Ltd, Chairman of the Kwong Wai Shiu Hospital, a charitable hospital which provides care for needy patients.

Academic and Professional Qualifications

- Bachelor of Mechanical Engineering (1st Class Honours), University of Singapore
- Advanced Management Programme, INSEAD, France

Current Directorships In Other Listed Companies

	Company	Title
1.	Metis Energy Limited	Executive Chairman and Interim Chief Executive Officer

Other Principal Commitments

	Organisation/Company	Title
1.	Singapore LNG Corporation Pte Ltd	Chairman
2.	Summit Power International Ltd	Director
3.	Singapore Cooperation Enterprise	Chairman
4.	Kwong Wai Shiu Hospital	Chairman
5.	Kwong Wai Shiu Hospital Foundation	Chairman, Investment Committee
6.	Athena Energy Holdings Pte Ltd	Director
7.	Vietrof RE Pte. Ltd.	Director
8.	Metis Solar Pte Ltd	Director
9.	Thermodynamics Technology Asia Limited	Director
10.	Thermodynamics Technology Pte. Ltd.	Director
11.	Red Dot Energy and Technology Asia Pte Ltd	Director
12.	Progressive Renewable Developments Goondiwindi Pty Ltd	Director

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Singapore Chinese Chamber of Commerce and Industry	Council Member
2.	National Research Foundation	Board Member
3.	Ngee Ann Polytechnic	Council Chairman

MS CHUA BIN HWEE, 67

Chairman, Audit Committee
Member, Executive Committee
Member, Board Sustainability Committee
Non-Executive and Independent Director

Ms Chua was appointed Director on 1 April 2021. She was the Vice Chairman of PricewaterhouseCoopers ("PwC") Singapore where she had been an audit partner for over 25 years. Ms Chua held global and regional positions, including Deputy Markets Leader of PwC Asia Pacific and Americas, and was a member of the PwC Global Markets Leadership Team and PwC Asia Pacific Executive Team. Ms Chua has extensive experience in statutory audits, corporate governance, corporate restructuring, fraud investigations, business and finance.

Ms Chua is currently a Director of the Boards of CapitaLand Integrated Commercial Trust Management Limited, Certis Cisco Security Pte Ltd and Marelli Holdings Co., Ltd. She is also a Board member of Gardens by the Bay and the National Heritage Board.

Ms Chua was previously President of the Singapore Anti-Narcotics Association, Deputy Chairman of the National Volunteer & Philanthropy Centre, and a Board member of Housing & Development Board, Duke-NUS Medical School, Maritime and Port Authority of Singapore and the Health Promotion Board. In recognition of her community service, she was awarded the Public Service Medal in 2012 and the Public Service Star in 2017. She was also conferred Justice of the Peace in 2018.

Academic and Professional Qualifications

- Bachelor of Accountancy (Honours), University of Singapore
- Chartered Accountant, Institute of Singapore Chartered Accountants

Current Directorships In Other Listed Companies

	Company	Title
1.	CapitaLand Integrated Commercial Trust Management Limited	Director

Other Principal Commitments

	Organisation/Company	Title
1.	Certis Cisco Security Pte Ltd	Director
2.	Gardens by the Bay	Director
3.	National Heritage Board	Director
4.	Marelli Holdings Co. Ltd	Director

Board of Directors

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	CapitaLand Commercial Trust Management Limited	Director
2.	Duke-NUS Medical School	Director
3.	Health Promotion Board	Director
4.	Maritime and Port Authority of Singapore	Director
5.	Singapore Anti-Narcotics Association	President
6.	The Hong Kong and Shanghai Banking Corporation Limited	Director
7.	Mapletree Oakwood Holdings Pte Ltd	Director

MR LIM KONG PUAY, 67

Chairman, Board Safety & Risk Committee
Chairman, Board Sustainability Committee
Member, Audit Committee
Member, Board Working Group
Non-Executive and Independent Director

Mr Lim was appointed Director on 1 August 2021. Mr Lim was the Chief Executive Officer of Tuas Power Generation Pte Ltd for 14 years until his retirement in 2018. He has more than 35 years of experience in the electricity industry in Singapore covering the operation, maintenance and management of large-scale steam turbine generators and combined cycle plant. Mr Lim had helped to establish Tuas Power Generation as one of the leading power generation companies in the liberalised wholesale and retail electricity market in Singapore. He had also expanded the businesses of Tuas Power Generation to include utilities, such as supplying steam and providing oil tankage and water and waste water treatment to industrial customers in the Tuas area and on Jurong Island.

Mr Lim is a Non-Executive Director of Tuas Power Generation Pte Ltd, Tuas Power Limited, TP Utilities Pte Ltd, TP-STM Water Resources Pte Ltd and Singapore Institute of Power and Gas (SIPG).

Mr Lim was previously a non-executive director of ARA LOGOS Logistic Trust Management and a member of the Steering Committee on Engineering Talent Attraction and Retention in Singapore.

Academic and Professional Qualifications

- Bachelor of Engineering (Mechanical), National University of Singapore
- Fellow, Institution of Engineers, Singapore

Other Principal Commitments

	Organisation/Company	Title
1.	TP Utilities Pte. Ltd.	Director
2.	Tuas Power Generation Pte. Ltd.	Director
3.	Tuas Power Ltd	Director
4.	TP-STM Water Resources Pte. Ltd.	Director
5.	Singapore Institute of Power and Gas Pte. Ltd.	Director

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Tuas Power Supply Pte. Ltd.	Director
2.	TPGS Green Energy Pte. Ltd.	Director
3.	TP-STM Water Services Pte. Ltd.	Director
4.	ARA LOGOS Logistics Trust Management Limited	Director

DR RAJ THAMPURAN, 60

Chairman, Technology Advisory Committee
Member, Audit Committee
Member, Board Safety & Risk Committee
Non-Executive and Independent Director

Dr Thampuran was appointed Director on 1 September 2016. After a twenty-year career in the public sector, he joined Surbana Jurong Private Limited as Managing Director (Technology and Research) from 1 February 2020 till 29 May 2023.

His career spans across various aspects of technology and its development, management, innovation and policy. In the public sector, he spent seven years as the Managing Director as well as a Board Director of the Agency for Science, Technology and Research (A*STAR) until 31 March 2020. Dr Thampuran joined A*STAR in 2000 as Head of the Technology Planning Unit and has held various executive and leadership positions in the Electronics, Engineering and Chemicals clusters, the Institute of High Performance Computing, and in Planning and Policy. In these positions and capacities, Dr Thampuran was involved in planning, establishing and implementing the framework for Research Councils; helped to manage and support the capability development efforts of public sector performers in areas identified for technological growth; developed initiatives and various schemes to support Research & Development ("R&D") involving the universities and other institutes of higher learning; spearheaded the R&D portfolio and industry development efforts across A*STAR and interacted with government policy makers and Ministry officials to shape A*STAR's contributions to the National R&D Framework among other executive responsibilities and desired outcomes. At Surbana Jurong Private Limited, he helped spearhead the Group's digital strategy and transformation efforts as well as setting priorities and a framework for technological investments.

Dr Thampuran was a recipient of the Public Administration Medal (Bronze and Silver) and ASEAN Meritorious Award.

Academic and Professional Qualifications

- Bachelor of Mechanical Engineering (Honours), University of London, UK
- PhD in Materials Science, National University of Singapore
- Postdoctoral Fellowship, Massachusetts Institute of Technology, USA
- Advanced Management Programme, INSEAD, France
- Fellow, Singapore Academy of Engineers
- Fellow, Institution of Engineers, Singapore

Other Principal Commitments

	Organisation/Company	Title
1.	The Institution of Engineers – College of Fellows (CoF) Board	Member (CoF)
2.	MINDS (RCCS Sub-committee)	Member
3.	Singapore Academy of Engineers	Fellow

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Exploit Technologies Pte Ltd (now A*ccelerate Technologies)	Chairman
2.	D3 Steering Committee	Chairman
3.	Agency for Science, Technology & Research (A*STAR)	Board Member
4.	Defence Science and Technology Agency (DSTA)	Board Member
5.	Tropical Marine Science Institute	Member of Management Board
6.	Committee on Autonomous Road Transport for Singapore	Member
7.	National University of Singapore Engineering Faculty Advisory Board	Member
8.	Nanyang Technological University (NTU) Advisory Committee for Bioengineering Education	Member
9.	National Digital Economy Committee	Member
10.	Presidential Science and Technology Awards Committee	Member
11.	Finance and Budget Committee (A*STAR)	Member
12.	Audit Committee (A*STAR and DSTA)	Member
13.	ASEAN Committee on Science & Technology	Chairman
14.	College Advisory Board of the College of Engineering (NTU)	Chairman
15.	Surbana Jurong Private Limited	Managing Director (Technology and Research)

MR GOH CHOON PHONG, 60

Member, Compensation & HR Committee
Member, Executive Committee
Non-Executive and Non-Independent Director

Mr Goh was appointed Director on 1 January 2011. He is a Director and the Chief Executive Officer of Singapore Airlines Ltd (SIA). He joined SIA in 1990 and has held senior management positions in Singapore and overseas. He joined SIA's Board on 1 October 2010 and was appointed Chief Executive Officer on 1 January 2011. Mr Goh was previously Executive Vice President Marketing and the Regions and President of SIA Cargo. Prior roles with SIA included Senior Vice President Finance, Senior Vice President Information Technology, and Senior Vice President Commercial Technology. His overseas assignments were in China and Scandinavia.

Mr Goh is the Chairman of Budget Aviation Holdings Pte Ltd, which owns and manages SIA's low-cost subsidiary Scoot Pte Ltd. He is a member of the National University of Singapore Board of Trustees, where he was Chairman of its Innovation and Enterprise Committee and has been appointed to its Nominating Committee and Executive Committee since 1 April 2023. Mr Goh is an Independent Director on the Board of Mastercard Incorporated.

Mr Goh is an Executive Committee member of the Association of Asia Pacific Airlines (AAPA), and was its Chairman in 2023.

In addition, Mr Goh is a member of the MIT Presidential CEO Advisory Board, made up of CEOs from leading companies in a variety of industries around the world. Mr Goh was a member of the Board of Governors of the International Air Transport Association and was its Chairman between June 2017 and June 2018. He also previously served on the Board of Directors of Mount Alvernia Hospital and Virgin Australia Holdings Limited.

Mr Goh was the 2015 recipient of the Centre for Aviation's Asia-Pacific Airline CEO of the Year award. In 2016 he received the CEO Lifetime Achievement Award from the Airline Passenger Experience Association, as well as the Eisenhower Global Innovation Award from the Business Council for International Understanding. He was named Outstanding Chief Executive Officer of the Year in the Singapore Business Awards 2017, Person of the Year by Orient Aviation magazine in 2018, and Best Chief Executive Officer for companies with $1 billion or more in market capitalisation at the 2019 Singapore Corporate Awards.

Academic and Professional Qualifications

- Master of Science in Electrical Engineering and Computer Science
- Bachelor of Science in Computer Science and Engineering
- Bachelor of Science in Management Science
- Bachelor of Science in Cognitive Science

Massachusetts Institute of Technology, USA

Current Directorships In Other Listed Companies

	Company	Title
1.	Singapore Airlines Limited	Director and Chief Executive Officer
2.	Mastercard Incorporated	Director

Other Principal Commitments

	Organisation/Company	Title
1.	Budget Aviation Holdings Pte. Ltd.	Chairman
2.	National University of Singapore	Member, Board of Trustees
3.	Massachusetts Institute of Technology	Member, Presidential CEO Advisory Board
4.	Association of Asia Pacific Airlines	Member, Executive Committee

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	International Air Transport Association	Member, Board of Governors
2.	Association of Asia Pacific Airlines	Chairman, Board Executive Committee Member

Board of Directors

MR WEE SIEW KIM, 63

Member, Board Safety & Risk Committee
Member, Compensation & HR Committee
Non-Executive and Independent Director

Mr Wee Siew Kim was appointed Director on 8 May 2017. He is currently the Representative Executive Officer, Co-President and Member of the Board of Nippon Paint Holdings Group. He holds the concurrent appointment of Chief Executive Officer of NIPSEA Group, a paints and coatings company with 121 manufacturing facilities and operations spanning 28 countries and regions.

Prior to his current position, Mr Wee was Deputy Chief Executive Officer and President (Defence Business) of Singapore Technologies Engineering Ltd (Singapore Technologies). Mr Wee started his career with Singapore Technologies in 1984 as an engineer in Singapore Aircraft Industries Pte Ltd, the predecessor company of ST Engineering Aerospace Ltd. During his 25-year career with Singapore Technologies, Mr Wee held appointments in engineering, business development and management, including operating stints in the United States of America, China, Europe and Singapore.

Mr Wee is also a Director of Singapore Telecommunications Limited.

Academic and Professional Qualifications

- Bachelor of Science in Aeronautical Engineering (Honours), Imperial College of Science and Technology and Medicine, UK
- Master of Business Administration, Graduate School of Business, Stanford University, USA
- Fellow, City and Guilds of London Institute

Current Directorships In Other Listed Companies

	Company	Title
1.	Singapore Telecommunications Limited	Director
2.	Nippon Paint Holdings Co Ltd	Director, Representative Executive Officer & Co-President

Other Principal Commitments

	Organisation/Company	Title
1.	NIPSEA Group	Group Chief Executive Officer
2.	Nipsea Management Company Pte Ltd	Director
3.	Jurong Port Pte Ltd	Chairman
4.	Nippon Paint Coatings (Taiwan) Co., Ltd.	Director
5.	Nippon Paint (Singapore) Co., Pte. Ltd.	Director
6.	Nippon Paint (Vietnam) Co., Ltd.	Director
7.	Nippon Paint Vietnam (Hanoi) Co., Ltd.	Director
8.	Nippon Paint (Malaysia) Sdn. Bhd.	Director
9.	Paint Marketing Co. (M) Sdn. Bhd.	Director
10.	Nippon Paint (Thailand) Co., Ltd.	Director
11.	Nippon Paint (H.K.) Co., Ltd.	Director
12.	Nippon Paint (China) Co., Ltd.	Director
13.	Nippon Paint (H.K.) Co. Ltd Taiwan Branch	Director
14.	GuangZhou Nippon Paint Co., Ltd.	Director
15.	Nippon Paint (ChengDu) Co., Ltd.	Director
16.	Langfang Nippon Paint Co., Ltd	Director
17.	Nippon Paint China Holdings Co., Ltd.	Director
18.	NP Auto Refinishes Co., Ltd.	Director
19.	Nippon Paint Vinh Phuc Co., Ltd.	Director
20.	Nippon Paint Lanka (Private) Limited.	Director
21.	HSJ Pte. Ltd.	Director
22.	Guangdong Nippon Paint Changrunfa Technical Materials Co., Ltd.	Director
23.	DuluxGroup Limited	Director
24.	Vital Technical Sdn. Bhd.	Director
25.	Nippon Paint Holdings SG Pte Ltd	Director
26.	Betek Boya Ve Kimya San. A.S.	Director

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	ES Group (Holdings) Limited	Chairman
2.	SBS Transit Ltd	Director
3.	Langfang Nippon Paint Lidong Co., Ltd	Director
4.	Nippon Paint New Materials (Wuhan) Co., Ltd.	Director
5.	Nippon Paint (Shanghai) Research & Development Co., Ltd.	Director
6.	Yashili Paint (Suzhou) Co.,Ltd	Director
7.	Nippon Paint (Hebei) Co., Ltd.	Director
8.	Nippon Paint New Materials (Shanghai) Co., Ltd.	Director
9.	Nippon Paint (Jiangsu) Co., Ltd	Director
10.	Nippon Paint (Sichuan) Co., Ltd	Director
11.	Nippon Paint Engineering Materials (Guangzhou) Co Ltd	Director
12.	Nippon Paint Decoration Materials (Guangzhou) Co Ltd	Director
13.	Betek Tasyunu Sanayani Ve Ticaret A.S.	Director
14.	Faber Union Ltd	Director
15.	Neteks Boya Teknolojileri A.S.	Director
16.	Ideal Firca Ve Rulo Sanayi A.S.	Director
17.	Nippon Paint (India) Pte Ltd	Director
18.	Mapletree Logistics Trust Management Ltd	Director
19.	Nippon Paint Malaysia (S) Pte Ltd	Director
20.	Nippon Paint Industrial Coatings (Shanghai) Co., Ltd.	Director
21.	BK & NP Automotive Coatings (ShangHai) Co., Ltd.	Director
22.	Nippon Paint (Hubei) Co., Ltd.	Director
23.	Nippon Paint (Zhengzhou) Co., Ltd.	Director
24.	Nippon Paint (KunMing) Co., Ltd.	Director
25.	Nippon Paint (Henan) Co., Ltd.	Director
26.	Nippon Paint Building Solutions (Shanghai) Co., Ltd.	Director
27.	Nippon Paint New Materials (Tianjin) Co., Ltd.	Director
28.	Zhenfucai Materials Technology (Chengdu) Co., Ltd	Director

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
29.	Nippon Paint New Materials (Nanjing) Co., Ltd	Director
30.	Nippon Paint New Materials (Jiangsu) Co., Ltd	Director
31.	Nippon Paint And Surface Chemicals Pvt. Ltd	Director
32.	Nippon Paint Automotive Europe GmbH	Director
33.	Nippon Paint Pakistan (Private) Limited	Director
34.	Nippon Paint (Bangladesh) Private Limited	Director
35.	Nipsea Chemical Co., Ltd.	Director
36.	Nippon Paint (TianJin) Co., Ltd	Director
37.	Nippon Paint Decorative Coatings (Thailand) Co., Ltd.	Director
38.	Nippon Paint (ShenYang) Co., Ltd.	Director
39.	Nipsea Technologies Pte. Ltd.	Director
40.	Nippon Paint (Qingyuan) Co., Ltd.	Director
41.	Nippon Paint Energy Saving and Environmental Protection Technology (Shanghai) Co., Ltd.	Director
42.	Shanghai Nippon Paint Lomon New Materials Technology Co.,Ltd.	Director

MS CHONG CHUAN NEO, 61

Member, Audit Committee
Member, Nominating Committee
Member, Technology Advisory Committee
Member, Board Working Group
Non-Executive and Independent Director

Ms Chong was appointed Director on 1 October 2022. Ms Chong spent 29 years at Accenture where she held senior leadership roles covering various industries and countries in Asia. She was the Chairman and Country Managing Director of Accenture Greater China from 2015 to 2018, during which she was responsible for strategic planning and execution, growth and profitability, leadership development, corporate governance, risk management and client satisfaction. Prior to that, she also managed Accenture's Asia Pacific Consumer, Industrial, Travel & Transport business and the Global Transport (Air, Land, Sea), Travel, Hospitality and Infrastructure business. Her experience extends to areas such as technology and digital transformation, efficiency improvement and cost management leveraging software, robotics and data analytics.

Ms Chong is currently a Non-Executive and Independent Director of Oversea-Chinese Banking Corporation Limited and Raffles Medical Group Ltd. She is also an Operating Director with Partners Group, a Swiss global Private Equity firm. She previously served as a member of the National University of Singapore (NUS) Innovation and Enterprise Executive Committee, a Board member of NUS Graduate Investments Pte Ltd and an Advisor in the Digital Advisory Council of the National Volunteer and Philanthropy Centre.

Academic and Professional Qualifications

- Bachelor of Science (Computer Science and Mathematics), National University of Singapore

Current Directorships In Other Listed Companies

	Company	Title
1.	Raffles Medical Group Ltd	Director
2.	Oversea-Chinese Banking Corporation Ltd	Director

Other Principal Commitments

	Organisation/Company	Title
1.	Lion Global Investors Ltd	Director
2.	iShine Cloud Ltd	Director
3.	MODA Solutions (BCR Shanghai)	Director
4.	Partners Group Pte Ltd	Operating Director

Directorships/Appointments in the past 5 years

	Organisation/ Company	Title
1.	Accenture Singapore Pte Ltd	Director
2.	Newspage Pte Ltd	Director
3.	Aimazing Pte Ltd	Director
4.	Graduate Investment (NUS GRIP) Pte Ltd	Director
5.	vKirirom Pte Ltd	Director
6.	Digital Task Force, National Volunteer & Philanthropy Center	Adviser
7.	NUS Innovation & Enterprise	Executive Council Member
8.	Boost Holdings Sdn Bhd (Malaysia)	Director

MS TAN TZE GAY, 59

Member, Audit Committee
Member, Board Sustainability Committee
Non-Executive and Independent Director

Ms Tan was appointed Director on 28 October 2022. Ms Tan is a Partner and the Head of Equity Capital Markets at Allen & Gledhill LLP. Her areas of expertise span across equity and debt capital markets and corporate regulatory and compliance. She has extensive experience acting for issuers and underwriters on a wide range of innovative, high value and complex transactions, from initial public offerings and listings on the Singapore Exchange as well as regional and international exchanges to global debt offerings. She continues to advise listed corporates and business trusts after listing on their follow-on equity offerings, debt offerings, acquisitions and disposals and corporate regulatory and compliance advisory matters.

Ms Tan has been the Chief Examiner, Corporate Finance, for the Foreign Practitioner Examinations since 2012 and a Lecturer for Advance Corporate Law, Preparatory Course Leading to Part B of the Singapore Bar Exams from 2011 to 2022.

Board of Directors

Academic and Professional Qualifications
- Bachelor of Laws 2nd Class (Upper) Honours, National University of Singapore

Current Directorships In Other Listed Companies

	Company	Title
1.	Singapore Telecommunications Limited	Director

Other Principal Commitments

	Organisation/Company	Title
1.	Allen & Gledhill LLP	Head of Equity Capital Markets & Partner

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
	Nil	

MR TAN KAI PING, 51

Member, Board Safety and Risk Committee
Member, Nominating Committee
Member, Board Working Group
Non-Executive and Non-Independent Director
(from 10 September 2023)

Mr Tan was appointed Director on 10 September 2023. He is the Executive Vice President Operations and Chief Operations Officer at SIA, where he oversees the Cabin Crew, Customer Services and Operations, Engineering and Flight Operations divisions.

Mr Tan joined SIA in 1995 as a Cadet Administrative Officer. He held various positions in SIA Cargo before being promoted to Cargo Manager Corporate Strategy (2001) and Senior Manager Freighter Planning and Corporate Strategy (2002). Mr Tan was appointed SIA Cargo's General Manager Singapore in 2003.

Mr Tan was seconded to Shanghai-based Great Wall Airlines as its President in October 2005. He returned to SIA Cargo as Senior Vice President Operations in October 2008, and assumed the post of President SIA Cargo in March 2010.

Mr Tan was appointed as SIA's Senior Vice President Corporate Planning in August 2013, and Senior Vice President Marketing Planning in August 2016. He was promoted to Executive Vice President Finance and Strategy in April 2020, and appointed as Chief Financial Officer in May 2021. He was appointed as Executive Vice President Operations and Chief Operations Officer in September 2023.

Academic and Professional Qualifications
- Master of Engineering in Electrical and Electronic Engineering with Management, Imperial College London, UK.

Current Directorships In Other Listed Companies

	Company	Title
1.	Singapore Airlines Limited	Executive Vice President Operations and Chief Operations Officer
2.	SilkAir (Singapore) Private Limited	Chairman and Director
3.	Budget Aviation Holdings Pte. Ltd.	Director
4.	Encounters Pte. Ltd.	Chairman and Director
5.	Singaporean-German Chamber of Industry and Commerce (SGC)	Member, SGC Advisory Council

Other Principal Commitments

	Organisation/Company	Title
	Nil	

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Singapore International Foundation	Member, Board of Governors

MR CHIN YAU SENG, 52

Member, Executive Committee
Member, Technology Advisory Committee
Member, Board Sustainability Committee
Non-Independent Director and Chief Executive Officer

Mr Chin was appointed Director on 8 October 2018 and appointed Chief Executive Officer of SIAEC on 1 October 2023. He was Senior Vice President Cargo, SIA, following the re-integration of SIA Cargo (then a wholly-owned subsidiary of SIA) as a Division within SIA on 1 April 2018. Before that, he had been President SIA Cargo since May 2014.

Mr Chin was Chief Executive SilkAir from 2007 to 2010 and Chief Executive Officer of Tiger Airways Holdings Ltd from 2011 to 2012. Prior to his move to SIA Cargo, he held the position of Senior Vice President Sales & Marketing in SIA.

Mr Chin is currently the Deputy Chairman of Singapore Aero Engines Services Pte Ltd.

Academic and Professional Qualifications
- Master of Science (Distinction) in Operational Research
- Bachelor of Science in Economics (Accounting and Finance)

The London School of Economics and Political Science, University of London, UK

Current Directorships In Other Listed Companies

	Company	Title
1.	Singapore Aero Engine Services Pte Ltd	Deputy Chairman

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Singapore Airlines Limited	Senior Vice President Cargo
2.	Singapore Airlines Cargo Pte Ltd	Director
3.	KrisShop Pte. Ltd. (formerly known as Singapore Airport Duty-Free Emporium (Private) Limited)	Director
4.	International Air Transport Association	Member, Cargo Advisory Council

MR MAK SWEE WAH, 63

Member, Board Safety & Risk Committee
Member, Nominating Committee
Non-Executive and Non-Independent Director
(until 9 September 2023)

Mr Mak was appointed Director on 1 April 2020, until his retirement on 9 September 2023. He was SIA's Chief Operations Officer until 9 September 2023. He joined SIA in 1983 and worked in a number of management positions in Singapore as well as overseas.

Mr Mak was appointed as the General Manager at SilkAir (Singapore) Private Limited (SilkAir) in 1997. After 2000, he held senior management positions in the marketing, planning and operational areas in SIA. Mr Mak was promoted to Executive Vice President for Operations and Services on 1 January 2008, and was appointed Executive Vice President Commercial on 1 February 2011. On 1 April 2020, Mr Mak assumed the position of Executive Vice President Operations until 9 September 2023. He was responsible for SIA's Cabin Crew, Customer Services and Operations, Engineering and Flight Operations divisions.

Mr Mak was the Chairman of SilkAir. He was also appointed as Director on the Board of Mount Faber Leisure Group Pte Ltd on 26 April 2022.

Academic and Professional Qualifications

- Master of Science in Operational Research
- Bachelor of Science in Accounting and Finance (1st Class Honours)

The London School of Economics and Political Science, University of London, UK

Other Principal Commitments

	Organisation/Company	Title
1.	Singapore Airlines Limited	Chief Operations Officer and Executive Vice President, Operations
2.	SilkAir (Singapore) Private Limited	Chairman
3.	Mount Faber Leisure Group Pte. Ltd.	Director

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Singapore Airlines Cargo Pte. Ltd	Director
2.	TATA SIA Airlines Limited	Director

MR NG CHIN HWEE, 63

Member, Executive Committee
Member, Technology Advisory Committee
Member, Board Sustainability Committee
Non-Independent Director and Chief Executive Officer
(until 30 September 2023)

Mr Ng was appointed Director on 18 July 2008 and appointed Chief Executive Officer of SIAEC on 1 April 2020. He was the Executive Vice President for Human Resources and Operations in SIA until 31 March 2020.

Mr Ng joined SIA in 1985 where he was appointed to various senior positions in Singapore and overseas. In 2004, he returned to Singapore to take up the position of President & Chief Executive Officer of Singapore Airport Terminal Services Ltd (SATS). He left SATS to rejoin SIA as Executive Vice President for Human Resources and Planning on 1 January 2008. He assumed the position of Executive Vice President Human Resources and Operations on 1 February 2011 and was in charge of the divisions of Cabin Crew, Engineering, Flight Operations, Customer Services and Operations, and Human Resources.

Prior to his retirement, Mr Ng was the Deputy Chairman of Singapore Aero Engine Services Pte Ltd and a member of the Advisory Board of the Engineering Systems and Design Pillar at the Singapore University of Technology and Design.

Academic and Professional Qualifications:

- Master of Science in Management, Massachusetts Institute of Technology, USA
- Bachelor of Engineering (1st Class Honours), National University of Singapore

Other Principal Commitments

	Organisation/Company	Title
1.	Singapore Aero Engine Services Pte Ltd	Deputy Chairman
2.	Singapore University of Technology and Design (Advisory Board of the Engineering Systems and Design Pillar)	Member

Directorships/Appointments in the past 5 years

	Organisation/Company	Title
1.	Budget Aviation Holdings Pte Ltd	Director
2.	NokScoot Airlines Co., Ltd	Director
3.	Advisory Council on Community Relations in Defence (Employer and Business)	Member
4.	Future Economy Council, Trade and Connectivity Sub-Committee	Member

Key Executives

CHIN YAU SENG Chief Executive Officer

Mr Chin is a Director and Chief Executive Officer. He joined SIAEC as Chief Executive Officer-Designate on 1 June 2023 and took over the full responsibilities of Chief Executive Officer on 1 October 2023.

Prior to that, Mr Chin was Senior Vice President Cargo, SIA, following the re-integration of SIA Cargo (then a wholly-owned subsidiary of SIA) as a Division within SIA on 1 April 2018. Before that, he had been President SIA Cargo since May 2014.

He was the Chief Executive of SilkAir from 2007 to 2010 and Chief Executive Officer of Tiger Airways Holdings from 2011 to 2012. Prior to his move to SIA Cargo, he held the position of Senior Vice President Sales & Marketing in SIA.

Mr Chin is currently the Deputy Chairman of Singapore Aero Engine Services Pte Ltd.

Mr Chin has a Bachelor of Science (Economics) in Accounting & Finance and a Master of Science (Distinction) in Operational Research, both from The London School of Economics & Political Science, University of London, UK.

FOO KEAN SHUH Executive Vice President Operations and Chief Sustainability Officer

Mr Foo was appointed Executive Vice President Operations and Chief Sustainability Officer on 1 April 2022. He joined the Engineering Division of SIA in 1994 as a Technical Services Engineer. He went on to hold various senior positions in the division, including Vice President Maintenance Planning & Control, Vice President Technical Projects and Divisional Vice President Engineering (Operations). On 1 June 2016, he was appointed as Senior Vice President Innovation & Technology in SIAEC. He then took on the position of Senior Vice President Line Maintenance & Cabin Services on 1 April 2018, prior to his last appointment as Senior Vice President Corporate Planning, Fleet Management & Commercial on 1 October 2020.

Mr Foo is the Chairman of Aerospace Component Engineering Services Pte Ltd and Pan Asia Pacific Aviation Services Limited (Hong Kong).

Mr Foo holds a Master of Science (Thermal Power) degree from Cranfield University, UK and a Bachelor of Engineering (Aerospace Engineering) (Honours) degree from the Royal Melbourne Institute of Technology, Australia.

WONG YUE JEEN Chief Commercial Officer

Mr Wong was appointed to his current role of Chief Commercial Officer on 1 April 2024. Prior to his latest appointment, he was responsible for the Partnership Management and Business Development divisions. He joined SIAEC in March 2008 and has held various roles in the company including positions in Aircraft & Component Services, Base Maintenance and Engine Services.

Prior to joining SIAEC, Mr Wong held senior management roles at other organisations such as General Electric, ABB-Alstom, SAP and ICI, with responsibilities in areas such as business development, finance, commercial management and marketing, as well as engineering project development and quality management.

Mr Wong is a Director of Asia Pacific Aircraft Component Services Sdn Bhd, Eagle Services Asia Private Limited, Singapore Aero Engine Services Private Limited, Panasonic Avionics Services Singapore Private Limited, Pos Aviation Engineering Services Sdn Bhd and Base Maintenance Malaysia Sdn. Bhd. He is also President of the Association of Aerospace Industries (Singapore).

Mr Wong holds a joint Bachelor of Science degree from the School of Mathematical and Information Science at La Trobe University, Australia. He is also a Chartered Engineer and Fellow of The Institution of Engineering and Technology (CEng FIET), as well as a Member of the Institute of Singapore Chartered Accountants (CA) and CPA Australia (CPA).

PHILIP QUEK CHER HEONG Senior Vice President Line Maintenance

Mr Quek was appointed Senior Vice President Line Maintenance on 1 April 2022. He joined SIAEC in 2001 and served in various divisions such as Base Maintenance, Workshops, Line Maintenance, Fleet Management, IT and in SIA Engineering (Philippines) Corporation. He was appointed Vice President Workshops in April 2013, General Manager of SIA Engineering (Philippines) Corporation in September 2014, Acting Senior Vice President Line Maintenance & IT in April 2015, Senior Vice President Line Maintenance & Fleet Management in October 2016, Senior Vice President Partnership Management & Business Development in April 2018 and Senior Vice President Base Maintenance in July 2020.

Mr Quek is the Chairman of Singapore Aero Support Services Pte. Ltd., a Director of Goodrich Aerostructures Service Center – Asia Pte. Ltd., Moog Aircraft Services Asia Pte Ltd, Southern Airports Aircraft Maintenance Services Co. Ltd and Pos Aviation Engineering Services Sdn Bhd.

Mr Quek holds a Bachelor of Engineering (Honours) degree from Nanyang Technological University, Singapore.

NG LAY PHENG Senior Vice President Finance / Chief Financial Officer

Ms Ng was appointed Chief Financial Officer on 1 October 2017.

Ms Ng joined SIA in 1992 as an Accountant and has held various appointments within the SIA Group of Companies. She was Vice President Finance at SilkAir before she joined SIAEC on 12 April 2017 as Vice President Finance.

Ms Ng is a Director of Singapore Aero Support Services Pte. Ltd.

Ms Ng holds a Bachelor of Accountancy (Honours) degree from the National University of Singapore.

NG JAN LIN WILIN Senior Vice President (India & Projects)

Mr Ng was appointed Senior Vice President (India & Projects) on 1 April 2024. Prior to his latest appointment, he was the Chief Commercial Officer. He was also responsible for Line Maintenance, Fleet Management, Engineering, Innovation and Information Technology divisions earlier. He joined SIAEC in August 1994 and was appointed Vice President Line Maintenance in 2011. In addition, Mr Ng was seconded to Singapore Airlines, where he served in the areas of Material Management and Fleet Management.

Mr Ng is a Director of Safran Landing Systems Services Singapore Pte Ltd.

Mr Ng holds a Master of Business Administration degree and a Bachelor of Engineering (Honours) degree from Nanyang Technological University, Singapore.

Key Executives

DAVID SO MAN FUNG Senior Vice President Corporate Planning & Continuous Improvement

Mr So was appointed Senior Vice President Corporate Planning & Continuous Improvement on 1 February 2023. Prior to his latest appointment, he was Senior Vice President Transformation and Technology. In addition to innovation and technology, and the Enterprise Continuous Improvement office, he is also responsible for corporate planning and supply chain management. Besides driving improvements in systems and processes, he oversees strategic and innovative plans for business growth, capability development and technology adoption across all divisions in SIAEC.

Mr So joined SIAEC in 2005 as an Executive Engineer, specialising in airframe systems and aircraft structures. Between 2011 and 2015, he held various senior positions in Engineering and Fleet Management Divisions, including Vice President Engineering and Fleet Technical Management. He assumed the position of Vice President Transformation Office in 2017.

Mr So is currently the Chairman of Fuel Accessory Services Technologies Pte Ltd.

Mr So sits on the council of the Institution of Engineers Singapore. He holds a Bachelor of Engineering (Honours) degree from the National University of Singapore.

CHUA HOCK HAI Senior Vice President Human Resources

Mr Chua was appointed Senior Vice President Human Resources on 1 February 2021. He is currently responsible for the Human Resources Division which includes the Training Academy.

He started his career as a software engineer and was a global project manager before transitioning to Human Resources (HR).

Mr Chua was formerly the Head of Human Resources, APAC & Japan, at Skyworks Solutions Inc. where he was responsible for seven countries, including Industrial Relations for Singapore and Japan. Prior to that, he was Vice President of Human Resources Development in DHL covering the APAC region and Human Resources Director at Philips Electronics Singapore.

Mr Chua holds a Master of Business Administration (Management of Technology) degree from the Nanyang Business School and a Bachelor of Electrical and Electronics Engineering degree from Nanyang Technological University, Singapore.

STEFAN FRANZ HEINRICH SCHMUCK Senior Vice President Engine Services

Mr Schmuck was appointed Senior Vice President Engine Services on 1 November 2021. He is currently responsible for the Engine Services Division.

Prior to joining SIAEC, Mr Schmuck last held the position of Managing Director Operations (COO) in XEOS Sp. z o.o (a Joint Venture of Lufthansa Technik and GE Aviation) at Wroclaw Poland since November 2016. He has 6 years of prior work experience with GE Aviation and 15 years in Lufthansa Technik, and held appointments covering regions such as Ireland, North America, Germany, Latin America and Africa. He has international experience in aircraft maintenance, repair and overhaul, and aerospace component manufacturing industries, with a wide span of leadership responsibilities in operations, lean process, sales, customer relationship, and profit and loss responsibility.

Mr Schmuck is a Director of GE Aviation, Overhaul Services - Singapore Pte Ltd, Component Aerospace Singapore Pte Ltd and Eagle Services Asia Private Limited.

Mr Schmuck has a Master of Science degree in Aerospace Engineering from the Technical University of Munich, Germany, and completed the General Management Program from Harvard Business School, USA.

JEREMY YEW Senior Vice President Base Maintenance

Mr Yew was appointed Senior Vice President Base Maintenance on 1 April 2022. He is currently responsible for the Base Maintenance Division.

Prior to his appointment, Mr Yew was the Vice President, Technical Services, in the Engineering Division of Singapore Airlines (SIA), a position he had held since 2018. He joined SIA as a Technical Services Engineer in 2005 and his experience includes Fleet Management for Airbus as well as Engineering Leadership stints in Scoot and Tiger Airways.

Mr Yew is the Chairman of SIA Engineering (Philippines) Corporation, Jade Engineering Pte Ltd and Base Maintenance Malaysia Sdn Bhd.

Mr Yew has a Master of Business Administration degree from the National University of Singapore and University of California, Los Angeles, USA, and a Bachelor of Engineering (Honours) degree from the National University of Singapore.

BERND RIGGERS Senior Vice President Component Services

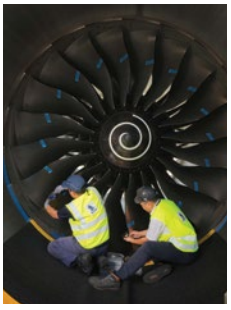
Mr Riggers was appointed Senior Vice President Component Services on 16 January 2023. He is currently responsible for the Component Services Division.

Prior to his appointment, Mr Riggers was the General Manager, Product Business Unit Aircraft Overhaul, of Aircraft Maintenance & Engineering Corporation in China since 2021. He has 22 years of prior work experience in Lufthansa Technik, and held leadership appointments covering regions like China, North America, and Germany. He has extensive experience in MRO and Component Services including profit and loss, purchasing, and logistics.

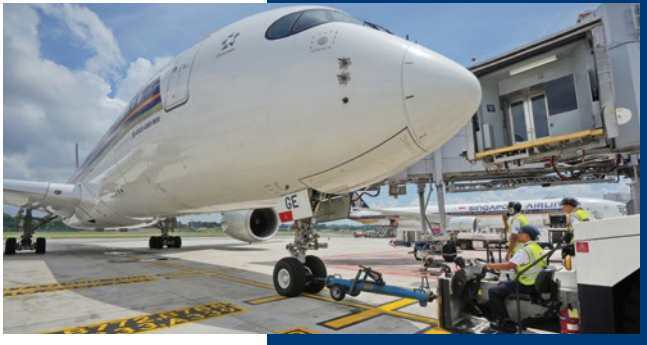
Mr Riggers is currently the Chairman of Asia Pacific Aircraft Component Services Sdn Bhd, a Director of Aerospace Components Engineering Services Pte Ltd and Safran Electronics & Defense Services Asia Pte Ltd.

Mr Riggers has a Doctors Degree in Economics from the University of St. Gallen (HSG), Switzerland. He holds a Master of Science Degree in Industrial Engineering from the Technical University Berlin, Germany, and completed the International Master in Practicing Management Leadership Program at INSEAD, France.

YEAR IN REVIEW



The Group's operating profit improved to $2.3 million in FY2023/24 compared to an operating loss of $26.3 million the year before.



Financial Results

For the financial year ended 31 March 2024 (FY2023/24), revenue of the Group grew 37.5% year-on-year to $1,094.2 million as demand for aircraft maintenance, repair and overhaul (MRO) services recovered on the back of higher flight activities.

Compared to revenue growth, the Group's expenditure rose at a lower rate of 32.8% to $1,091.9 million. The overall cost increase was mainly due to a rise in manpower costs and material usage. Manpower costs, which is the largest component in the Group's expenditure, rose mainly due to headcount increase to meet the needs of higher business volume. Wage increases and the cessation of government wage support schemes also contributed to the higher manpower costs.

With revenue growth surpassing the increase in expenditure, the Group's operating profit improved by $28.6 million to $2.3 million in FY2023/24 compared to an operating loss of $26.3 million the year before. This marked the first year of operating profit for the Group 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 the Group's portfolio of associated and joint venture (JV) companies also increased by 29.8% to $101.0 million. Within the portfolio, profit contributions from the engine and component segment rose 28.2% to $97.7 million, while profit from the airframe and line maintenance segment more than doubled to $3.3 million.

In the last quarter of the financial year, the Group made a one-time write-off of $25.1 million in net assets after exiting from the Pratt & Whitney PW1500G engine Risk-Revenue Sharing Programme.

Including non-operating items, the Group posted a 46.2% increase in net profit to $97.1 million for FY2023/24.

Operating Performance

FY2023/24 saw global travel and flight activities edge closer to pre-pandemic levels which in turn, drove the robust demand for MRO services. The number of flights handled by Line Maintenance in Singapore increased 39.0% in FY2023/24 compared to a year ago. Similar recovery trends were observed at the Group's overseas Line Maintenance stations.

The Line Maintenance network expanded to 33 airports in eight countries, compared to 30 airports in seven countries a year ago, which enhanced the Group's ability to serve the growing global demand.

Base Maintenance experienced healthy demand for airframe maintenance checks in FY2023/24, with a noteworthy increase in the number of light checks as airline operators returned more aircraft to service and flight activities increased.

The Group expects its hangar capacity to be further boosted when its new Malaysia base – SIAEC's third base maintenance hub in the region - comes into operation in 2025. In December 2023, SIAEC signed the lease for two hangars at Sultan Abdul Aziz Shah Airport, Selangor, Malaysia for a period of 15 years with an option to renew for a further term of 15 years. With a combined capacity of six simultaneous aircraft checks and the advantage of a lower-cost location, the Malaysia base marks a significant milestone in the Group's expansion strategy and also complements its existing component MRO shop and JVs in the country.

Under the Component Services Division, work volume at our component shops increased in line with higher flight activities whilst new repair capabilities were added. We also secured a 12-year Inventory Technical Management (ITM) contract with Air India Group for its existing Airbus A320 fleet.

Our Engine Services Division increased engine inductions and Work-in-Progress capacity and added new capabilities for on-wing services, as well as CFM LEAP-1A and LEAP-1B engine tests. As a result of the Division's drive towards operational excellence, it won Safran Aircraft Engines' "Engine of the Month" award twice during FY2023/24.

Despite global supply chain issues, performance across almost all of the Group's engine and component JVs improved with higher engine deliveries and component repair volume.

The MRO industry and SIAEC Group continued to face the challenges of a tight labour market, supply chain disruptions and inflationary pressures during the year. Amidst the MRO market's strong recovery, manpower supply was tight as regional and global MROs vied for the same pool of skilled engineers and technicians. The Group actively recruited engineers and technicians to keep pace with the recovery in flight volumes and business activity, whilst stepping up efforts to boost operational productivity and efficiency, as well as to re-skill and up-skill our workforce.

One of our exciting digital initiatives in the year was our Electronic Line Maintenance Integrated Technology Ecosystem (eLITE), an in-house developed digital solution to streamline production planning, control and execution processes for line maintenance operations. It helped the Group to improve operational efficiency, thus strengthening its ability to support the ramp-up in business volume and cope with supply chain disruptions. eLITE won the "Digital – Aviation" award at the Singapore Business Review Technology Excellence Awards 2024. A similar digital platform called ETask is being rolled out in phases at our Base Maintenance operations.

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 might weigh on the Group's near-term performance.

To address such challenges, we continue to maintain cost discipline and drive efforts to boost productivity through our Continuous Improvement programme, including digitalisation initiatives and workforce up-skilling. 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.

Dividend

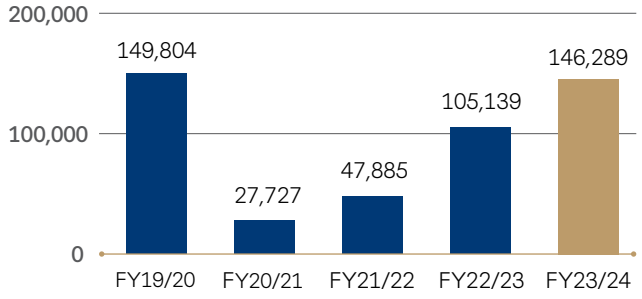
The Board of Directors has recommended a final ordinary dividend of 6.0 cents per share for FY2023/24. Including the interim dividend of 2.0 cents per share that was paid earlier, the total dividend payout will be 8.0 cents per share, compared to 5.5 cents per share in the previous financial year.

The proposed final dividend payout of approximately $67.3 million is subject to shareholders' approval during the Company's Annual General Meeting on 19 July 2024 and will be paid on 14 August 2024 if approved.

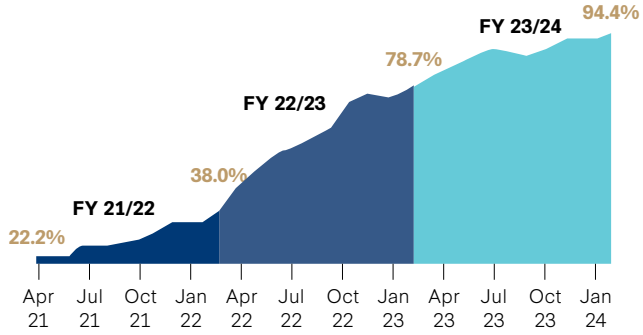
Business Review

Airframe Overhaul and Line Maintenance

FLIGHTS HANDLED AT CHANGI AIRPORT
(Number)



FLIGHT RECOVERY
(% of pre-Covid Levels)



Line Maintenance benefited from the recovery in flight activity and productivity gains through Lean practices and Continuous Improvement initiatives. At Line Maintenance Singapore, we handled 146,289 flights in FY2023/24, which was 39.1% more than the 105,139 flights handled in FY2022/23. The flight recovery in March 2024 was 94.4% of pre-pandemic level, an improvement of 15.7 percentage points over the 78.7% from a year ago.

During the year, nine new contracts were secured and five contracts were renewed for Line Maintenance Singapore, while 16 new contracts were secured for Line Maintenance International stations. Additionally, the scope of SIAEC's comprehensive services agreement with Scoot was expanded on 1 April 2024, encompassing line maintenance and selected fleet management support services for Scoot's new Embraer E190-E2 fleet. Projected to generate $52.0 million in revenue, the 58-month contract includes an option for a 24-month extension.

In August 2023, SIAEC completed the acquisition of a 49% stake in Pos Aviation Engineering Services in Malaysia, expanding our Line Maintenance presence to 33 airports across eight countries - Singapore, Malaysia, Indonesia, Vietnam, Philippines, China, Japan and the United States of America.

Setting the stage for future growth, a JV agreement with Cambodia Airport Investment was also inked in May 2023 to establish line maintenance services at the upcoming Techo Takhmao International Airport in Phnom Penh, Cambodia. This will further boost SIAEC's existing Line Maintenance network once the JV commences operations in 2025.

AIRFRAME AND LINE MAINTENANCE REVENUE
($ million)

NUMBER OF CHECKS PERFORMED AT SINGAPORE BASE

	Light Checks	Heavy Checks	Total
FY2023/24	**773**	**89**	**862**
FY2022/23	568	94	662

NUMBER OF CHECKS PERFORMED AT SIA ENGINEERING PHILIPPINES

	Heavy Checks
FY2023/24	**25**
FY2022/23	32

Demand for MRO services remained robust in FY2023/24 as airline operators ramped up flights to support the increase in travel demand.

In FY2023/24, a total of 862 checks were completed at Base Maintenance in Singapore, 30% more than the 662 checks performed last year. There was a notable increase in the number of light checks from 568 to 773. SIA Engineering Philippines (SIAEP) in Clark in the Philippines completed a total of 25 heavy checks.

The Group secured Finnair as a new base maintenance customer and extended contracts with six other airlines in FY2023/24. One such contract is the provision of airframe maintenance services at our Clark base to Hawaiian Airlines' fleet of 18 Airbus A321neo aircraft into Year 2027. This is on top of the maintenance services which SIAEC already provides for the airline's 24 Airbus A330 aircraft at our Singapore facility.

Base Maintenance is well-positioned for further growth. The Group's two hangars in Subang, Malaysia, which are expected to be operationally ready in 2025, will further boost our Base Maintenance capacity across the region. SIAEP also signed a non-binding Memorandum of Understanding (MOU) with Embraer in September 2023 to explore a further partnership in MRO services for Embraer's E2 aircraft family. SIAEP has served as an authorised service centre in Asia-Pacific for Embraer's first-generation E-Jets since 2017.

Separately in May 2024, SIAEC was appointed as Air India's strategic partner for the development of its base maintenance facilities in Bangalore, India. Under the partnership, both parties will work closely together on the planning, construction, development and operationalisation of this new facility. Scheduled to be ready in 2026, the new facility will comprise both widebody and narrowbody hangars, including associated repair shops, to support the growing MRO needs of Air India's aircraft fleet.

Airframe Overhaul and Line Maintenance Services

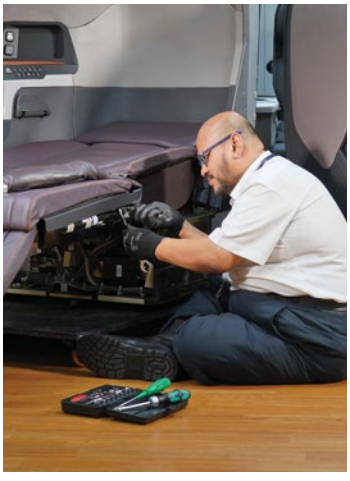
Aircraft undergo scheduled maintenance checks to maintain their airworthiness certifications with national regulatory authorities, such as the Civil Aviation Authority of Singapore, the Federal Aviation Administration of the United States and the European Union Aviation Safety Agency. These scheduled checks are performed by licensed engineers and technicians at the airport apron as well as the Group's six hangars in Singapore and three hangars in Clark, Philippines. Two additional hangars in Subang, Malaysia are expected to begin operations in 2025. Our airframe overhaul services include:

- Airframe structural repair and modification
- Cabin refurbishment and modification
- VIP aircraft modification
- Aircraft painting
- Retrofit of in-flight entertainment and avionics systems
- Aircraft de-lease checks
- Aircraft preservation
- Aircraft Return-to-Service checks

SIAEC provides line maintenance services to international clients at various airports around the world. The Group's Line Maintenance network ensures high dispatch reliability of aircraft on transit and night stops.

Our line maintenance services include:

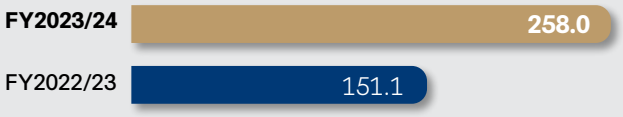
- Aircraft certification
- Technical ramp handling services
- Scheduled light checks
- Cabin maintenance services and parts fabrication
- Cabin disinfection and cleaning services
- Specialised Quick Action Team for aircraft-on-ground (AOG) recovery and engine changes



Business Review

Engine and Component

ENGINE AND COMPONENT REVENUE
($ million)



Our Engine Services Division was established in 2021 to be a one-stop solution for all engine-related services. Backed by long-established JV partnerships with engine Original Equipment Manufacturers (OEMs) and SIAEC's established MRO capabilities for aircraft and engines, the Division is well-positioned in the engine MRO value chain to offer integrated service offerings and create value for our customers. In Singapore, the division also operates a dedicated Engine Test Facility, and the Aircraft Engine Services facility which provides engine maintenance and repair services as well as Quick Turns.

Engine Services saw steady growth during the year in review as we continued to expand our engine capabilities and capacity. We expanded our on-wing service capabilities for Rolls-Royce Trent XWB fan track liner repair and Rolls-Royce external gearbox replacement, as well as our engine test capability for CFM LEAP-1A engines. We continue to develop new capabilities for the LEAP-1A and LEAP-1B engines, as well as the Pratt & Whitney PW1900G engines to support Scoot's new fleet of Embraer E190-E2 aircraft.

Component Services Division was established in 2022 to grow our component repair capabilities, particularly for new-generation aircraft, and to complement our extensive network of component JVs with OEMs. All component repair and fleet management services within SIAEC, including in-house workshops and ITM services, are consolidated under Component Services Division.

Component Services experienced increased work volume in parallel with higher flight activities, while new components services capabilities were acquired through partnerships. SIAEC secured a 12-year ITM agreement to provide component support coverage for Air India Group's current fleet of Airbus A320 aircraft from March 2024. Besides access to our inventory pool, SIAEC will also provide repair and overhaul services to Air India Group for airframe and on-wing engine components. With this newest addition, the fleet under SIAEC's ITM programme expanded to 186 aircraft for nine airline customers in FY2023/24 compared to 109 aircraft for 10 carriers a year ago.

NUMBER OF AIRCRAFT MANAGED

The Group also provides extensive engine and component MRO services through its portfolio of 15 strategic partnerships with the world's leading engine and component OEMs. The portfolio comprises five engine JVs and ten component JVs, including a cabin interior and engineering services JV. These partnerships are set to capture the growth in demand for MRO services.

In February 2024, Singapore Aero Engine Services (SAESL), a 50%-owned JV between SIAEC and Rolls-Royce, announced plans to invest US$180.0 million to expand its engine overhaul capacity by 40%. The investment will also enable SAESL to expand its engine strip-and-build module repair and component repair capacity, and drive transformation through technology.

In the same month, Eagle Services Asia, a 49%-owned JV between SIAEC and Pratt & Whitney, added a new facility to boost its Geared Turbofan engine overhaul capacity by 67%. The facility integrates robotics and automation solutions aimed at boosting efficiency and safety.

Notwithstanding global supply chain challenges, the Component Services business is positioned to grow as the Group continued to broaden its component MRO capabilities. In FY2023/24, Asia Pacific Aircraft Component Services, SIAEC's 75%-owned subsidiary, expanded its repair capabilities to include Honeywell's Air Data Inertial Reference Unit products on Airbus aircraft and Pre-Cooler Control Valve products on Boeing 737 aircraft.

We have incorporated a 49%-owned component MRO JV with Eaton in Malaysia to inspect, test, repair, maintain, modify and overhaul Eaton-manufactured aircraft components installed on airframe and engine fuel systems and hydraulic systems. This JV will be an important platform to build component repair capabilities for new-generation aircraft and complement SIAEC's existing JV portfolio.

SIAEC continues to actively explore potential partnerships and business development opportunities. We signed a non-binding MOU with Thales Solutions Asia in February 2024 to explore a potential collaboration in the component MRO space. A non-binding MOU was also signed with Xiamen Iport Group in February 2024 with the intention of tapping various MRO opportunities in Fujian, China. Iport Group owns and operates airports in Xiamen, Fuzhou, Wuyishan and Longyan.

As part of SIAEC's regular portfolio review and rationalisation, a few changes were made during the year. We increased our stake in JADE Engineering (formerly known as JAMCO Aero Design & Engineering) from 45% to 55%, to capitalise on the growing demand for cabin maintenance and retrofit services. On the other hand, we divested our 60% stake in Additive Flight Solutions and exited from the PW1500G engine Risk-Revenue Sharing Programme (RRSP) with Pratt & Whitney. The former will enable SIAEC to pursue other additive manufacturing technologies and materials as part of broader efforts to enhance our inhouse capabilities and collaborate with other additive manufacturing and fabrication companies, to better meet the customers' needs. The latter allows us to deploy capital, which would otherwise have been used to support the funding of the RRSP, to other areas that are better aligned with our growth strategy.

Engine and Component Services

From engine on-wing and off-wing support to engine lease transition, the Engine Services business provides the following range of services:

- Borescope inspection and non-destructive testing
- Engine mount inspection
- Engine change
- Replacement of Line Replaceable Units
- Engine split/joined for transportation
- Fan case abradable repair
- Component modification, rectification and replacement
- Engine preservation and storage (hot room and shrink wrap)
- Gearbox replacement for LEAP engines
- Incorporation of Engine Service Bulletins

In addition, the Aircraft Engine Services (AES) facility provides engine quick turn maintenance, where engine shop visits are driven by specific work to minimise engine time off-wing, thereby optimising both engine availability and reliability on-wing.

The Engine Test Facility, which supports engine overhaul work from AES and our joint ventures, is capable of testing high-performance engines from Rolls Royce, Pratt & Whitney, Engine Alliance, General Electric and CFM.

The Fleet Management business comprises solutions in Fleet Technical Management (FTM) and ITM for customer airlines. FTM covers a range of engineering and maintenance support activities that ensures all aspects of safety and airworthiness are met. These include:

- Formulation and upkeep of aircraft maintenance programmes
- Maintenance planning and control
- Engineering services and design
- Quality and reliability programmes

ITM ensures high dispatch reliability and reduces aircraft maintenance cost and risk of inventory obsolescence. SIAEC provides 24/7 ITM services that include:

- Component access and pooling, including on-site consignment
- Component repair and overhaul management
- Warehousing services
- Logistics and supply chain management
- Component warranty administration
- 24/7 AOG support services
- Turnkey solutions for aircraft entry-into-service preparations

Business Review

Airframe and Line Maintenance

- **SIA Engineering (USA)** — United States 100%
- **PT JAS Aero-Engineering Services** — Indonesia 49%
- **Southern Airports Aircraft Maintenance Services** — Vietnam 49%
- **SIA Engineering (Philippines)** — Philippines 100%
- **Heavy Maintenance Singapore Services** — Singapore 100% (dormant)
- **Base Maintenance Malaysia** — Malaysia 100%
- **Singapore Aero Support Services** — Singapore 100%
- **SIA Engineering (Japan)** — Japan 100%
- **Pos Aviation Engineering Services** — Malaysia 49%
- **Pan Asia Pacific Aviation Services** — Hong Kong 40%
- **JADE Engineering** — Singapore 55%
- **Line Maintenance Partnership (Korea)** — Korea 51%
- **Line Maintenance Partnership (Cambodia)** — Cambodia 51%

JV Partners:

- Pratt & Whitney
- Rolls-Royce
- GE
- Collins
- Safran
- Line Maintenance International (LMI)
- JVs pending incorporation
- Other partners

Engine and Component

- **Singapore Aero Engine Services** — Singapore 50%
- **GE Aviation, Overhaul Services-Singapore** — Singapore 49%
- **Eagle Services Asia** — Singapore 49%
- **Component Aerospace Singapore** — Singapore 46.4%
- **Turbine Coating Services** — Singapore 24.5%
- **Eaton Aerospace Component Services Asia** — Malaysia 49%
- **Fuel Accessory Service Technologies** — Singapore 49%
- **Goodrich Aerostructures Service Center-Asia** — Singapore 40%
- **Safran Landing Systems Services Singapore** — Singapore 40%
- **Safran Electronics & Defense Services Asia** — Singapore 40%
- **Asia Pacific Aircraft Component Services** — Malaysia 75%
- **Aerospace Component Engineering Services** — Singapore 51%
- **Moog Aircraft Services Asia** — Singapore 49%
- **Panasonic Avionics Services Singapore** — Singapore 42.5%

Investment Holding

- **Nexgen Network (2) Holding** — Singapore 100%

Safety Culture

SIAEC places utmost importance on safety in all aspects of its business and operations. As part of our commitment to a strong safety culture, SIAEC continued to actively roll out workplace safety initiatives and programmes across our operations.

SIAEC is a signatory to the "Charter for a Strong and Positive Safety Culture in Singapore" initiated by the Civil Aviation Authority of Singapore.

In FY2023/24, SIAEC's top management participated in the Ministry of Manpower's "Top Executive WSH Programme", which aimed to focus corporate leaders' attention on how to meet their Workplace Safety and Health (WSH) responsibilities and ways to develop their company's WSH capabilities.

At our Aviation Safety Promotion Centre, all employees receive instructor-led training to reinforce aviation safety awareness. The content is continually refreshed, as an integral part of our continuing training initiatives, to ensure that it remains relevant and impactful.

Our Workplace Safety Promotion Centre continues to be a catalyst for cultivating a robust workplace safety culture. By integrating classroom-based lessons, experiential and visual learning strategies, meticulously curated content, engaging exhibits and up-to-date news media, the centre provides employees with an enriched and comprehensive learning experience.

The annual Safety and Security Week is a platform that serves as a reminder of the paramount importance of aviation and workplace safety. This event also serves as an opportunity to recognise exemplary employees who consistently demonstrate a deep commitment to safety in their work. By honouring their conscientious efforts through awards and citations, SIAEC encourages a collective culture of safety excellence within the organisation. FY2023/24's Safety and

Security Week was held in September 2023 with the theme "Sustaining a Strong Safety and Security Culture", symbolising SIAEC's resilience and unwavering dedication to safety and security.

Each year, SIAEC participates in the Airport Safety Awards organised by the Changi Airport Group, a platform that recognises the safety endeavours of employees and partners within the Singapore airport community. An individual and one team from SIAEC received recognition at the latest event in January 2024, serving as a testament to our commitment to high safety standards.

SIAEC actively engages our employees to ensure the continuous enhancement of safe operations. The Innovation Challenge, held annually, is a good opportunity for staff to contribute ideas to improve safety and productivity based on their first-hand experiences. A biannual face-to-face Quality Huddle for key stakeholders also provides a platform for raising awareness of aviation safety incidents, and for sharing and addressing operational issues or concerns.

Sustainability

SIAEC is committed to supporting the aviation industry's goal of achieving net-zero carbon emissions by 2050 and the Civil Aviation Authority of Singapore's Sustainable Air Hub Blueprint aimed at reducing domestic aviation emissions. To this end, SIAEC has committed to a 50% reduction in Scope 1 and 2 carbon emissions from FY2019/20 levels, a 15% reduction in water intensity from the average of FY2017/18 to FY2019/20 levels, and achieving a 30% recycling rate, by 2030.

Through the implementation of initiatives across our operations, we have been making steady progress towards achieving our 2030 environmental goals and had met our target last year. We are actively exploring new initiatives, such as the use of renewable energy and electrification across our operations. We look to continually reduce our environmental impact through the adoption of technology and best practices.

SIAEC is working progressively towards the full implementation of the Task Force on Climate-related Financial Disclosures framework, which will facilitate the transition to sustainability disclosures that are aligned with the International Sustainability Standards Board. We have completed the integration of climate risks into our Enterprise Risk Management process. The next step is to quantify material climate risks to further improve our responses to climate impact and strengthen SIAEC's business resilience for a sustainable future.

As a recipient of the SkillsFuture Employer Award (Silver) from SkillsFuture Singapore, we continue to invest in training, nurture a lifelong learning culture and provide the necessary support and opportunities for our employees to excel at work and beyond. Beyond the workplace, SIAEC strives to play an active role in community outreach. Through our Corporate

Social Responsibility activities, we contribute to charitable causes by pursuing initiatives with organisations such as Food from the Heart and the Community Chest. More information on SIAEC's sustainability efforts is set out in the Company's Sustainability Report, which is published on the Company's website.

We will continue to engage our stakeholders to drive positive change within our industry and forge a sustainable, innovative and resilient future.

Continuous Improvement

Sustaining Efforts and Harnessing Impact

In May 2023, SIAEC marked an important milestone when we transitioned to our Continuous Improvement (CI) programme. Our CI journey follows the successful conclusion of Transformation Phase 2, a two-year programme which emphasised Lean principles, digitalisation, and technological advancements to generate increased productivity and throughput, and reduce turnaround time and operating costs across our operations.

In this new CI chapter, we are committed to sustaining the momentum gained from Transformation Phase 2 and maximise the impact of our CI initiatives to unlock the full potential of our organisation.

Our objective is to empower every individual within our organisation to contribute to our CI efforts and benefit from the programme, fostering a culture of continuous learning and improvement.

Key Programmes Continuing into FY2024/25

Enterprise Operating System (EOS)

While Lean principles and digitalisation remain integral, the EOS programme focuses on the enhancement of processes and standards of excellence in our MRO processes, and provides a platform for us to raise our performance standard across our network.

The EOS aims to:

- Systematically increase productivity and performance across all aspects of our operations.
- Cultivate a performance-oriented culture that prioritises accountability and excellence.
- Deliver tangible benefits to our customers, while ensuring the highest standards of safety and quality.

CI Culture Programme

Our CI culture programme presents an opportunity to unlock the full potential of our staff and further leverage the benefits of CI initiatives. This programme will focus on fostering a collaborative and innovative work environment that encourages continuous learning and adaptation.

Building upon our continuous improvement culture in pursuit of operational excellence and innovation in service delivery.

Other Highlights

Lean

We continue to strengthen our commitment towards Lean principles, with a growing number of operational units successfully implementing Lean methodologies.

These concerted efforts have not only enhanced operational efficiency but also empowered our workforce through comprehensive training initiatives.

Increased Implementation

FY2023/24 witnessed a notable increase in the number of operational units embracing Lean principles. These units underwent rigorous assessments and were accredited in accordance with our Company's Lean Accreditation Framework.

Workflow Optimisation

The adoption of Lean methodologies has resulted in tangible improvements in workflow and operational efficiency across accredited units. Streamlined processes have enhanced our overall productivity while waste-reduction initiatives have helped in optimizing resource utilisation.

Workforce Empowerment

Central to our Lean journey is the empowerment of our workforce. The Company's Lean Competency Framework has played a pivotal role in equipping our staff with the necessary knowledge and skills to practise and apply Lean principles in their daily work routines. By fostering a culture of Continuous Improvement and problem-solving, we empower our employees to contribute proactively to organisational goals.

The Powerplant Shop team of Engine Services Division achieved Bronze Level Accreditation in 4Q FY2023/24.

Digital and Technology

Continuous Improvement Fueled by Digitalisation and Technology

Digitalisation and Technology continue to be the core components of our CI programme. Guided by this strategy, the approach seeks to strengthen the business value delivery through growing digital capabilities, agile transformation, and technology focus.

Delivering Digital Capabilities

Our Base Maintenance and Line Maintenance operations are switching progressively to digital MRO platforms. The improvement in process transparency facilitates increased collaboration amongst staff for the tasks on hand and also creates opportunities to further enhance our workflow efficiency based on the process data collected.

We continue to invest in our workforce and equip them with Agile methodologies and IT skillsets, which have proven effective in delivering viable solutions in a timely manner. Our digital platform for Line Maintenance operations, eLITE, which was designed and developed

Continuous Improvement

Line Maintenance staff using the eLITE platform system on their iPads.

The eLite team from Line Maintenance and IT divisions with the SBR Technology Excellence Award 2024.

in-house, won the Singapore Business Review Technology Excellence Award 2024.

SIAEC aims to be quick at exploring the latest technologies and developing use cases that enable them to be deployed to meet operational and business needs. Generative AI is an example of this. In May 2023, we launched our own GPT studio, nicknamed Newton, to offer the benefits of Generative AI to our staff while safeguarding sensitive business data. An internal team of optimisation experts has also been set up to deliver MRO-specific use cases.

Enabling Digital Enterprise

We have concluded the end-to-end redesign of, and started upgrading, our Enterprise Resource Planning system. It will lay the foundation for streamlined and data-driven processes to support business strategy and future operations. We also continue to improve our cyber resilience through our investments in technology, staff training and process reviews.

Transforming Staff Experience

In the Continuous Improvement phase, an empowered workforce is critical for SIAEC to gain a competitive edge. Identified digital and technology champions are trained and equipped with knowledge and practical skills to tackle business challenges and deliver solutions faster. Additionally, sharing sessions and workshops on Agile methodology, as well as how to leverage data and technology to improve work processes and performance, are arranged for a wider audience in SIAEC to continuously promote an innovative culture.

Creating a Technology-enabled Workspace

We had recently updated our technology roadmaps, outlining key initiatives aimed at assisting staff and integrating advanced technology to improve daily operations. Notably, we have developed assistive equipment to support operations, including an assistive sanding tool and an engine in-cowl step. Staff continue to provide ideas through our LaunchBay labs, which serve as a prototyping space for new tools and equipment. Many of these ideas have been developed, with some having already been deployed to support our operations.

CONCLUSION

As we embark on this journey of Continuous Improvement, we are confident that our steadfast commitment to excellence will propel us towards greater success. By embracing the principles of Lean, digitalisation and cultural transformation, we seek to unlock new opportunities for growth, innovation and value creation.

Corporate Governance

INTRODUCTION

The Board of Directors (the "Board") and Management of SIA Engineering Company Limited (the "Company" or "SIAEC", and together with its subsidiaries, the "Group") are firmly committed to ensuring the highest standards of corporate governance. We believe that good governance is critical to the growth and sustainability of our business and enhances long-term success and value creation for all stakeholders.

Our rigorous governance framework, underpinned by well-defined policies and processes, promotes quality corporate performance, excellence, integrity, active stewardship, accountability and transparency. The Board is responsible for the Group's corporate governance standards and policies and has set out clear division of powers, strong internal controls and risk management, and robust checks and balances across the Group to promote the appropriate culture, values and ethical standards of conduct at all levels.

This report describes our corporate governance practices and activities for the financial year ended 31 March 2024 ("FY2023/24") with reference to the principles and provisions of the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore (the "Code"). The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and has complied in all material aspects with the principles and substantially all of the provisions of the Code. Where there is any variation from any provision of the Code, an explanation has been provided on how the practices adopted by the Group are consistent with the intent of the relevant principle.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Board's Conduct of Affairs and its Responsibilities

The Board, working closely with Management (who are held accountable for performance), is collectively responsible for the Group's overall business strategy, direction and long-term goals with appropriate focus on corporate objectives covering value creation, innovation and sustainability; operations and performance (including key workplace safety, aviation safety and quality initiatives); financial performance reviews and annual budgets; funding needs; investments and divestments; human capital management and engagement; corporate governance and risk management practices; and compliance, internal controls and accountability systems as set out in the Board's Terms of Reference. The Board also provides guidance on maximising the impact of Continuous Improvement initiatives, which includes the induction of an Enterprise Operating System integrated with Lean principles and digitalisation, and a culture change programme to unlock the full potential of staff, to enhance the Group's performance, capabilities and competitiveness. The Board approves the appointment of Directors and the Chief Executive Officer ("CEO"). Pursuant to corporate governance best practices, the Board also oversees the long-term succession planning for the Board and Senior Management, and approves policies and guidelines on related remuneration. The Board sets the tone from the top for the Group in respect of conduct, ethics and desired organisational culture, and ensures transparency and proper accountability to key stakeholder groups.

Board Committees

The Board is supported by eight Board committees, namely the Audit Committee, the Nominating Committee, the Compensation & HR Committee, the Board Safety & Risk Committee, the Executive Committee, the Technology Advisory Committee, the Board Sustainability Committee and the Board Working Group (established in FY2023/24). All Board committees are constituted with clear written Terms of Reference, defining the duties delegated to each of them by the Board. These Terms of Reference set out in detail the composition of each Board committee, criteria and qualifications for membership, and other procedural matters such as quorum and decision-making processes. Each Board committee is responsible for ensuring compliance with legislative and regulatory requirements in relation to matters under its purview, including requirements under the rules of the Listing Manual of the SGX-ST (the "Listing Manual") and the Code.

Each Board committee also reviews its Terms of Reference periodically to ensure relevance and to incorporate evolving best practices such as the recent expansion of each Board committee's scope to include sustainability matters under its purview. Board approval is required for changes to the Terms of Reference of all Board committees.

The Audit Committee, the Board Safety & Risk Committee, the Compensation & HR Committee, the Nominating Committee and the Board Sustainability Committee work within the Company's risk management framework, which sets out the risk management policies and the levels of risk tolerance.

Each Board committee comprises Directors with appropriate qualifications and skills and there is an equitable distribution of responsibilities among committee members. The Chairman of each Board committee provides regular updates to the Board on the decisions and significant matters discussed by the respective Board committees.

Corporate Governance

BOARD COMPOSITION
(AS AT 31 MARCH 2024)

The Board	
CHAIRMAN	*Composition*
TANG KIN FEI	7 Independent Directors 3 Non-Independent Directors

Key Responsibilities
Responsible for strategy, operations and governance and oversees the Company's Continuous Improvement programme (including innovation, technologies and digitalisation) to ensure the long-term success of the Group and the delivery of sustainable value to stakeholders

AUDIT COMMITTEE

Chairman	*Composition*
CHUA BIN HWEE	5 Independent Directors

Key Responsibilities
To assist the Board in discharging its statutory and other responsibilities relating to financial reporting, risk management, internal controls, internal and external audit, interested person transactions, compliance and whistle-blowing.

NOMINATING COMMITTEE

Chairman	*Composition*
TANG KIN FEI	2 Independent Directors 1 Non-Independent Director

Key Responsibilities
To review the structure, size, composition and diversity of the Board, the appointment and re-appointment of Directors, the independence of Directors, and to oversee the Board performance evaluation process, and the training and development of the Board and Directors.

COMPENSATION & HR COMMITTEE

Chairman	*Composition*
TANG KIN FEI	2 Independent Directors 1 Non-Independent Director

Key Responsibilities
To oversee the remuneration framework and policies for the Directors and Key Executives as well as for the Company in general, talent management and succession planning, and administration of share schemes and related programmes.

BOARD SAFETY & RISK COMMITTEE

Chairman	*Composition*
LIM KONG PUAY	3 Independent Directors 1 Non-Independent Directors

Key Responsibilities
To assist the Board in overseeing the Group's risk management system, framework and policies and ensure that Management maintains a sound system of risk management to safeguard the interests of the Group and the Company's shareholders.

EXECUTIVE COMMITTEE

Chairman	*Composition*
TANG KIN FEI	2 Independent Directors 2 Non-Independent Directors

Key Responsibilities
To assist the Board in overseeing the execution by Management of the overall strategy relating to the Company, its subsidiaries and joint ventures, and deputise for the Board on routine matters to facilitate day-to-day administration and approve certain expenditures.

TECHNOLOGY ADVISORY COMMITTEE

Chairman	*Composition*
RAJ THAMPURAN	2 Independent Directors 1 Non-Independent Director 3 External Members

Key Responsibilities
To provide advice and feedback on technological and digital concepts and major technology-related projects, provide guidance on technology-led innovation and digitalisation, and provide perspective on emerging trends and opportunities in technologies.

BOARD SUSTAINABILITY COMMITTEE

Chairman	*Composition*
LIM KONG PUAY	3 Independent Directors 1 Non-Independent Director Chief Sustainability Officer

Key Responsibilities
To assist the Board in overseeing sustainability matters, by accelerating, leading and guiding the Group's sustainability efforts.

BOARD WORKING GROUP (Established on 2 November 2023)

Chairman	*Composition*
TANG KIN FEI	3 Independent Directors 1 Non-Independent Director

Key Responsibilities
To assist the Board for a time-limited period to provide guidance for building a stronger foundation for continuous improvement and optimisation of operational systems to enhance business resilience and sustained profitability; increasing long-term productivity and efficiency for better competitiveness; and enhancing synergies with and value delivery to key customers.

CHIEF EXECUTIVE OFFICER

CHIN YAU SENG *(from 1 October 2023; was Chief Executive Officer-Designate from 1 June 2023 until 30 September 2023)*

NG CHIN HWEE *(until 30 September 2023)*

Key Responsibilities
Responsible for developing the Group's business, implementing strategies and policies, executing Board decisions, managing the day-to-day operations of the Company, and communicating on behalf of the Company to stakeholders and shareholders.

MANAGEMENT COMMITTEE

- Executive Vice President Operations ("EVP(O)") & Chief Sustainability Officer
- SVP Line Maintenance
- SVP Base Maintenance
- SVP Engine Services
- SVP Component Services
- Chief Commercial Officer
- Senior Vice President ("SVP") Finance/ Chief Financial Officer ("CFO")
- SVP India & Projects
- SVP Corporate Planning & Continuous Improvement
- SVP Human Resources

Key Responsibilities
To oversee specific areas of the Group's operations and businesses.

Matters requiring Board Approval

There is a clear demarcation of responsibilities between the Board and Management. The Board and Board committees have guidelines on all matters requiring their approval, and these are clearly communicated to Management and recorded in writing. Specific approval is sought for all matters of strategic importance, including corporate strategy; Group financial results; major investments, divestments and capital expenditure; governance; share issuances; dividends and other returns to shareholders; establishment of various Board committees (including their composition and Terms of Reference); and mandated interested person transactions (according to the threshold limits for review and approval procedures under the general mandate renewed annually by the shareholders of the Company). The Group has also established financial authorisation and approval limits and the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Board committees and Management to optimise operational efficiency.

Fiduciary Duties and Conflicts of Interests

There is an impartial decision-making process which allows each Director to exercise professional judgment. As fiduciaries of the Company, Directors have demonstrated objectivity in deliberations; exercised strong independent judgement in the best interests of the Company; and ensured proper accountability within the Company. Directors have exercised due care in maintaining appropriate confidentiality of the Company's information and discharged their duties responsibly in compliance with the Company's guidelines and policies, and applicable laws and regulations.

The Company's Code of Conduct and Ethics for the Board of Directors, which sets out the commitment of the Directors to achieving the highest level of conduct, professionalism and integrity in the discharge of their duties and obligations, contains the following key principles:

- Directors shall comply with applicable laws and regulations, policies and guidelines, and shall also satisfy themselves that appropriate guidelines and policies are in place for compliance by employees, officers and other Directors;
- Directors must act honestly, in good faith and in the best interest(s) of the Company, without allowing themselves to be influenced by personal interests or relationships;
- Directors must respect the obligation of confidentiality for all information received in the course of their duties and continue to be bound by this obligation after termination of their mandate and/or appointment; and
- Directors must refrain from overstepping the powers conferred upon them and make use of the Company's name and resources only in the interest(s) of the Company.

In addition, a Director facing a conflict of interest must disclose such conflict and recuse himself/herself from participation in any discussion and/or decision on the matter. The Directors have complied with the foregoing obligations and such compliance has been duly recorded. The Group's policies and guidelines are regularly reviewed and updated to ensure they remain current.

Appointment and Orientation

The Nominating Committee ensures that new Directors are made aware of their duties and obligations. Each new Director receives a kit containing a formal letter of appointment setting out, *inter alia*, his/her legal obligations, key duties and responsibilities and minutes of recent Board meetings. The kit also contains the Company's recent Annual Reports and letters to shareholders. The Company's internally-developed "Directors' Manual", which is updated from time to time to ensure relevance, provides new and existing Directors with an easy reference on matters such as their role as an executive/non-executive/independent Director, duties, obligations and responsibilities under prevailing rules and regulations in Singapore; the Company's key policies and processes; and best practices in corporate governance.

New appointees undergo a comprehensive and tailored orientation and familiarisation programme, which includes presentations by Senior Management on the Company's strategic direction and plans, core businesses and activities, operations, network of joint ventures and the regulatory environment in which the Group operates. New Directors are also brought on visits to the Company's operations bases and key joint ventures to familiarise them with the Group's businesses. Unless the Nominating Committee determines that he/she has other relevant experience, a new Director who has no prior experience as a director of an issuer listed on the SGX-ST will be provided with the relevant training at the Company's expense, including the mandatory training prescribed by the SGX-ST.

Continuous Professional Development

The Board is committed to ongoing professional development and has therefore adopted a policy on continuous professional development for all Directors. To ensure that Directors can effectively discharge their statutory and fiduciary duties and to continually enhance the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment. Professional development may relate to a particular subject matter, committee membership, or key developments in the Group's environment, markets or operations. The Nominating Committee regularly identifies for all Directors education, training, conferences, seminars and development programmes offered by external organisations, such as the Human Capital Leadership Institute, the Institute of Policy Studies, the Singapore Institute of Directors and the Singapore Exchange, amongst others. Directors were consulted one-on-one for their specific training and personal development needs for the financial year. From time to time,

professional firms are invited to conduct in-house training for the Board and Directors are updated on topics of current interest and evolving technology, business, safety, legal and risk trends. Topical information and news articles are circulated to the Directors to keep them abreast of the latest developments in various aspects of governance, the industry and the Company's business. The Company Secretary also arranges briefings for the Directors on revisions to the applicable laws and listing rules to facilitate the Directors' performance of their statutory and fiduciary duties. The Company facilitates the registration and funds all training, conferences, seminars and development programmes for Directors. It also keeps a formal record of attendance for each Director.

During FY2023/24, the Directors attended training and development programmes or were briefed by external consultants on subjects that included:

- Listed Entity Director Essentials;
- Board Dynamics;
- Stakeholder Engagement;
- Board Performance;
- Board Risk Committee Essentials;
- Nominating Committee Essentials;
- Environmental, Social and Governance Essentials;
- Recommendations by the Task Force on Climate-related Financial Disclosures;
- Revised Global Reporting Initiative Universal Standards for Sustainability Reporting;
- Recommendations by the Sustainability Reporting Advisory Committee;
- Operationalising Sustainability for Directors;
- ESG and Climate Governance: What Directors need to know;
- Council for Board Diversity's Forum: Leadership in a rapidly changing world;
- Emerging Sustainability Trends and Issues;
- Exploring Global Trade and Singapore's Place as a World Connector; and
- Information Security and Digital Risk Updates.

Pursuant to Rule 720(7) of the Listing Manual, all of the Directors have undergone the required training on sustainability matters as prescribed by the SGX-ST.

Meetings of the Board and Board Committees

The Board and Board committees meet regularly to discuss a wide range of matters concerning the Company, including strategy, funding matters, corporate projects, business updates, emerging trends, operational safety and efficiency, human capital management, governance matters, sustainability issues, Continuous Improvement, innovation and technology, as well as to review and approve, amongst other things, the financial results of the Group. After consultation with the Chairman and all Directors on their availability, meeting dates of the Board and Board committees for each financial year are scheduled in advance and notified to the Directors before the start of the year to facilitate full attendance. Additional meetings are convened as and when circumstances warrant. From time to time, invitations to attend Committee meetings or working group meetings are issued by Chairmen of Board committees to Directors who are non-members to foster discussions on focused topics and to benefit from more diverse views.

Records of meetings, including key deliberations and decisions taken, are maintained by the Company Secretary or the Committee Secretaries and the minutes of meetings are circulated to Directors for review and/or approval. Participation by telephone and video conferencing and approval by circulation, which are permitted under the Constitution of the Company, also facilitate Board and Board committees' decision-making. Most meetings of the Board and Board committees were held in person. At times, the meetings were held virtually on a secure video conferencing platform.

Board meetings may include presentations by senior executives and external consultants/experts on strategic issues relating to specific business areas, as well as presentations by the Group's associates. This allows the Board to develop a good understanding of the Group's businesses and to promote active engagement with the Group's partners and key executives. Directors who are unable to attend a Board meeting are provided with the Board papers in advance and can raise/discuss issues relating to the matters to be discussed at the Board meeting with the Chairman, the CEO and/or Senior Management. Five Board meetings are scheduled in each year, and ad hoc Board meetings are convened as required. During FY2023/24, five Board meetings were convened. As a measure of good governance, all resolutions on significant matters approved in FY2023/24 were discussed and passed at physical Board meetings instead of circulating resolutions, to enable a robust discussion among the Directors and Management on the relevant subject matter. In addition, the Board also reviewed all approved circulating resolutions at physical Board meetings. A significant amount of time was spent regularly reviewing the scaling up of operations to support the ramp up in recovery of flight activities, manpower matters, supply chain issues, the strengthening of core businesses and MRO capabilities, Continuous Improvement and Lean initiatives, digitalisation and automation, sustainability and climate-related strategy and the strategic investments for growth to ensure long-term business sustainability.

Each year, Directors also attend an annual strategy meeting to discuss and formulate the long-term strategy for the Group and to prioritise the Company's strategic initiatives over the near term. Strategy meetings are held in Singapore or at an overseas location to familiarise Directors with the Group's offshore operations. Proposals considered at the strategy meetings are further developed by Management and discussed at subsequent Board meetings when the Board reviews the progress of the strategy proposals to achieve

their agreed goals and objectives. During FY2023/24, the Board participated in the annual strategy meeting, which was held off-site. Aerospace industry experts were invited for panel discussions with Directors on MRO industry trends and developments, and the impact on the Company. The Board had dynamic and in-depth discussions with senior executives on the strategies to capture opportunities in the various business segments; mitigate risks in the changing MRO landscape; strengthen core businesses, engineering capabilities and human capital; and increase synergies with industry partners.

The attendance of each Director at Board meetings, Board committee meetings and the Annual General Meeting ("AGM") held during FY2023/24 is as follows:

		Board		Audit Committee		Nominating Committee		Compensation & HR Committee		Board Safety & Risk Committee		Executive Committee		Technology Advisory Committee		Board Sustainability Committee[ii]		Board Working Group		AGM
Name	Status (as at 31 Mar 2024)	Position	Att.[i]	Position	Att.[i]	Position	Att.[i]	Position	Att.[i]	Position	Att.[i]	Position	Att.[i]	Position	Att.[i]	Position	Att.[i]	Position	Att.[ii]	Att.[i]
Tang Kin Fei (last re-appointed on 20 Jul 2023, first appointed on 8 May 2017)	Non-Executive / Independent	Chairman	5/5			Chairman	2/2	Chairman	4/4			Chairman	3/3					Chairman	4/4	1/1
Goh Choon Phong (last re-appointed on 21 Jul 2022, first appointed on 1 Jan 2011)	Non-Executive / Non-Independent	Member	5/5					Member	4/4			Member	3/3							1/1
Raj Thampuran (last re-appointed on 21 Jul 2022, first appointed on 1 Sep 2016)	Non-Executive / Independent	Member	5/5	Member	4/4					Member	6/6			Chairman	2/2					1/1
Wee Siew Kim (last re-appointed on 20 Jul 2023, first appointed on 8 May 2017)	Non-Executive / Independent	Member	5/5					Member	2/4	Member	4/6									1/1
Chin Yau Seng[iii] (last re-appointed on 21 Jul 2022, first appointed on 8 Oct 2018)	Executive / Non-Independent	Member	5/5	Member (until 31May 2023)	1/1					Member (until 31 May 2023)	1/1	Member (from 1 Jun 2023)	2/2	Member (from 1 Jun 2023)	2/2	Member (from 1 Jun 2023)	2/2			1/1
Chua Bin Hwee (last re-appointed on 23 Jul 2021, first appointed on 1 Apr 2021)	Non-Executive / Independent	Member	5/5	Chairman	4/4							Member	3/3			Member	3/3			1/1
Lim Kong Puay (last re-appointed on 21 Jul 2022, first appointed on 1 Aug 2021)	Non-Executive / Independent	Member	5/5	Member	4/4					Chairman	6/6					Chairman	3/3	Member	4/4	1/1
Chong Chuan Neo (last re-appointed on 20 Jul 2023, first appointed on 1 Oct 2022)	Non-Executive / Independent	Member	5/5	Member	4/4	Member	2/2							Member	2/2			Member	4/4	1/1
Tan Tze Gay (last re-appointed on 20 Jul 2023, first appointed on 28 Oct 2022)	Non-Executive / Independent	Member	5/5	Member	4/4											Member	3/3			1/1
Tan Kai Ping (first appointed on 10 Sep 2023)	Non-Executive / Non-Independent	Member (from 10 Sep 2023)	3/3			Member (from 10 Sep 2023)	1/1			Member (from 10 Sep 2023)	3/3							Member	3/4	-
Mak Swee Wah (last re-appointed on 20 Jul 2023, first appointed on 1 Apr 2020, stepped down as Director and relinquished all committee appointments on 10 Sep 2023)	Non-Executive / Non-Independent	Member	2/2			Member	1/1			Member	3/3									1/1
Ng Chin Hwee (last re-appointed on 23 Jul 2021, first appointed on 18 Jul 2008, stepped down as CEO and Director and relinquished all committee appointments on 1 Oct 2023)	Executive / Non-Independent	Member	2/2									Member	1/1	Member	0/1	Member	1/1			1/1
Total Number of Meetings Held in FY2023/24			5		4		2		4		6		3		2		3		4	1

Notes:
(i) "Att." refers to the number of Board and Board committee meetings attended by the respective Directors for the period served in FY2023/24.
(ii) The Board Working Group was established on 2 November 2023.
(iii) Mr Chin Yau Seng assumed the role of the CEO of the Company on 1 October 2023, following the retirement of Mr Ng Chin Hwee.

Adequate and Timely Provision of Information

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities. The Company prepares its financial statements in accordance with the Singapore Financial Reporting Standards (International) and International Financial Reporting Standards. Management provides Board members with management accounts on a monthly basis, and from time to time as the Board may require, to enable the Board to make a balanced and accurate assessment of the Company's performance, financial position and prospects. Management also provides Board members with a monthly "Industry Update" on key developments in the aviation and aerospace industries.

Papers and related materials, which contain detailed explanatory information on the background, justification, risks and mitigation measures, and where applicable, budgets, business plans and financial information such as forecasts and projections relating to each agenda item brought before the Board and the Board committees, are generally provided to Directors at least seven days in advance of the meetings of the Board and the Board committees or deadlines for decisions to enable them to make well-considered decisions. Other updates, such as budgets and forecasts, are also regularly provided to Directors, and in respect of budgets, any material variance between the projections and actual results is explained and monitored. To keep the Board informed of investors' perceptions and concerns, updates on analysts' consensus estimates and questions raised at analysts' briefings are circulated for discussion at Board meetings. Where there are material or urgent issues under Board review, progress and/or developments are brought to the immediate attention of the Board as and when they arise. Directors may, at any time, ask for additional information as needed to make informed decisions.

In line with the Company's commitment to foster a sustainability mindset throughout the organisation and embed sustainability practices in its operations, the Company makes available to Directors electronic copies of Board and Board committee papers from a dedicated and secure portal. This initiative also enhances information security as the papers are accessed via an encrypted channel. Terms of References, training materials, regular updates and the Directors' Manual are also uploaded on the secure platform for Directors' easy access.

Access to Professional Advisors, Management and Company Secretary

The Board has a process for Directors, either individually or collectively, to seek independent external advice at the Company's expense in furtherance of their duties and to request for further information on any aspect of the Company's operations or business from Management. Directors always have ready and independent access to Management. Directors also have separate and independent access to the Company Secretary. The Company Secretary, who is legally trained and whose appointment and cessation of appointment are subject to approval of the Board as a whole, attends all Board meetings. In addition to corporate secretarial administration matters, her duties include:

(a) supervising, monitoring and advising on Board procedures and compliance by the Company with its Constitution (the "Constitution"), laws and regulations applicable in Singapore, the Listing Manual and the Code;

(b) ensuring timely flow of information to the Board and the Board committees and between Management and Directors, and keeping an open and regular line of communication between the Company, the Singapore Exchange, and the Accounting and Corporate Regulatory Authority ("ACRA");

(c) updating and informing the Board on the principles and best practices of corporate governance and implementing and strengthening corporate governance policies and procedures; and

(d) facilitating orientation for new Board appointees and identifying suitable training and development for Directors.

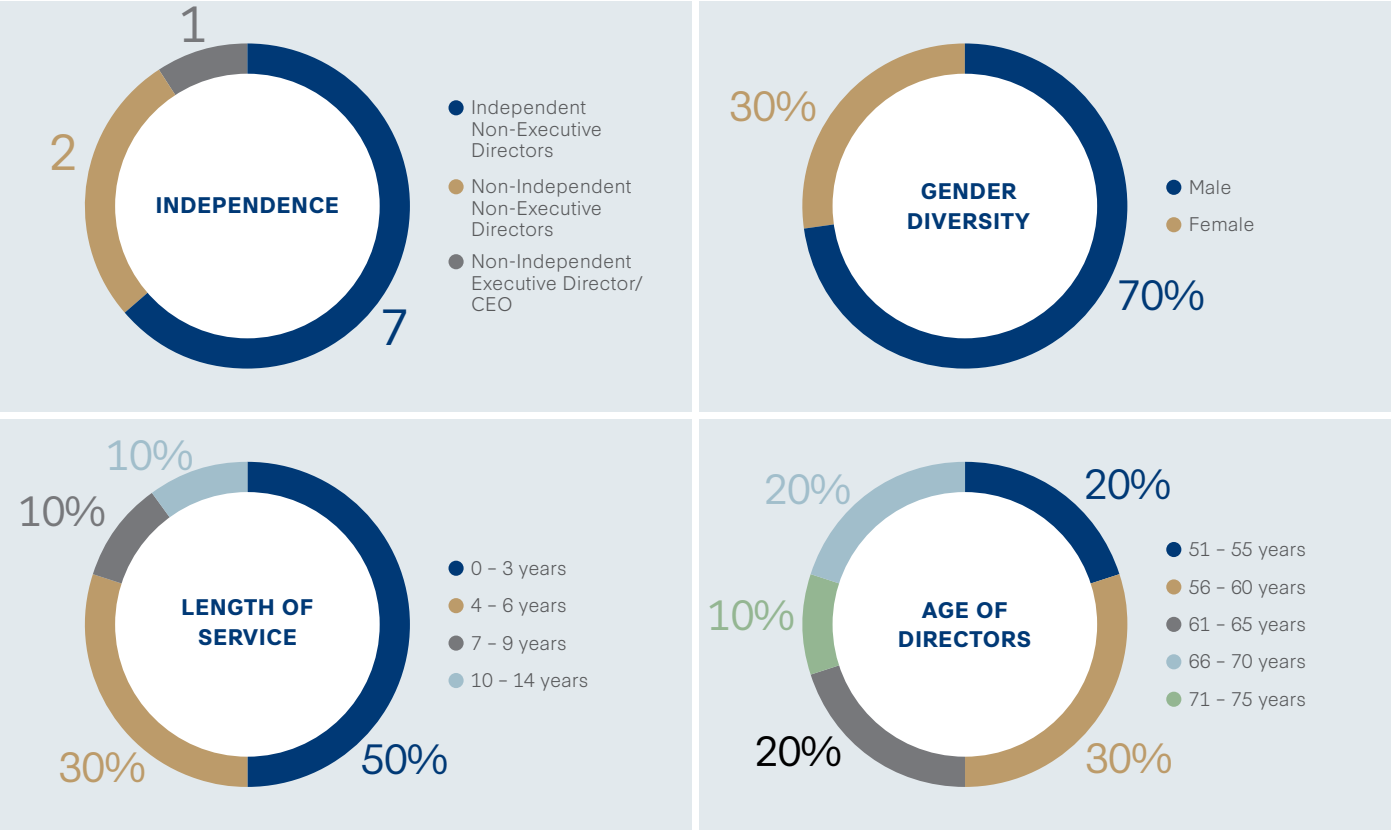
The Company has established written procedures to ensure compliance with legislative and regulatory requirements, including the Listing Manual.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Independent Directors Make Up a Majority of the Board

Under the Code, an "independent" Director is one who is independent in conduct, character and judgment and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interest of the Company. Under the Listing Manual, a Director will not be independent if he/she is employed or has been employed by the Company or any of its related corporations in the current or any of the past three financial years; or if he/she has an immediate family member who is employed or has been employed by the Company or any of it related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the Compensation & HR Committee; or if he/she has been a Director of the Company for an aggregate period of more than nine years. Independent Directors are to make up at least one-third of the Board (or where the Chairman is not independent, at least a majority of the Board), and non-executive Directors are to make up a majority of the Board.



As at 31 March 2024, the Board consisted of 10 Directors of which nine were Non-Executive Directors, and seven were Independent Directors. The Chairman of the Board, Mr Tang Kin Fei, is an Independent Director, and there are no alternate Directors on the Board. The Company has thus satisfied the requirements of the Code as the Independent Directors and the Non-Executive Directors, respectively, make up a majority of the Board. The high representation of Independent Directors serves the Company well as no individual or select group of individuals dominates the Board's decision-making process.

Annually, the Directors complete a declaration and confirmation of independence regarding the relationships identified in the Listing Manual and the Code, which is assessed by the Nominating Committee. The Independent Directors and their immediate family members have no relationships with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of the Company. The Board has an appropriate level of independence which enables it to, at all times, make decisions using its collective expertise and experience in the best interests of the Company. A Director who has an interest in a matter under discussion will declare his/her interest and abstain from the decision-making process in relation to that matter.

Continuous Review of Directors' Independence

The Nominating Committee and the Board, taking into account the views of the Nominating Committee, determine the independence of Directors upon appointment, annually, and on a continuing basis as and when circumstances require, according to the criteria stipulated in the Listing Manual, the Code and, where relevant, its Practice Guidance.

During the financial year, each Director had provided information on his or her interests and confirmed that there were no relationships which interfere with the exercise of his or her independent judgement with a view to the best interests of the Company. The Nominating Committee reviews such information and considers whether the relevant Director has exercised independent judgement in discharging his or her duties and responsibilities. The Nominating Committee's recommendation is presented to the Board for its assessment. Each Director is required to recuse himself or herself from the Nominating Committee's and the Board's deliberations on his or her own independence.

The Board has examined the different relationships identified by the Listing Manual and the Code that might deem a Director to be non-independent, or impair a Director's independence and objectivity, and is satisfied that none of them apply in relation to the Independent Directors. Some of our Independent Directors are non-executive directors, or were executive officers, of organisations that provide

Corporate Governance

DIRECTORS' EXPERTISE AND EXPERIENCE

DIRECTORS' EXPERTISE AND EXPERIENCE BY GEOGRAPHY

services to and receive payments from the Company in the ordinary course of business, and/or are also directors of companies in which Temasek has investments (Temasek portfolio companies), but these transactions were entered into based on merit and on normal commercial, competitive terms negotiated by Management, and the relevant Directors were not involved in the process for, or approval of, the transactions. The Board is of the view that all Independent Directors have demonstrated independence in conduct and character, and have exercised independent judgement in the best interests of the Company.

As at the end of FY2023/24, none of the Independent Directors has served for an aggregate period of more than nine years.

The Chairman meets the Independent Directors regularly without the presence of Management, the CEO and the Non-Independent Directors and at least twice a year. The Chairman provides feedback from these meetings to the Board, as appropriate.

Mr Goh Choon Phong and Mr Tan Kai Ping are considered Non-Independent Directors by virtue of the offices they hold in the Board or Management of Singapore Airlines Limited ("SIA"), the parent company of the Company. As the CEO of the Company, Mr Chin Yau Seng is considered non-independent.

Appropriate Size of the Board and Board Committees

The Board, through the Nominating Committee, regularly evaluates the size and composition of the Board and Board committees, taking into consideration the aspects of diversity described in the Board Diversity Policy including skillsets, knowledge, expertise, core competencies and professional experience and the element of independence. The Board considers the present Board size, the number of Board committees and the size of each Board committee to be appropriate.

The Board has the requisite balance and right mix of expertise, skills, knowledge, qualification, experience, attributes and other aspects of diversity such as gender and age to oversee the Company's growing businesses. Collectively, the Board has competencies in areas such as organisational transformation; strategy and investments; aviation and MRO operations; environmental, social and sustainability perspectives; human resource development, executive and talent succession planning and training; audit, finance and accounting; law, compliance and governance; engineering; innovation and advancing technologies; research and development; information technology, digitalisation and data analytics; supply chain management, business space solutions; sales and marketing; safety and operations; enterprise risk management; and experience in key markets in both Singapore and jurisdictions outside Singapore.

Board Diversity Policy

To build an open culture and avoid groupthink, the Company is committed to having diversity on the Board, taking initiatives designed to attract the most talented individuals as Directors, regardless of their gender, race, ethnicity, religion, age, disability status or any other aspect of diversity. The Board views diversity as important to ensure that Board members provide the necessary range of perspectives, insights, experience and expertise for effective stewardship and management of the Company's business, and to help the Company build business resilience while making a difference. A diverse Board can also offer a cognitive diversity of perspectives in addressing a range of issues from strategy to corporate governance to addressing social and environmental stewardship and ensuring sustainable growth. To this end, the Company has maintained its Board Diversity Policy, and had set targets to achieve 30% female Board representation by 2030, and to identify and appoint director(s) with the relevant expertise and experience that would complement those already on the Board to broaden the skill sets of the Board.

The Company believes that ensuring an optimum balance of gender representation on the Board would be beneficial as there is access to a larger talent pool and assurance of diverse perspectives and experiences that could augment strategic thinking and problem solving. The ten-member Board comprises three female Directors, who enhance gender diversity on the Board. The Board has met its target of 30% female Board representation ahead of 2030, and aims to maintain it.

Mr Tan Kai Ping was appointed as a Director on 10 September 2023, following the retirement of Mr Mak Swee Wah. Mr Tan's nomination through the parent of the Company, SIA, was endorsed by the Nominating Committee and approved by the Board. Mr Tan's appointment not only ensures that the Board maintains a strong representation of aviation expertise and experience, but also enhances the core competencies and diversity of skills of the current Board, especially in the areas of finance, risk management, marketing and operations.

Directors with different geographical exposures and expertise provide insights into cultural nuances and differences for the Company's effective navigation of challenges and opportunities that arise with overseas business growth and international talent management. As at 31 March 2024, the Directors, as a group, has varied geographical expertise and experience. In particular, a majority of the Directors have significant experience in the various geographical regions as illustrated on page 36 of this Annual Report.

In line with the Board Diversity Policy, the Board composition in FY2023/24 reflects the Company's commitment to Board diversity, especially in terms of diversity in gender, skills, expertise and experience (including geographical expertise and experience).

Directors' profiles appear on pages 7 to 13 of this Annual Report and are also available on the Company's website.

CHAIRMAN AND CEO

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Role of the Chairman and the CEO

The Chairman of the Board is a Non-Executive and Independent Director and his position is separate from the office of the CEO. No single individual has unfettered powers of decision-making in the Company. There is a clear demarcation of the roles and responsibilities of the Chairman and the CEO, which is set out in writing, to ensure an appropriate level of checks and balances, increased accountability, and greater capacity of the Board for independent decision-making. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the CEO is responsible for implementing the Group's strategies and policies, and managing day-to-day operations.

The Chairman promotes a culture of openness and encourages full and frank debates amongst the Directors and between Directors and Management. At Board meetings, he draws out contributions from all Directors so that the debate benefits from the full diversity of views, perspectives and expertise in a robust yet collegiate setting. There is strong mutual trust and respect amongst the Directors. As the Board practises collective decision-making, no individual Director influences or dominates the decision-making process.

The Chairman sets the agenda and dedicates sufficient time for discussions, especially on material developments and strategic matters. The Chairman also ensures that Management provides complete, adequate and timely information to Directors, and that there is effective communication with shareholders. At AGMs and other shareholder meetings, the Chairman plays a pivotal role in fostering effective dialogue among shareholders, the Board and Management of the Company.

The CEO, who is also an Executive Director, manages the Group's business. He chairs the Management Committee that deliberates on policy and operational issues, and implements Board decisions, amongst other things.

The Chairman and the CEO are Separate Persons

The Chairman and the CEO are separate persons and are not related to each other. A majority of the members of the Board and the Board committees, including the Chairman of each of the Board committees, are Independent Directors. Given that the roles of the Chairman and the CEO are separate and the Chairman is independent, the Board is of the view that it is not necessary to appoint a Lead Independent Director.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

The Nominating Committee comprises three Non-Executive Directors, the majority of whom, including the Chairman, are independent. The members of the Nominating Committee are:

Chairman:	Mr Tang Kin Fei
Members:	Ms Chong Chuan Neo
	Mr Tan Kai Ping *(from 10 September 2023)*
	Mr Mak Swee Wah *(until 9 September 2023)*

Mr Mak Swee Wah stepped down as a member of Nominating Committee upon his retirement as Director on 10 September 2023. Mr Tan Kai Ping was appointed as a member of the

Nominating Committee with effect from the same date.

The Nominating Committee, in accordance with the Terms of Reference approved by the Board, is responsible for, *inter alia*, the following:

- the review of the structure, size, composition and diversity of the Board and the Board committees;
- the review of succession plans for the Chairman of the Board and Non-Executive Directors;
- the development of a transparent process for evaluating the performance of the Board, its Chairman, Board Committees and Directors, including assessing whether Directors who hold other listed company directorships and principal commitments are able to commit enough time to discharge their responsibilities;
- the review of training and professional development programmes for the Board and its Directors;
- the appointment and re-appointment of all Directors (including alternate Directors, if any) following consideration of their track record and assessment of any matters that may have a bearing on their suitability for appointment or re-appointment; and
- the review and confirmation of the independence of each Director.

Each member of the Nominating Committee abstains from voting on any resolution in respect of the matter in which he/she has an interest.

Annual Assessment of Independence

The Nominating Committee reviews the Board composition and makes recommendations for the appointment of new Directors. It is focused on maintaining a strong independent element in the composition of the Board and the Board committees. Annually, the Nominating Committee reviews each Director's independence, taking into consideration the relevant provisions of the Code and requirements of the Listing Manual. More information on the annual assessment of Directors' independence is set out in the "Continuous Review of Directors' Independence" section on page 38 of this Annual Report.

Selection, Appointment and Re-appointment of Directors

In discharging its duties in its review of the structure, size and composition of the Board and the Board committees, the Nominating Committee gives due regard to the benefits of all aspects of diversity. In support of gender diversity and in accordance with its Terms of Reference, the Nominating Committee will ensure that appropriate efforts are made to include suitably qualified women in the list of candidates for a Board position. The Nominating Committee has developed a Skills Matrix, which denotes the experience, skillsets and expertise of Directors in relation to the Company's business activities and strategic goals. The Skills Matrix, which serves as a guide to identify the competencies and attributes for new Board appointments, is regularly updated and reviewed by the Nominating Committee.

Pursuant to Provision 4.1(a) of the Code, one of the responsibilities of the Nominating Committee is to make recommendations to the Board on the review of succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO, and Key Management Personnel. The Board had delegated to the Nominating Committee matters of composition and progressive renewal of the Board and Board committees. The Board had also considered and deemed it appropriate to delegate matters of succession planning for the CEO and Key Management Personnel (being Company personnel who hold the rank of "Senior Vice President" (or "SVP") and above, and together with the CEO, the "Key Executives") of the Company to the Compensation & HR Committee, which is consistent with the intent of Principle 4 of the Code in relation to the progressive renewal of the Board as regards the CEO who is also a Director. Recommendations made by the Nominating Committee and the Compensation & HR Committee on these matters are presented to the Board for consideration and approval.

The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. This enables the Board to benefit from the experiences of longer-serving Directors, and at the same time, leverage external perspectives and expertise from new appointees. New appointees to the Board are carefully selected based on their merits to augment core competencies, experience and diversity of the Board relevant to the evolving needs of the Group's businesses to ensure overall effectiveness and informed decision-making.

If required, the Nominating Committee, which leads the process, may seek assistance from external search providers to identify a broader range of suitable candidates, and for the selection of potential appointees. Directors and Management may also recommend potential appointees for consideration. In identifying and selecting candidates for directorships, the Nominating Committee also takes into account the Company's strategic priorities and the factors and trends affecting the long-term success of the Company. In the evaluation of potential appointees to the Board, members of the Nominating Committee, together with the Chairman of the Board, meet with candidates to assess their eligibility. If the candidates meet the required criteria, the Nominating Committee will recommend their selection to the Board for approval. In making its recommendation, the Nominating Committee also gives due regard to the Board Diversity Policy adopted by the Board.

In FY2023/24, the Nominating Committee recommended the appointment of Mr Tan Kai Ping as Director with effect from 10 September 2023. Mr Tan has not previously served on the board of companies with adverse track records, or a history of irregularities, nor has he been under investigation by professional associations or regulatory authorities. As he had no prior experience as a director of a listed issuer on the SGX-ST, Mr Tan has attended all the mandatory training on the roles and responsibilities of a Director of a listed issuer subsequent to his appointment.

Mr Tan is the Executive Vice President Operations and Chief Operations Officer at SIA, where he oversees the Cabin Crew, Customer Services and Operations, Engineering and Flight Operations divisions. Mr Tan joined SIA in 1995 as a Cadet Administrative Officer. He held various positions in SIA Cargo before he was seconded to Shanghai-based Great Wall Airlines as its President in October 2005. He returned to SIA Cargo as Senior Vice President Operations in October 2008, and assumed the post of President SIA Cargo in March 2010. Mr Tan was appointed as SIA's Senior Vice President Corporate Planning in August 2013, and Senior Vice President Marketing Planning in August 2016. He was promoted to Executive Vice President Finance and Strategy in April 2020, and appointed as Chief Financial Officer in May 2021, and as Executive Vice President Operations and Chief Operations Officer in September 2023.

After a review of Mr Tan's qualifications and experience, his appointment was approved by the Board as it would enhance the core competencies and diversity of skills of the current Board. Mr Tan is considered a Non-Independent and Non-Executive Director.

From time to time and at least once a year, the Nominating Committee evaluates the need to appoint a Lead Independent Director. The Nominating Committee also reviews compliance with the Code requirements under its purview, and deviations are explained.

Qualitative Assessment of Directors' Contributions

The Company has in place a policy whereby Directors consult the Chairman of the Board and the Nominating Committee Chairman prior to accepting other board directorships. Directors must also immediately report changes in their external appointments, including any corporate developments relating to their external appointments, which may affect their independence. Every Director confirms annually to the Nominating Committee in writing his/her availability and time commitment to focus on the affairs of the Company in the discharge of his/her duties as a Director.

Having reviewed the contributions of each Director and his/her attention to the affairs of the Company, taking into account his/her executive appointments, listed company board representations, other principal commitments, and the record of each Director's attendance at Board and Board committee meetings for FY2023/24, the Nominating Committee and the Board were of the view that each Director had carried out his/her duties adequately. The Board also expects that the Directors (including any Directors who are newly appointed) will discharge their duties adequately in FY2024/25.

Accordingly, the Board has determined that there is no necessity, for the time being, to set a maximum limit on a Director's other listed board representations. The Company will continue to disclose each Director's listed company board directorships and principal commitments in the Company's Annual Report.

Rotation, Retirement and Re-election

The Constitution provides in Article 90 that at each AGM of the Company, one-third of Directors (or, if their number is not a multiple of three, then the number nearest to one-third rounded upwards to the next whole number) for the time being shall retire at each AGM. Retiring Directors are those who have served longest since their last re-election and between Directors who were last re-elected on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Retiring Directors are eligible to offer themselves for re-election under Article 91 of the Constitution, subject to the endorsement of the Nominating Committee (which takes into consideration the overall Board size and composition, and an assessment of the retiring Directors' competence, commitment and contributions) and approval of the Board. Each member of the Nominating Committee or Director is required to recuse himself or herself from deliberations on his or her own re-election. Directors appointed by the Board during the financial year to fill a casual vacancy or appointed as an additional Director, may only hold office until the next AGM and shall then be eligible for re-election in accordance with Article 96 of the Constitution.

Annually, the Company Secretary will inform the Nominating Committee which Directors are due for retirement at the AGM. The Nominating Committee will then review the composition of the Board and decide whether to recommend to the Board the re-election of these retiring Directors, after taking into account factors such as their experience, expertise, competence, attendance, preparedness, participation and candour at Board and Board committee meetings.

At the 42nd AGM to be held on 19 July 2024, Ms Chua Bin Hwee, Mr Goh Choon Phong and Mr Chin Yau Seng will retire under Article 90 of the Constitution. Mr Tan Kai Ping will retire under Article 96 of the Constitution. The profiles of Ms Chua, Mr Goh, Mr Chin and Mr Tan are set out on pages 7 to 12 of this Annual Report. Additional information on these Directors is set out in the Notice of AGM and in the "Additional Information on Directors Seeking Re-election at the Annual General Meeting" section on pages 218 to 223 of this Annual Report.

Having assessed their respective contributions, the Nominating Committee and the Board recommend the

re-election of Ms Chua, Mr Goh, Mr Chin and Mr Tan, all of whom, being eligible, have offered themselves for re-election.

Nominating Committee's Activities During the Financial Year

During FY2023/24, the Nominating Committee held two meetings, and also undertook, *inter alia*, the following matters through circulation papers and numerous discussions via email and teleconference:

(a) reviewed the composition and diversity of the Board and Board committees, Board size and the Skills Matrix, which was updated to reflect the skills and expertise of a new appointee;

(b) reviewed the progress, plans and timeline for achieving the Board Diversity targets;

(c) reviewed the succession plans for the Directors with the Company's strategic priorities and the factors affecting the long-term success of the Company in mind;

(d) recommended to the Board the appointment of Mr Tan Kai Ping as a Non-Executive and Non-Independent Director and as a member of the Nominating Committee and the Board Safety & Risk Committee, with effect from 10 September 2023;

(e) recommended to the Board the establishment of the Board Working Group, its proposed Terms of Reference, and the appointment of Mr Tang Kin Fei as the Chairman and the appointments of Mr Lim Kong Puay, Mr Tan Kai Ping and Ms Chong Chuan Neo as members;

(f) determined the independence of each Director based on his/her declaration of independence pursuant to the provisions of the Code and Rule 210(5) of the Listing Manual;

(g) considered and agreed that, given the prevailing circumstances (as explained on page 37 of this Annual Report), the appointment of a Lead Independent Director was not necessary for the time being;

(h) considered and recommended the relevant Directors to retire and seek re-election at the AGM;

(i) considered ongoing training of Directors, and recommended suitable training programmes;

(j) assessed if a Director was able to and had carried out his/her duties as Director of the Company considering his/her other board appointments and time commitments;

(k) recommended the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, of each Board committee, and of the contributions by the Chairman and each individual Director;

(l) reviewed the results of and insights from the assessment of the Board's performance and discussed the appropriate actions to address the external consultants' recommendations; and

(m) reviewed the compliance of the Nominating Committee with the relevant requirements of the Code.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Board Performance and Evaluation

The Board has a formal process (incorporating objective performance criteria), which is overseen by the Nominating Committee and approved by the Board, for assessing the effectiveness of the Board as a whole and the Board committees, as well as the contributions of the Chairman and individual Directors. The process, comprising an assessment of qualitative criteria, enables the Nominating Committee and the Board to enhance the effectiveness of the Board and its Board committees. For objectivity, the process is managed by Aon Solutions Singapore Pte Ltd, an external global organisational consulting firm, which has no connection with the Company or any of its Directors.

In FY2023/24, the qualitative assessment was designed to measure, with the use of a questionnaire and interviews, the overall performance of the Board and the Board committees. The questionnaire was tailored for the Company and included evaluation factors such as Board composition; Board processes; sustainability matters; management of strategy and the Company's performance; Board priorities; human capital management; Directors' professional development and management; risk management and internal controls; as well as overall perceptions. The questionnaire also incorporated a peer assessment of Chairman and individual performance. Evaluation factors for the Chairman included the management of Board and shareholder meetings, interaction between members of the Board as well as between the Board and Management, effectiveness of the Board, director development and overall leadership of the Board. For individual Directors, evaluation factors included each Director's contribution to the Board and relevant Board committees; knowledge and abilities; collaboration with fellow Board members and with Management; and integrity. One-to-one interviews for deeper insights on specific focus areas were also conducted by the external consultants with the Chairman of the Board and the individual Chairman of each Board Committee. The Nominating Committee takes appropriate actions to address the external consultants' findings, which include benchmarking information and best practices of other boards, and recommendations on areas for improvement.

This is the Company's 22nd year of evaluating Board performance. The Company Secretary assisted the Nominating Committee in the evaluation process. For FY2023/24, the external consultants concluded that the Board and its Board committees have met or exceeded its expectations in all evaluation categories. Overall, Directors noted that the Board had maintained high-quality and effectiveness in its governance role, and agility in anticipating and shaping the Company's future. Directors will continue to maintain a culture of passion, commitment and strong work ethic to support Management and the business; with the Chairman maintaining the Board's culture of trust, collegiality, mutual respect and collaboration.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his/her own remuneration.

Compensation & HR Committee

The Compensation & HR Committee comprises three Non-Executive Directors, the majority of whom, including the Chairman, are independent. The members of the Compensation & HR Committee are:

Chairman:	Mr Tang Kin Fei
Members:	Mr Goh Choon Phong
	Mr Wee Siew Kim

The Compensation & HR Committee, in accordance with the Terms of Reference approved by the Board, is responsible for, *inter alia*, the following:

- reviewing and making recommendations to the Board on the remuneration framework and policies for the Directors of the Company, the CEO, Key Management Personnel and Senior Officers who hold the rank of Vice President;
- reviewing and making recommendations to the Board on the specific remuneration packages for each Director, the CEO and Key Management Personnel. No Director is involved in deciding his/her own remuneration;
- the talent management and remuneration framework for the Company, including staff development and succession planning;
- the administration of the Company's Economic Value Added-Based Incentive Plan as well as other Senior Management cash incentive arrangements or plans;
- the administration of the Company's share schemes;
- the administration of the Company's Share Buy Back programme;
- guidance on the maintenance of harmonious industrial relations with the Company's unions, and review of major agreements with the unions;
- reviewing the risks associated with the Company's human resource administration and management;
- the engagement of consultants and/or advisors with respect to remuneration matters; and
- disclosure on remuneration matters in the Company's Annual Report.

The Compensation & HR Committee is also responsible for reviewing the eligibility, guidelines, allotment, awards and payouts under the Company's Restricted Share Plan ("RSP"), Performance Share Plan ("PSP"), Strategic Transformational Incentive Plan ("STIP") and its replacement plan the Strategic Share Award ("SSA"), Economic Value Added ("EVA")-Based Incentive Plan ("EBIP") and Value Creation Plan ("VCP").

The Compensation & HR Committee retains and may exercise discretion when determining the link amongst remuneration, performance and value creation.

Engagement of Remuneration Consultant

Where appropriate, the Compensation & HR Committee may seek external advice on market practices and benchmark data and recommendations on Key Executives' remuneration, including cash incentives and share-based compensation. For FY2023/24, Carrots Consulting Pte Ltd was engaged to provide such services. Carrots Consulting Pte Ltd only provides remuneration consulting services to the Company, and has no other relationship with the Company which could affect its independence and objectivity.

Compensation & HR Committee's Activities During the Financial Year

During FY2023/24, the Compensation & HR Committee held four meetings, and also undertook, *inter alia*, the following matters:

(a) conducted a review of the FY2022/23 RSP performance to-date;

(b) conducted a review of the FY2020/21, FY2021/22 and FY2022/23 PSP performance to-date;

(c) determined the allotment for the 18th RSP and PSP grants for FY2023/24;

(d) reviewed the payouts under the EBIP and STIP for FY2022/23;

(e) reviewed and recommended the total compensation

framework for Key Executives for the Board's approval;

(f) conducted the annual performance and compensation review for Key Executives;

(g) reviewed the fees payable to Non-Executive Directors for FY2023/24;

(h) reviewed and endorsed the adoption of new Share Plans to replace the existing SIAEC PSP and RSP, which are due to expire on 20 July 2024;

(i) reviewed the proposal on a new Profit Sharing Bonus Formula for FY2023/24 to FY2025/26;

(j) reviewed the Compensation & HR Committee's Terms of Reference;

(k) reviewed the performance and salary review exercise for managerial staff;

(l) reviewed and endorsed the 2024 Succession Development Plan for the Company;

(m) reviewed the pay-for-performance relationship of the Company's executive compensation structure;

(n) reviewed the Compensation & HR Committee mandate for Share Buy Back;

(o) reviewed the Company's Industrial Relations Report for 2023;

(p) reviewed all aspects of remuneration, including the Company's obligations in the event of termination of any Executive Director's or Key Executive's contracts of service to ensure fair and reasonable terms are accorded; and

(q) reviewed all HR risk management activities and the measures that are put in place to mitigate the human resources and industrial relations risks.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Key Executives' Remuneration Philosophy and Principles

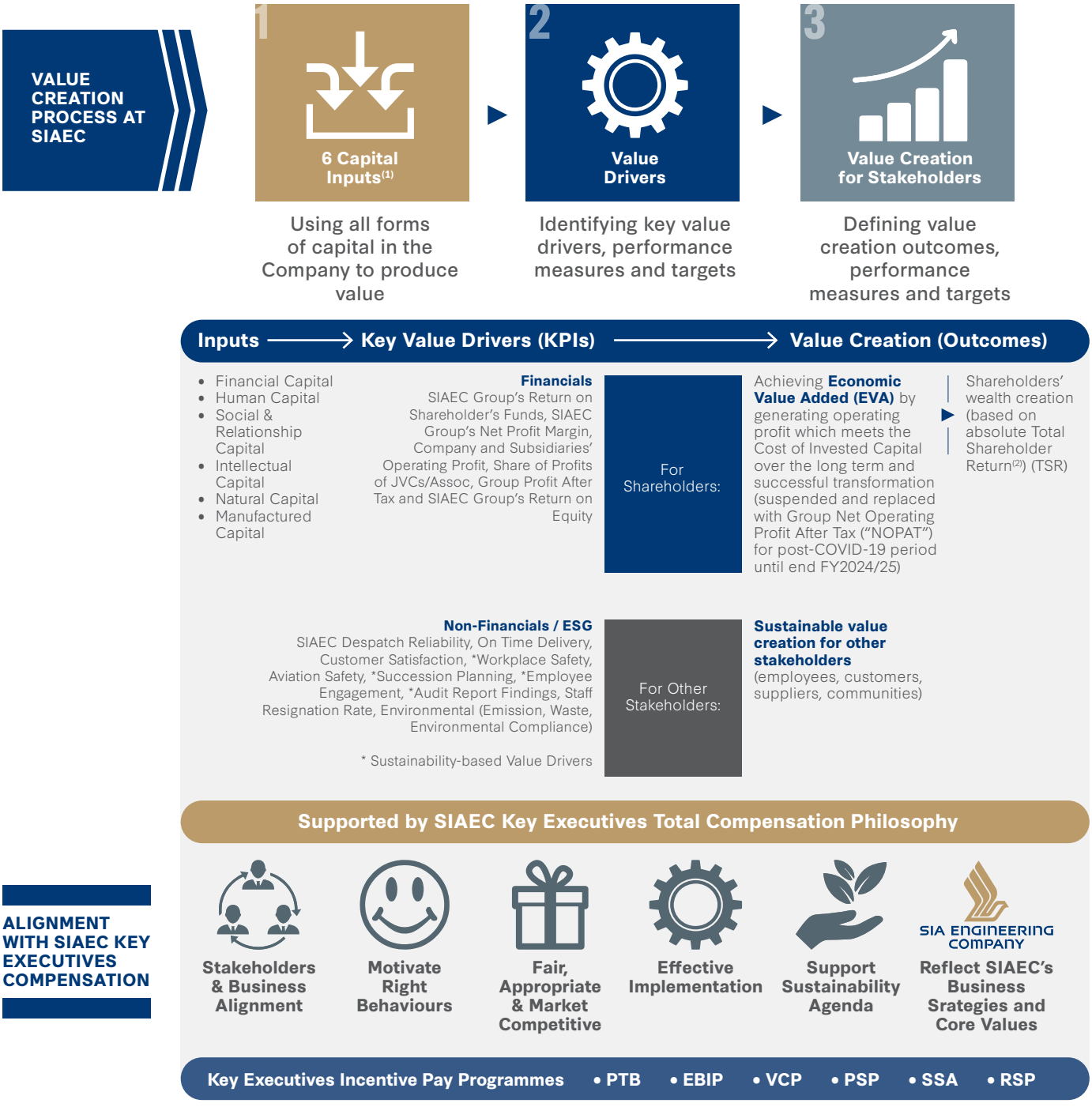
For FY2023/24, the Company's Remuneration Policies for Key Executives are based on the following principles:

Philosophy	Principles
Shareholder & Business Alignment	• Build sustainable value creation and unlock wealth creation to align with shareholder interests • Enhance retention of Key Executives • Provide sound and structured funding to ensure affordability and cost-effectiveness of compensation system in line with value-added and wealth-added goals
Motivate Right Behaviours	• Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance • Strengthen line-of-sight linking rewards and performance goals • Robust target-setting taking into account shareholder expectations over foreseeable performance horizon and commensurate with reward levels • Motivating right level of risk-taking and executive behaviour in an age of disruptive technology and business transformation
Fair & Appropriate	• Ensure remuneration is competitive relative to the appropriate talent markets • Manage internal equity so that remuneration system is perceived as fair across the Group • Defensible to both internal and external stakeholders • Provide for Compensation & HR Committee and Board discretion to reward reasonably (both up and down) in the event of unintended outcomes
Effective Implementation	• Maintain rigorous corporate governance standards • Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations • Facilitate employee understanding to maximise the value of the remuneration programmes
Support Sustainability Agenda	• Align performance-related remuneration with the interests of shareholders and other stakeholders • Promote the long-term success of the Company • Disclose relationships between remuneration, performance and value creation for shareholders and other stakeholders

In the event of any misstatement of financial results or of misconduct resulting in financial loss to the Company as determined by the Compensation & HR Committee, the Company may, in its absolute discretion, reclaim unvested incentive components of remuneration from Key Executives. There was no such event during FY2023/24.

Relationships between Remuneration, Performance and Value Creation for Shareholders and other Stakeholders

The relationship between remuneration, performance and value creation is shown below:



ALIGNMENT WITH SIAEC KEY EXECUTIVES COMPENSATION

By selecting performance targets based on a balance of drivers and outcomes, the Board ensures that SIAEC's Key Executives are paid not only for value already created (i.e., outcomes) but also for performance in generating and/or creating future value (i.e., drivers).

Notes:
(1) As per the International Integrated Reporting Framework
(2) Includes share price changes and dividend yields

Corporate Governance

Non-Executive Directors' Fee Framework for FY2023/24

The fee for Non-Executive Directors reflects the scope and extent of a Non-Executive Director's responsibilities and obligations, and is appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities. The Non-Executive Directors' fee framework is measured against relevant benchmarks and aims to be market competitive. The Board believes that it is important to remunerate Directors equitably to attract and retain individuals with the necessary talents and capabilities for the effective management of the Group.

Whilst the Compensation & HR Committee reviews the fees payable to Non-Executive Directors to be recommended for shareholders' approval at the AGM, no member of the Compensation & HR Committee may by himself decide on his own remuneration.

Shareholders' approval is sought at the AGM for the fees for Non-Executive Directors for the current financial year on a pool basis. This pool is subsequently used to pay the Non-Executive Directors' fees based on actual service on a quarterly basis in arrears.

Other than the fee framework for the Technology Advisory Committee, the Board Sustainability Committee and the Board Working Group (which were established in FY2019/2020, FY2022/23 and FY2023/24 respectively), the overall framework for determining the Non-Executive Directors' fees (including the fees payable to the Chairman), as set out below, was last revised in the financial year ended 31 March 2018 ("FY2017/18"). The CEO is an Executive Director, and is therefore remunerated as a Key Executive and in accordance with the terms of his contract. He does not receive Directors' fees.

Information on the rates and the actual fees paid in FY2023/24 are shown in the table below:

Type of Appointment	Schedule of Non-Executive Directors' Fees[(i)] ($)
Board of Directors	
Member's Fee	70,000
Chairman Fee (in addition to Member's Fee)	95,000
Audit Committee	
Chairman Fee	45,000
Member's Fee[(ii)]	27,000
Board Safety & Risk Committee	
Chairman Fee	37,000
Member's Fee[(ii)]	21,000
Compensation & HR Committee and Nominating Committee	
Chairman Fee	30,000
Member's Fee[(ii)]	17,000
Executive Committee	
Chairman Fee	30,000
Member's Fee[(ii)]	17,000
Technology Advisory Committee, Board Sustainability Committee and Board Working Group[(iii)]	20,000
Chairman Fee	10,000
Member's Fee[(ii)]	
Board Meeting Attendance Fee	
For each Board meeting attended via teleconference/videoconference	500
For each Board meeting held locally	1,000
For each Board meeting held overseas	3,000

Notes:
(i) If a Director occupies a position for part of a financial year, the fee due to him or her shall be pro-rated accordingly.
(ii) Chairmen of Board committees do not receive these fees.
(iii) The Board Working Group was established on 2 November 2023.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Disclosure on Directors' Remuneration

The table below shows the breakdown of the remuneration of the Directors (including the CEO) for FY2023/24.

	Fee ($)	Salary ($)	Bonuses ($)	Benefits ($)	Shares[vii] ($)	Total ($)
Non-Executive Directors						
Tang Kin Fei	270,251	–	–	–	–	270,251
Goh Choon Phong[i]	111,000	–	–	–	–	111,000
Raj Thampuran	145,000	–	–	–	–	145,000
Wee Siew Kim	115,000	–	–	–	–	115,000
Mak Swee Wah[i]	49,804	–	–	–	–	49,804
Chua Bin Hwee	149,000	–	–	–	–	149,000
Lim Kong Puay	165,126	–	–	–	–	165,126
Chong Chuan Neo	135,126	–	–	–	–	135,126
Tan Tze Gay	114,000	–	–	–	–	114,000
Tan Kai Ping[i] [ii]	69,322	–	–	–	–	69,322
Executive Directors						
Ng Chin Hwee[iii]	–	408,871	1,372,364[vi]	45,935	1,108,601	2,935,771
	0%	14%	47%	1%	38%	100%
Chin Yau Seng[i][iv]	20,667	466,023	374,807[v]	50,000	389,606	1,301,103
	1%	36%	29%	4%	30%	100%

Notes:
(i) Non-Executive Directors' fees in respect of Mr Goh Choon Phong, Mr Mak Swee Wah (for the period 1 April 2023 to 9 September 2023), Mr Chin Yau Seng (for the period 1 April 2023 to 31 May 2023) and Mr Tan Kai Ping (for the period 10 September 2023 to 31 March 2024) were paid to and retained by Singapore Airlines Limited.
(ii) Mr Tan Kai Ping was appointed Director on 10 September 2023.
(iii) As the CEO (until 30 September 2023), Mr Ng Chin Hwee did not receive any Non-Executive Directors' fees.
(iv) Mr Chin Yau Seng was appointed as CEO-Designate with effect from 1 June 2023 and he assumed the role of CEO on 1 October 2023. He did not receive any Non-Executive Directors' fees for the period 1 June 2023 to 31 March 2024.
(v) Comprises PTB and VCP declared for the financial year for Mr Chin Yau Seng.
(vi) For Mr Ng Chin Hwee, Bonuses comprise pro-rated PTB, pro-rated VCP declared for the financial year, Sustainability Implementation Incentive Plan (SIIP), discretionary VCRP for FY2022/2023 given SIAEC contribution to overall SIA Group success in respect of COVID-19 impact recovery and pro-rated FY2023/24 SSA (cash component). SIIP is awarded to Mr Ng upon his retirement based on his performance on the successful formation and implementation of a sustainability journey for SIAEC.
(vii) Comprises shares awarded under the RSP, PSP and DSA during FY2023/24; the value of awards is based on the fair value of the shares awarded under the RSP ($2.27), PSP ($2.40) and DSA ($2.36). Shares awarded under the RSP and PSP are subject to performance targets and other terms and conditions being met under the respective share plans. DSA awarded during FY2023/24 is part of the FY2022/23 STIP.

Apart from the foregoing, no other remuneration is paid to the Non-Executive Directors of the Company, nor did they receive any share options or share awards for FY2023/24.

REMUNERATION REPORT

Key Executives' Remuneration Structure

The Company's Key Executives' remuneration structure is designed to include short-term and long-term incentives, which motivates and rewards Key Executives, and allows the Company to align executive compensation with market practice. The remuneration structure includes the cash-based variable components of Performance Target Bonus ("PTB"), SSA, VCP and EBIP, and share-based awards under the RSP and the PSP, in addition to a fixed basic salary and fixed allowances. The payment of the PTB, SSA, VCP and EBIP and grants of share awards are dependent on the achievement of the prescribed Group and Company performance measures and individual performance measures.

Remuneration Mix

The Company's remuneration mix for Key Executives comprises salary, variable components and benefits. Variable components comprise short-term and long-term incentives, which are dependent on Group, Company and individual performance. The remuneration mix aims to provide a good balance between competitiveness with the market, as well as rewards for short-term and long-term objectives.

Fixed Component

The fixed component comprises base salary, the Annual Wage Supplement and cash allowances. The fixed components are benchmarked to comparable positions in the market.

Variable Components

1) Performance Target Bonus ("PTB")

The newly introduced PTB replaces the previous Profit-Sharing Bonus ("PSB"), and rewards Key Executives for delivering on financial and operational objectives, as well as strategic development of the Group.

The PTB is targeted at three times of the monthly base salary of each Key Executive incumbent, and final payout is based on assessment of the Individual Performance Scorecard ("IPS") of each Key Executive incumbent. An IPS rating is subsequently used to modify the PTB payout within the range of 0 – 150%.

2) Economic Value Added-Based Incentive Plan ("EBIP")

One of the incentive plans included in the remuneration of Key Executives of the Company is the EBIP, which forms a main portion of the annual performance-related bonus for these executives.

The EBIP rewards sustainable shareholder value creation achieved over the medium term by growing profits, deploying capital efficiently and managing the risk profile and risk time-horizon of the business.

Under the EBIP, one-third of the accumulated EBIP bonus, comprising the EBIP bonus declared for the financial year, and the balance of the EBIP bonus brought forward from preceding years, is paid out in cash each year. The remaining two-thirds are carried forward in each individual executive's EBIP account for payment in future years. Amounts in the EBIP account are at risk because a significant reduction in EVA in any year will result in retraction of the EBIP bonus earned in preceding years. The EBIP encourages Key Executives to work for sustained EVA generation, and to take actions that are aligned with the long-term interests of shareholders.

The rules of the EBIP are subject to review and amendment by the Compensation & HR Committee, which has the discretion, under authority of the Board, to amend the rules where appropriate and relevant to the business environment in which the Company operates.

The Board had previously approved the recommendation by the Compensation & HR Committee to suspend new EBIP funding for FY2020/21 to FY2022/23 due to the impact of COVID-19, subject to certain minimum payouts as determined at the discretion of the Compensation & HR Committee. This suspension has been extended until the end of FY2024/25 by the Board based on the Compensation & HR Committee's recommendation and will be reassessed thereafter based on prevailing market conditions.

3) Value Creation Plan ("VCP")

The VCP (previously known as the Value Creation Recovery Plan ("VCRP")), is an interim incentive plan until FY2024/25, subject to the Board's discretion to motivate Key Executives to restore the Company to profitability. Under the VCP, a percentage of positive Group NOPAT will be shared with the Key Executives, subject to a funding cap. Payouts will be made after the end of each financial year. For FY2023/24, a VCP payout pool has been generated based on the Group NOPAT performance of the Company and allocated by the Board based on recommendation by the Compensation & HR Committee.

4) Strategic Share Award ("SSA", previously "STIP")

The SSA is an incentive scheme established with the objective of rewarding, motivating, and retaining Key Executives who shoulder the responsibility for divisional-focused strategic (and environmental, social and governance ("ESG")) initiatives and future-oriented growth.

Under the SSA, an individual target bonus is pre-determined for each level of the Key Executives. At the end of the financial year, the individual target bonus is modified by the incumbent's performance on the execution of the strategic initiatives as assessed by the Compensation & HR Committee. The resultant payout varies between 0% – 150% of the individual target bonus with settlement in cash and shares under the Deferred Share Award ("DSA"). The award of DSA as part of the FY2023/24 SSA will be made in the following financial year and disclosed based on grant date. For EVP(O) and SVPs in respect of the FY2023/24 SSA, 25% will be cash-settled and 75% will be settled through the DSA. For the

current CEO, the FY2023/24 SSA will be fully settled in shares. For the retired CEO, the pro-rated FY2023/24 SSA will be fully settled in cash.

5) Deferred Share Award

As part of the FY2022/23 STIP, the DSA is a share award established with the objective of rewarding, motivating and retaining Key Executives who are responsible for strategic and transformational initiatives. The DSA is granted as a contingent share award under the RSP with one-third vesting upon grant and the balance one-third per annum vesting over the next two years. The final award will include an additional 20% equity kicker which vests at the end of two years after the grant date, subject to meeting a service-based condition, and provided that individual performance remains satisfactory.

An initial award of DSA was granted during the financial year under consideration in July 2023 as part of the FY2022/23 STIP.

6) Share Incentive Plans

The SIAEC Restricted Share Plan 2014 ("RSP 2014") and the SIAEC Performance Share Plan 2014 ("PSP 2014") were approved by shareholders at the Extraordinary General Meeting of the Company held on 21 July 2014, and replaced the previous SIAEC Restricted Share Plan and SIAEC Performance Share Plan.

The details of the RSP 2014 and PSP 2014 are described below:

	RSP 2014	PSP 2014
Plan Description	Award of fully-paid ordinary shares of the Company, dependent on position level and individual performance targets set at the start of a one-year performance period based on medium-term Group and Company objectives with some degree of stretch.	Award of fully-paid ordinary shares of the Company, conditional on performance targets set at the start of a three-year performance period based on stretched long-term corporate objectives for the Key Executives.
Performance Conditions	• Achievement based on Company Operating Performance Scorecard The above performance conditions are selected as they are the key financial and operational drivers of shareholder value and are aligned to the Group's and Company's business objectives.	• Absolute Total Shareholder Return ("TSR") outperform Cost of Equity ("COE") • Return on Equity ("ROE") The above performance conditions are selected as key measurements of value-creation for shareholders.
Vesting Condition	Awards granted in and after FY2016/17 Based on meeting the stated performance conditions over a one-year performance period, one-third of the final award will vest provided performance conditions are met. Balance will vest equally over the subsequent two years with fulfilment of service requirements.	Cliff vesting based on meeting the stated performance conditions after the three-year performance period.
Payout	0% – 150% of the initial award, depending on the achievement of pre-set performance targets over the performance period.	0% – 200% of the initial award, depending on the achievement of pre-set performance targets over the performance period.

An initial award of FY2023/24 RSP was granted during the financial year under consideration in July 2023. The achievement factor for the RSP award granted in FY2023/24, which commences vesting in July 2024, reflects the extent to which the pre-determined target performance levels were partially achieved for the one-year performance period of FY2023/24.

An initial award of FY2023/24 PSP was granted during the financial year under consideration in July 2023. The achievement factor for the PSP award granted in FY2021/22 is nil and reflects the extent to which the pre-determined target performance levels were not met for the performance period from FY2021/22 to FY2023/24.

To align the interest of Key Executives and that of shareholders, Key Executives are required to retain a certain percentage of shares acquired through the share-based plans beyond the vesting period, up to the lower of: (1) a percentage of the total number of shares awarded under the RSP and PSP; or (2) the number of SIAEC shares to be retained in order to meet a minimum value, which is set at a percentage of annual base salary based on position level.

Details of the RSP and PSP (previous and current), and the awards granted thereunder, can be found on pages 95 and 195 to 197 of this Annual Report.

The existing PSP 2014 and RSP 2014 are due to expire on 20 July 2024. The Compensation & HR Committee has recommended to the Board the adoption of the new SIAEC Performance Share Plan 2024 and the new SIAEC Restricted Share Plan 2024 (the "**New Share Plans**") to replace the existing SIAEC RSP and SIAEC PSP respectively, and the Board has accepted the Compensation & HR Committee's recommendations. The existing PSP 2014 and RSP 2014 (the "**Existing Share Plans**") will terminate following the adoption of the New Share Plans. The New Share Plans will have substantially the same terms as the Existing Share Plans, save that the SIAEC Restricted Share Plan 2024 will additionally permit grants of fully paid Shares to be made to Non-Executive Directors as part of their remuneration in respect of their office as such in lieu of cash. The New Share Plans will additionally incorporate amendments to take into account changes to relevant legislation and the Listing Manual, and changes to streamline and rationalise certain other provisions. The New Share Plans will be proposed to shareholders for approval at the forthcoming 2024 AGM. Please refer to the Letter to Shareholders dated 20 June 2024 for more details.

Pay for Performance Alignment

In performing the duties as required under its Terms of Reference, the Compensation & HR Committee ensures that remuneration paid to the Key Executives is clearly linked to the achievement of business and individual performance targets. The performance targets determined by the Compensation & HR Committee are set at realistic yet stretched levels each year to motivate a high degree of business performance, with emphasis on both short and long-term quantifiable objectives. Individual performance objectives aligned to the overall strategic, financial and operational goals of the Group and the Company are set at the beginning of each financial year and are cascaded down to Key Executives using Individual Performance Scorecards, creating alignment between the performance of the Group and the Company, and the individual. In line with the sustainability agenda as part of the enhanced Senior Management Total Remuneration Philosophy, sustainability objectives have been incorporated into the Individual Performance Scorecards of all Key Executives. While these performance objectives are different for each Key Executive, they are assessed on the same principles across the following five broad categories of targets, including ESG metrics aligned with the Company's sustainability strategy:

- Financial and Business
- Investment and Operations
- People and Organisational Development
- Safety and Quality
- Strategic and Sustainability Initiatives

In FY2023/24, the Compensation & HR Committee engaged a remuneration consultant, Carrots Consulting Pte Ltd, to conduct a Pay-for-Performance Alignment study. The Compensation & HR Committee concluded that there was adequate linkage of the executive remuneration to the performance of the Group and the Company overall for the review period of FY2017/18 to FY2022/23.

Compensation Risk Assessment

The Compensation & HR Committee has reviewed the compensation structure to take into account the risk policies of the Company and the various compensation risks that may arise, and introduced mitigating policies to better manage risk exposures identified. The Committee will, from time to time, undertake periodic reviews of the compensation-related risks to align the performance of the Key Executives to the overall strategic objectives of the Company.

Disclosure of Key Executives' Remuneration

The Board believes that, taken as a whole, the disclosures provided are meaningful and sufficiently transparent in giving an understanding of remuneration of its Key Executives. For FY2023/24, the Key Executives (who are not Directors, the retired CEO or the CEO) are Bernd Riggers, Chua Hock Hai, David So Man Fung, Foo Kean Shuh, Jeremy Yew[iv], Ng Jan Lin Wilin, Ng Lay Pheng, Philip Quek, Stefan Schmuck and Wong Yue Jeen. The summary table of the compensation for the Company's Key Executives (other than the CEO) for FY2023/24, in bands of $250,000, is as follows:

Remuneration Band	Number of employees	Salary (%)	Bonuses[(i)] (%)	Benefits (%)	Shares[(ii)] (%)	Total (%)
1,250,001 – 1,500,000	1	23	15	1	61[(iii)]	100
1,000,001 – 1,250,000	1	34	21	2	43	100
750,001 – 1,000,000	6	35	24	2	39	100
500,001 – 750,000	2	41	27	11	21	100
Total Aggregate Compensation						**$8,478,080**

Notes:
(i) Comprises PTB, SSA (cash component) and VCP declared for the financial year.
(ii) Comprises shares awarded under the RSP, PSP and DSA during FY2023/24; the value of awards is based on the fair value of the shares awarded under the RSP ($2.27), PSP ($2.40) and DSA ($2.36). Shares awarded under the RSP and PSP are subject to performance targets and other terms and conditions being met under the respective share plans. DSA awarded during FY2023/24 is part of the FY2022/23 STIP.
(iii) Comprises a time-based one-off RSP (without performance targets) awarded for retention purpose to support succession planning process subject to conditions being met under the RSP plan based on a fair value of $2.27.
(iv) Jeremy Yew (on secondment from SIA) is on SIA pay terms but receives cash bonuses from the Company (i.e. PTB, VCP declared for the financial year and SSA (cash component)). The above disclosure includes both SIA and SIAEC components which are charged to the company.

For FY2023/24, apart from the in-service and post-retirement travel benefits for Key Executives (other than the retired and current CEO), there were no termination, retirement and post-employment benefits granted to Non-Executive Directors, the CEO[1] and the Key Executives.

There were no employees who were substantial shareholders of the Company, or were immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded $100,000, during FY2023/24.

Employee Learning and Development Programmes

The Company believes upskilling and reskilling our workforce is critical to our success. We have made substantial investments in training and development to ensure that our employees stay current with their skillsets. We are committed to providing equal opportunities for all employees to help them achieve their full potential and accelerate their career development.

Our Training Academy is an approved Maintenance Training Organisation holding multiple approvals from civil aviation authorities all over the world. Through a robust curriculum of *ab-initio* and specialised aerospace courses as well as aircraft type related training provided by a pool of experienced instructors, the Training Academy fulfils the technical training needs of our employees, joint ventures, customers and strategic partners as well as industry professionals. More information on the foregoing is set out in the Company's Sustainability Report.

To ensure a continuous pipeline of skilled and qualified talents for the aerospace industry, we continue to work closely with institutes of higher learning. One such collaboration is a three-year programme with the Singapore Institute of Technology which leads to a Bachelor of Engineering (with Honours) in Aircraft Systems Engineering for the University's graduates. The course of study incorporates an intensive Integrated Work Study Programme at the Company over eight months. Qualified students are awarded with a Certificate of Recognition for Basic Courses that is recognised by the Civil Aviation Authority of Singapore in meeting the requirements for a SAR-66 Aircraft Maintenance Licence, after further training with an MRO organisation.

Our training programmes, developed by a pool of experienced instructors with input from subject matter experts in their respective fields, are delivered via a multi-faceted approach comprising classroom theory, hands-on practice in a controlled environment, and on-job-training under a competency-based training philosophy. We have invested in the latest training devices and courseware from Airbus, Boeing and Embraer to enhance the quality of training for our licensed aircraft engineers and technicians, and to upskill them to service new-generation aircraft types.

With the projected increase in demand for a skilled workforce in the future, we have also expanded the trainee pipeline. In addition, the Company has advanced new-generation aircraft type and digital competency training to upskill the workforce. As the Company moved beyond Transformation and into Continuous Improvement, there are targets set for employees to attend applicable training programmes.

Aside from technical training, our employees also enjoy a wide range of learning and development programmes to strengthen core competencies and develop new competencies in the areas of leadership, automation, artificial intelligence, and innovation. The Company's Lean Academy plays a crucial role in accelerating enterprise-wide adoption of Lean methodologies and tools by delivering tailored Lean training by qualified instructors to all segments of the Company's workforce.

More information on the foregoing is also set out in the Company's Sustainability Report.

1 The CEO does not receive any post-retirement travel benefits from SIAEC under the terms of his service agreement.

Corporate Governance

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

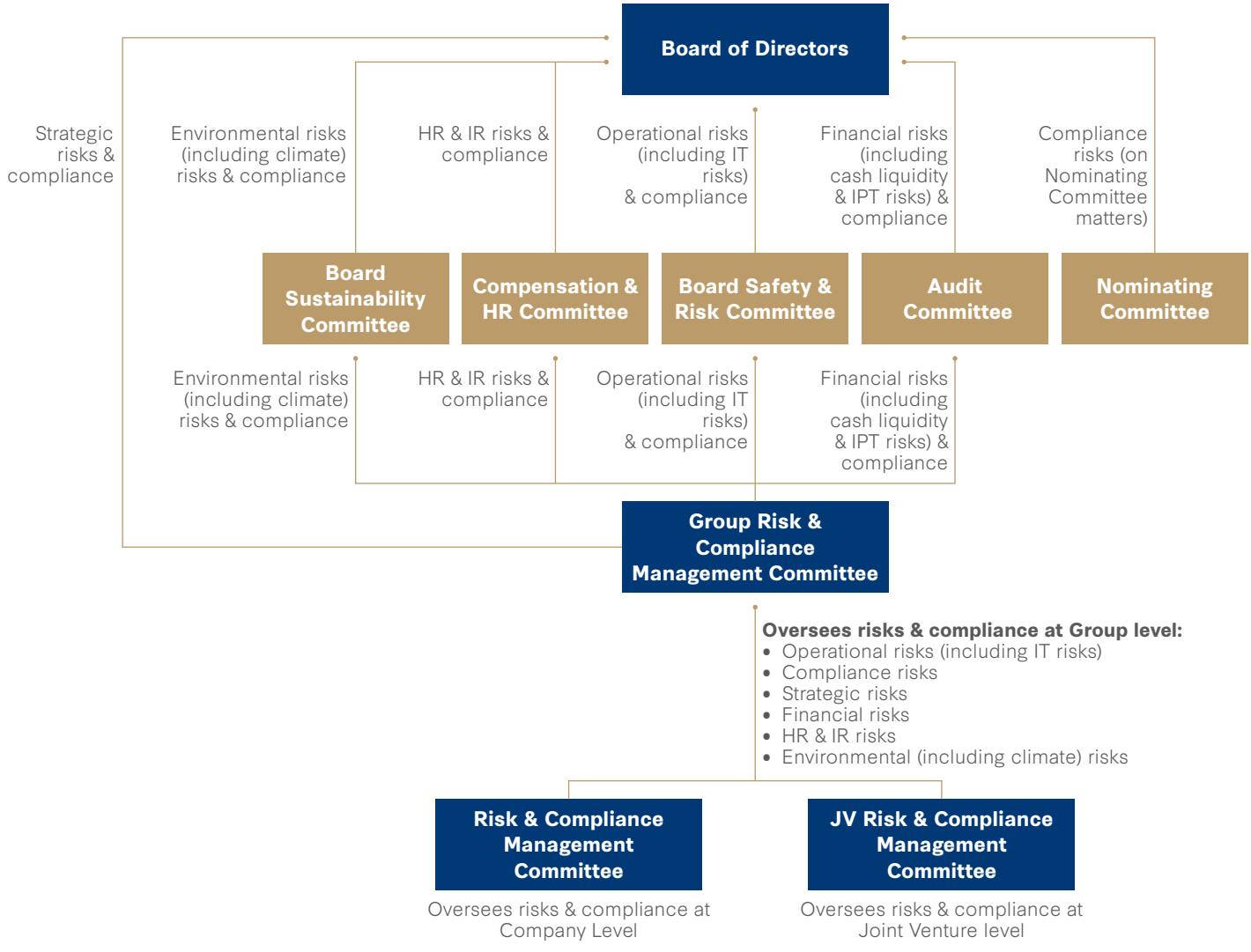
Board's Governance of Risk

The Board has overall responsibility for the governance of risk. The Board, supported by the Board Safety & Risk Committee and the other Board committees, maintains oversight of the key risks of the Group's business. Annually, the Board reviews the adequacy and effectiveness of the risk management and internal control systems, addressing financial, operational, compliance and information technology risks.

Management is responsible for the identification and management of risks, and key risks are proactively identified, addressed and reviewed on an ongoing basis. To ensure the continuing relevance and adequacy of identified risks and the effectiveness of preventive and mitigating measures, the Group's risk registers are reviewed every year. During these yearly reviews, close attention is also paid to the identification of new and emerging risks.

Key risk issues are surfaced by Management to the Board and Board committees for discussion and decision. Upon the occurrence of significant risk events, the Board and/or appropriate Board committees are promptly informed and updated on developments, to facilitate their review of the effectiveness in managing such incidents and the adequacy of mitigating measures taken by Management.

Group Risk & Compliance Management Framework



Strategic risks pertaining to the Group's business are overseen directly by the Board. The Board Safety & Risk Committee maintains oversight of operational risks, including cyber security and information technology risks, with the support of the Group Risk & Compliance Management Committee (chaired by the CEO). The Audit Committee has oversight of the financial risks (including cash liquidity and risks arising from Interested Person Transactions), while the Compensation & HR Committee oversees human resources and industrial relations risks. The Board Sustainability Committee oversees environmental (including climate) risks. The Nominating Committee maintains oversight of compliance risks on matters including those relating to nominations to, and membership of, the Board and Board committees and corporate governance matters. The Board and the Board committees oversee compliance with the Code's requirements and relevant laws and regulations under their respective purview, and explain deviations as required by the Code, taking into account relevant obligations under the Listing Manual.

Management is responsible for the effective implementation of the risk management strategy, policies and processes to facilitate the achievement of the Group's business and strategic objectives, and is guided by the Board and the Board Safety & Risk Committee in formulating the risk management framework, policies and guidelines. The Board has also endorsed risk appetite statements to provide guidance to Management on the approach to managing key risks. The Risk & Compliance Management Committee oversees the management of key risks at the Company level, while the Joint Ventures Risk & Compliance Management Committee oversees the management of the key risks of subsidiary, joint venture and associated companies. Both Committees report to the Group Risk & Compliance Management Committee, which has oversight of the risks faced by the Group.

Board Safety & Risk Committee

The Board Safety & Risk Committee comprises four Non-Executive Directors, the majority of whom, including the Chairman, are independent. The members of the Board Safety & Risk Committee are:

Chairman:	Mr Lim Kong Puay
Members:	Mr Wee Siew Kim
	Dr Raj Thampuran
	Mr Mak Swee Wah *(until 9 September 2023)*
	Mr Tan Kai Ping *(from 10 September 2023)*
	Mr Chin Yau Seng *(until 31 May 2023)*

Mr Mak Swee Wah stepped down as a member of the Board Safety & Risk Committee upon his retirement as Director on 10 September 2023 and Mr Tan Kai Ping succeeded him on the same date. Mr Chin Yau Seng stepped down as a member of the Board Safety & Risk Committee on 31 May 2023 upon assuming the position of CEO-Designate and Executive Director of the Company.

The Board Safety & Risk Committee assists the Board in overseeing the Group's risk management system, framework and policies and ensures that Management maintains a sound system of risk management to safeguard the interests of the Group and the Company's shareholders. The Board Safety & Risk Committee, in accordance with the Terms of Reference approved by the Board, is responsible for, *inter alia*, the following:

- reviewing the safety and risk management frameworks, including risk governance structure, policy, risk appetite statements and tolerance levels;
- reviewing the adequacy and effectiveness of the safety and risk management systems and the related disclosures in the Annual Report;
- overseeing the management of risks associated with the Group's operations, safety and information technology systems and ensuring key risks under its direct purview are managed within acceptable levels;
- overseeing compliance with relevant laws and regulations pertaining to the risks under its direct purview;
- reviewing the Group's risk profile on a regular basis to understand the significant risks faced by the Group and how they are mitigated, and advising the Board on current and future risk exposures; and
- reviewing Management's responsiveness to the risk mitigating actions and reports on any material breaches of risk limits, and the adequacy of these actions.

Risk Management Assurance

Internal and external assurance of the risk management system is conducted regularly. Internal assurance is outsourced and audited by an independent team from the SIA Internal Audit, which reports directly to the Audit Committee to ensure the adequacy and effectiveness of risk controls, and compliance with the risk management framework and procedures by the divisions in the organisation. External consulting firms are also engaged periodically to conduct independent assessment of the Group's risk management system, framework and processes, and to benchmark them against best practices in the aerospace industry. The last independent review of SIAEC's risk management system was conducted in 2022. Additionally, the Group has in place a formal programme of control self-assessments, whereby Management and line personnel are involved in the ongoing assessment and improvement of risk management and controls.

Annually, the CEO, the CFO and the Chairman of each Risk & Compliance Management Committee provide the Board Safety & Risk Committee with a written assurance on the adequacy and effectiveness of the risk management system.

Corporate Governance

Risk Management Framework

The risk management framework sets out the policies, processes and procedures for identifying, evaluating and managing risks. The Company advocates a continuous and iterative risk management process, which was developed with reference to the principles and guidelines of the ISO 31000 risk management standards and the Code. The risks identified are wide-ranging, covering strategic, financial, operational, cyber security and information technology, compliance, human resources and industrial relations risks, and environmental and climate risks.

More details of the key elements of the Risk Management Framework can be found on the Company's website[2].

Risk Appetite Statements

The following risk appetite statements outline the amount of risk the Group is willing to take in achieving its business objectives:

Strategic

- SIAEC pursues diversified growth in the aircraft MRO business to mitigate the risk of over-reliance on any single segment.
- In addition to the Singapore hub, SIAEC also grows its presence overseas to capture growth opportunities in those markets and diversify its revenue sources.
- To maintain competitiveness, SIAEC continually invests in infrastructure, equipment, technology, systems and training to develop capabilities, optimise operations and maintain a highly-skilled and productive workforce.
- SIAEC forms strategic partnerships with airlines, aerospace original equipment manufacturers and other relevant companies, to gain long-term access to key markets, technologies and capabilities.
- SIAEC will continue to strengthen its business portfolio by pursuing value-accretive opportunities in new markets and businesses, whilst maintaining a disciplined and robust investment approval process, and ensuring a prudent approach in managing the associated risks.

Regulatory

- SIAEC is fully committed to complying with applicable laws and regulatory requirements, and conducting business with integrity, transparency and honesty.

Safety, Health & Environment

- Safety is a top priority and of paramount importance to the continuing operations of SIAEC. There is no compromise on safety and this message is continuously reinforced in daily work and training.
- Conscientious efforts are made to embed continued safety vigilance and safety culture amongst all staff. This includes providing a safe work environment, encouraging active reporting of safety matters, continuous learning and improvement whilst maintaining the highest standard of quality and safety in aircraft maintenance.
- SIAEC is committed to operating in an environmentally responsible manner and continually explores sustainable solutions.

Management of Key Risks

Strategic Risks	The Group's strategic risks include geo-political tensions, varying competitive landscapes, changing customer demands, evolving regulatory and operating environments and technological disruptions. Uncertainties in the global economy, rapid geo-political developments, competition in the core business segments and disruptive technologies continue to impact the Group. These risks are monitored constantly throughout the year, taking into consideration changing global economic and industry trends. Strategy meetings are held annually to formulate and fine-tune business strategies and responses, which will support business objectives, while addressing strategic risks and identified trends. To remain as a valued service provider and stay ahead of its competition, the Company focuses on Continuous Improvement across key technology areas such as digitalisation and automation, as well as the adoption of Lean methodology in its operations and business processes. Besides improving operational efficiency and productivity, Continuous Improvement aims to create value for customers through delivery of high-quality services at competitive prices, develop new and relevant capabilities within the Group and promote a culture of innovation and continuous improvement throughout the organisation. On strategic initiatives such as commercial partnerships, investment and divestment decisions, the Company has an established evaluation process and decisions are guided by the Investment Committee and the Board. This ensures that value-accretive opportunities are pursued through a disciplined and robust investment approval process, while ensuring a prudent approach in managing the associated risks. In evaluating strategic initiatives, the Company performs thorough due diligence, feasibility studies and sensitivity analyses, engaging the counsel and expertise of external advisors as required. These strategic initiatives are also monitored to ensure that they continue to meet the Group's business objectives and where required, the Group will augment its strategic initiatives to respond to changes in the business landscape.

2 https://www.siaec.com.sg/pdf/SIAEC_risk_management_framework.pdf

Management of Key Risks	
Compliance and Regulatory Risks	The Company is fully committed to complying with applicable laws and regulatory requirements, and conducting business with integrity, transparency and honesty. The Company has a zero-tolerance policy towards bribery and corruption. There are policies and procedures in place against violation of regulations, which set out standards of ethical conduct for all employees covering topics such as anti-bribery and corruption; giving and receiving of corporate gifts and concessionary offers; competition laws; interested person transactions; personal data protection; dealings in securities; employee conduct and work ethics; conflicts of interests; and economic sanctions (collectively, "Compliance Controls"). The Company's economic sanctions policy details the processes for due diligence and screening of sanctioned entities, individuals or corporates prior to dealing with such sanctioned persons and on an ongoing basis. The Company also has an established whistle-blowing programme and channel for stakeholders to provide confidential feedback or raise concerns about possible improprieties in any matter. More information on the whistle-blowing programme is set out in the section on the "Group's Whistle-Blowing Policy" on page 57 of this Annual Report. It is a requirement for our suppliers, including their subcontractors or service providers, to adhere to applicable laws and regulations as well as the Company's Supplier Code of Conduct which is enforced through purchase orders and agreements. To reinforce the compliance culture, recurrent mandatory e-learning programmes have been put in place for the Company's staff and the completion rates for such programmes are closely monitored and reported to the Risk & Compliance Management Committee.
Safety Risks	With the Group's business in aircraft MRO, aviation and workplace safety are key risks facing the Group. Safety and quality are key focus areas for the management of these operational risks. The Company is committed to building and maintaining a strong and effective safety and quality management system, in compliance with regulatory requirements and in accordance with best practices in the MRO industry. The Company's Aviation Safety Management System ("ASMS") adopts the requirements and guidelines set by the International Civil Aviation Organisation and the Civil Aviation Authority of Singapore. A Safety, Health and Quality Council ("Council"), chaired by the CEO, oversees the ASMS. The Council closely monitors safety and quality performance to ensure the effectiveness of safety and quality systems, and to identify emerging trends. Additionally, the Management Committee regularly reviews aviation and workplace safety issues and incidents to ensure accountability and prompt follow-up at the operational level. Every quarter, the Board Safety & Risk Committee reviews reports on safety and quality performance and lapses to ensure that Management undertakes prompt and effective remedial actions to address shortcomings and prevent recurrence. Pursuit of Excellence and Safety are core values of the Company. Through ongoing and new training programmes and campaigns, staff are regularly engaged and reminded on the importance of maintaining high standards of safety and quality at the workplace. To reinforce the importance of safety and strengthen safety training, the Company has set up the Aviation and Workplace Safety Promotion Centres. In addition, the Maintenance Line Operations Safety Assessment programme is in place to enlist operational staff to participate in the identification of operational issues. Observations gathered are analysed and action plans are developed to address the issues identified. Operating in a highly regulated industry, the Group is subject to regular audits conducted by airworthiness authorities and customer airlines on its adherence to mandated standards of safety and quality. The Company holds approvals from 29 airworthiness authorities worldwide, including the Civil Aviation Authority of Singapore, the Federal Aviation Administration and the European Union Aviation Safety Agency. These authorities, as well as the Company's customers, conducted over 220 physical and desktop audits on the operations of the Company in FY2023/24 to affirm the adherence to operational and safety standards.
Operational Risks, Crisis Management and Business Continuity	As part of our continuing efforts to enhance the robustness of our crisis management plans, a Company-wide crisis management exercise is conducted yearly. Crisis management and communication plans and procedures are regularly reviewed and refined, to ensure that responses in a crisis are coordinated and effective. Incidents that had taken place in the aviation and related industries are reviewed and learning points applied to strengthen the Company's crisis management processes. On an ongoing basis, business units and support divisions conduct tests of business continuity plans to ensure their preparedness and the effectiveness of responses to disruptions of critical business functions. As part of its risk-mitigating measures, the Group regularly reviews the scope, type and adequacy of its insurance coverage, taking into account matters including the availability of cover and the probability and impact of potential risks.

Management of Key Risks	
Cyber Security and Information Technology ("IT") Risks	With increasing cyber security threats globally, the Company has taken a pro-active approach to managing its cyber security and IT risks. The Company adopts SIA Group's IT security and governance policies, which take reference from the ISO/IEC 27001 standard on information security management. In addition, the Company leverages SIA Group IT infrastructure, maintains oversight of the systems, and conducts independent review to monitor that the IT security infrastructure and networks continually keeps up with evolving threats. A Cyber Incident Response Team within the Crisis Management Directorate is in place to manage Company's responses in the event of a cybersecurity incident and an exercise was conducted in FY2023/24 to test and enhance the responses to such incidents. Annually, the business units and support divisions conduct tests of business continuity plans to ensure preparedness and effectiveness of responses to disruptions on critical IT systems. To further safeguard IT security arising from staff working from home, the Company has implemented IT security policies that require mandatory updating of the Company's laptops and servers. Besides the bi-annual IT certification exercises, regular reminders are sent to all staff on phishing and hacking risks and best IT practices. Staff are also required to undergo recurrent e-learning training on information security. To ensure cyber resilience of the Group, IT audits and assessments are conducted on subsidiaries, joint venture and associated companies to ensure compliance with IT controls and where required, follow-up actions are taken to improve standards and resilience.
Financial Risks	The Group's operations carry certain financial risks, including the effects of changes in foreign exchange rates and interest rates. The Group's risk management approach is to moderate the effects of such volatility on its financial performance. The Group's policy permits the use of derivatives to hedge specific exposures. The Group manages its foreign exchange exposure through a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for Singapore dollars. The Group also uses forward foreign currency contracts to hedge a portion of its future foreign exchange exposure. The Group uses forward contracts purely as a hedging tool and does not take positions in currencies with a view to making speculative gains from currency movements. Counterparty risks are managed by limiting aggregated exposure on all outstanding financial instruments to any individual counterparty, taking into account its credit rating. Such counterparty exposures are regularly reviewed, and adjusted as necessary to mitigate the risk of material loss arising in the event of non-performance by counterparties. Trade and other receivables that are neither past due nor impaired are with creditworthy debtors. Concentrations of credit risk with respect to trade debtors are limited to the entities comprising the Group's customer base. The Group carefully assesses the financial strength of its customers and where appropriate, obtains collateral, including bank guarantees and letters of credit, from customers. In addition, the Group monitors the receivable balances on an ongoing basis, providing for doubtful accounts whenever risks are identified. More information on financial risk management is set out in the section on "Financial Risk Management Objectives and Policies" on pages 181 to 188 of this Annual Report.

Management of Key Risks	
Human Resources Risks	In a rapidly changing business landscape, businesses need to be agile and responsive to market shifts. A talented and skilled workforce that is equipped with the necessary competencies is critical. The Company recognises the importance of having a good pipeline of talents to assume key management positions so that the Company's leadership bench strength and ability to make key business decisions remains robust to support business growth and expansion. Through a structured Talent Management Framework, high potential employees with desired leadership qualities and the potential to assume key management positions are identified. This talent pool is reviewed and refreshed annually, and the Company invests in their development through targeted training, mentoring, coaching and on-the-job capability development opportunities. The plans are reviewed regularly to ensure that our talents are provided with sufficient exposure to build up their repertoire of experiences, skills, knowledge and competencies needed for the Company's current and future leadership roles. The Company is equally committed to the development of the workforce through upskilling and reskilling. Keeping pace with the Company's Continuous Improvement initiatives, continuing education and training of the workforce ensures all employees are equipped with the right skills and competencies to adapt to new technology and work processes. By investing in a future-ready workforce, the Company ensures that the Group's business remains competitive and at the same time, strengthens employee engagement and retention. Pre-employment training is another area where the Company is committed to nurturing the next generation of talents for the business. The Company collaborates with Institutes of Higher Learning ("IHLs") and has entered into Memorandums of Understanding with seven IHLs, namely the Institute of Technical Education, the Polytechnics in Singapore and the Singapore Institute of Technology, which underscores its commitment in this area. Through internships, attachments, career talks and projects that expose students to real-world challenges, we aspire to build pipelines of talents that are equipped with the necessary skills and knowledge needed in the future. The Company monitors the labour market and reviews recruitment plans to ensure sufficient resources to support business growth and ramp-up of operations. On staff retention and attraction, the Company continually evaluates its remuneration packages and makes adjustments where necessary, to be competitive with market rates, as well as takes steps to improve career development and progression opportunities.
Supply Chain Risks	As part of supply chain management, the Company forecasts and provisions parts and materials required for aircraft, engine and component maintenance in advance. In addition, inventory levels are monitored and replenished regularly to ensure adequacy. The Company also maintains close communication with original equipment manufacturers ("OEM") and major part suppliers to anticipate potential supply disruptions and ensure continual access to parts and materials. The Company has programmes with several major part suppliers to consign their parts on-site. The Company will continue to expand and diversify its supplier network, and identify alternate vendors as back-up. The Company also conducts robust evaluation of suppliers during the selection process. In addition, processes are in place to manage suppliers and monitor their performance, including requiring suppliers to adhere to the Company's Supplier Code of Conduct and ongoing monitoring of suppliers' compliance through audits and supplier engagements.
Climate Change Risk	With the effects of climate change becoming increasingly evident, there is a growing concern on the ability of corporations to effectively manage the associated impacts and adapt to the changes. Physical climate risks, such as heat stress and prolonged wet weather, affect working conditions and jeopardise physical assets. Transition climate risks, such as stricter regulations and higher carbon taxes, increase the operating costs of businesses. The Company is committed to playing its part in addressing climate change by setting targets to halve its Scope 1 and 2 emissions by 2030 and achieve net-zero emissions by 2050. To this end, the Company has developed a decarbonisation framework and identified key levers and enablers to meet these goals. Some of the initiatives include electrification of ground support equipment and vehicle fleet, installation of solar panels to tap renewable energy, etc. The Company also promotes the conservation of resources and recycling efforts, regularly engaging staff on the importance of sustainability. Aligning with the Taskforce for Climate-Related Financial Disclosures ("TCFD") recommendations, the Company has initiated an exercise to identify physical and transition climate risks and opportunities relevant to our business. The identified climate risks will be integrated into our Enterprise Risk Management framework to be continually assessed and managed. As part of ongoing efforts to better manage climate risks, the Company is looking into quantifying the impact of risks identified. This will allow the Company to improve resource allocation for risk management, facilitate decision-making and enhance transparency of disclosure to stakeholders. More information on climate change mitigation can be found in the Company's Sustainability Report.

No Material Sanctions-related Risks

The Board has assessed that the Group currently does not have any exposure or nexus to any sanctions-related risks which are relevant and material to its operations. This position will be monitored on an ongoing basis.

Board Safety & Risk Committee's activities during the Financial Year

During FY2023/24, the Board Safety & Risk Committee held six meetings, and also undertook, *inter alia*, the following matters:

(a) reviewed the top risks under its purview;

(b) reviewed the salient risk management activities of the Company and its subsidiaries, joint venture and associated companies in managing the top risks under its purview;

(c) reviewed the results of the yearly risk review to understand the significant risks facing the Group;

(d) reviewed the adequacy and effectiveness of the risk management system, including the assurance provided by Management, and the related disclosures in the Annual Report;

(e) reviewed the risk appetite statements; and

(f) reviewed the safety and quality performance, and the actions to address lapses.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Audit Committee

The Audit Committee comprises five Non-Executive, Independent Directors. The members of the Audit Committee are:

Chairman: Ms Chua Bin Hwee
Members: Dr Raj Thampuran
Mr Lim Kong Puay
Ms Chong Chuan Neo
Ms Tan Tze Gay
Mr Chin Yau Seng *(until 31 May 2023)*

Mr Chin Yau Seng stepped down as a member of the Audit Committee on 31 May 2023 upon assuming the position of CEO-Designate and Executive Director of the Company.

Neither the Chairman of the Audit Committee nor any of the Audit Committee members is a former partner or director of the Company's existing auditing firm. None of the Chairman or members of the Audit Committee have any financial interest in the Company's existing auditing firm. At least two members of the Audit Committee (including the Chairman) have recent and relevant accounting or related financial management expertise or experience.

The Audit Committee, in accordance with the Terms of Reference approved by the Board, is responsible for, *inter alia*, the following:

- the integrity of financial statement preparation and reporting;
- risk management and internal controls in relation to financial reporting and other financial-related risks;
- review of the assurance from the CEO and CFO on the financials records and financial statements;
- recommendation to the Board on the proposals to shareholders on the appointment/re-appointment and removal of external auditors;
- internal audit scope, adequacy, effectiveness, resources, performance, quality, independence and results of work including without limitation that which relate to internal controls, interested person transactions and sustainability reviews;
- external audit qualification, scope, adequacy, effectiveness, independence, terms of engagement, engagement fees and results of work;
- compliance with legal, regulatory (non-aviation related) and Company policies including matters of financial reporting and other financial-related risks;
- whistle-blowing policies, processes and reporting; and
- interested person transactions.

The Audit Committee reviews the quality, integrity, reliability and fairness of the Group's financial statements and information (including the relevance and consistency of the accounting principles adopted and the significant financial reporting issues and judgments) presented by Management. In the discharge of its duties, it meets regularly (and at least annually) with the external and internal auditors separately, and without the presence of Management, pursuant to the provisions of the Code. During the financial year under review, the Audit Committee met two times with the external auditors and once with the internal auditors of the Company separately, without the presence of Management. The external and internal auditors report their findings and recommendations to the Audit Committee independently.

External Audit

The Audit Committee oversees the Group's relationship with its auditors. It recommends to the Board the selection, appointment, reappointment and/or removal of the external

auditors, and the remuneration and terms of engagement thereof. The Company's external auditor, KPMG LLP ("KPMG"), is registered with ACRA. The audit partner is rotated once every five years.

On an annual basis, the Audit Committee evaluates the performance and effectiveness of the external auditors. It also reviews the independence and objectivity of the external auditors, and assesses the nature, extent and costs of non-audit services provided by the external auditors. Such performance and effectiveness evaluation is used by the Audit Committee to consider and recommend the appointment, re-appointment or removal of the Company's external auditors, the terms of engagement and remuneration of the external auditors. The annual re-appointment of the external auditors is subject to shareholder approval at the Company's AGM.

Internal Audit

The internal audit function is designed to provide reasonable assurance about the adequacy, effectiveness and efficiency of internal controls; the reliability of financial information processes; compliance with applicable laws and regulations; and compliance with policies and procedures of the Company, its subsidiaries, joint venture and associated companies.

The Company's internal audit function is undertaken by SIA Internal Audit pursuant to an agreement between the Company and SIA. SIA Internal Audit adopts a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes by conducting risk-based audits and information technology audits across the Group. The annual audit plan is developed using a structured risk and control assessment framework through which the inherent risk and control environment of each auditable unit in the Group is assessed. The risk-based annual audit plan is aligned to the key strategies and risks across the Group's business. SIA Internal Audit uses analytical tools to perform data analysis in selected audit areas. This has enabled SIA Internal Audit to be more effective in providing audit assurance. The Head of Internal Audit reports directly to the Audit Committee and the appointment of the Head of Internal Audit is reviewed by the Audit Committee. The Audit Committee approves the engagement, evaluation and compensation of the SIA Internal Audit team.

Annually, the Audit Committee evaluates the adequacy and effectiveness of the internal audit function, the continuation of the engagement of SIA Internal Audit for performance of the internal audit and whistle-blowing investigations functions as well as the fees payable to them. In situations where the audit work to be carried out by SIA Internal Audit could give rise to potential conflicts of interest, such as audit work relating to transactions between the Company and SIA, the Audit Committee may authorise such audit work to be carried out by an independent third party as it deems appropriate.

SIA Internal Audit is provided with unfettered access to all the Company's documents, records, properties and personnel, including access to the Audit Committee. It is free from any undue influence that would impair its ability to discharge its responsibilities objectively and has appropriate standing within the Company. The Head of Internal Audit meets at least annually with the Audit Committee without the presence of Management. All significant audit findings and recommendations made by SIA Internal Audit are reported to the Audit Committee and Management. Significant issues are discussed at the Audit Committee meetings. SIA Internal Audit follows up on all recommendations to ensure that Management has implemented the recommendations in a timely manner and reports the results to the Audit Committee every quarter.

SIA Internal Audit is a member of the Singapore chapter of the Institute of Internal Auditors ("IIA") and carries out its function according to the Standards for the Professional Practice of Internal Auditing set by the IIA, including its Code of Ethics. SIA Internal Audit is adequately staffed by persons with the relevant qualifications and experience. The professional competence of SIA Internal Audit is maintained or upgraded through professional certifications, training programmes, conferences and seminars that provide updates on auditing techniques and regulations. Quality assessment reviews are carried out at least once in five years by external qualified professionals. The last external review was completed in FY2019/20. The quality assessment review concluded that the internal audit function is adequate and conforms materially with the IIA Standards.

INTERNAL CONTROLS

Adequacy and Effectiveness

The Company's internal control structure consists of policies and procedures established to provide reasonable assurance that transactions undertaken are aligned with the Company's objectives. These internal controls include Compliance Controls; approval limits for every banking and finance transaction which are set out in financial policies; segregation of duties and regular rotation of sensitive positions; and also include without limitation the controls encapsulated in the policies and programme described below. The Board is supported by the Audit Committee in the review of the adequacy and effectiveness of the Group's system of internal controls. The reviews are conducted from time to time and at least once annually.

Group's Whistle-Blowing Policy

The Group's whistle-blowing policy encourages employees, vendors and third parties to report improprieties, malpractices, misconduct and wrongdoings relating to the Group or its officers. The policy is communicated clearly to all employees on the Company's intranet and via a web-based training course introduced in FY2022/23. Reports to the Whistle-blowing Committee can be lodged via the whistle-

blower reporting services independently managed by an external service provider by calling the hotline at +65 3158 1087 (24-hour), via email at SIAGroup_whistleblow@tipoffs.com.sg, by post to Attn: SIA Group Whistleblowing Programme, Tanjong Pagar Post Office, P.O. Box 405, Singapore 910814 or online at https://singapore.deloitte-halo.com/SIAGroup_whistleblow/. The Company is committed to ensuring the protection of the whistle-blower against detrimental or unfair treatment. All information received is treated confidentially to protect the identity of whistle-blowers. Anonymous disclosures are accepted. Employees who have reported in good faith will be protected from reprisal. The Audit Committee is responsible for the oversight and monitoring of whistle-blowing and reviews all whistle-blowing complaints at its quarterly meetings to ensure timely, independent and thorough investigation and adequate resolution. The Company has internal processes in place to ensure that all reported incidents undergo an independent and thorough investigation by the SIA Internal Audit team, which is the designated independent function tasked with the responsibility of investigating whistle-blowing reports made in good faith, and that appropriate follow-through actions are taken, including an established disciplinary inquiry process to handle employee misconduct. The Company also publicly discloses the existence of whistle-blowing reporting channels on our corporate website.

Control Self-Assessment

A Control Self-Assessment ("CSA") programme, established since FY2003/04, provides a tangible control framework that establishes control ownership among functional managers and staff in their areas of responsibilities. The self-assessments made by functional managers provide the assurance that key controls to address the financial, operational, compliance and information technology risks identified to be relevant and material to the Company's operations are working. Internal audits complement the CSA programme by providing an independent and objective assessment of the processes and controls which may have a material financial impact on the Company. Internal Audit and CSA results are reviewed by the Audit Committee.

Securities Transactions and Privy Lists

As prescribed in the Listing Manual, the Company has adopted a policy and guidelines for dealings in the Company's securities (the "Policy and Guidelines"), which are applicable to all Directors and employees of the Company. The Policy and Guidelines are posted on the Company's intranet for easy access. The heads of divisions and departments are responsible for ensuring that the Policy and Guidelines are brought to the attention of employees who do not have ready intranet access.

The current Policy and Guidelines restrict Directors and employees of the Group from dealing in the Company's securities during the period two weeks prior to the announcement of the Group's business updates for the first and third quarters of the financial year, and one month prior to the announcement of half-year and full-year results, or whenever they are in possession of and/or privy to any unpublished materially price and/or trade-sensitive information relating to the Group. The Company similarly does not deal in the Company's securities during the period two weeks prior to the announcement of the Group's business updates for the first and third quarters of the financial year, and one month prior to the announcement of half-year and full-year results.

Pursuant to the Listing Manual, the Group has put in place a policy relating to the maintenance of a list(s) of persons who are privy to unpublished materially price and/or trade-sensitive information. Persons who are included in the privy persons list will be reminded not to deal in the Company's securities while in possession of unpublished materially price and/or trade-sensitive information.

The Company Secretariat issues reminders of the requirements under the policy and the relevant laws and regulations to the Directors, Management and employees. A Director is required to notify the Company of his/her interest in the Company's securities within two business days after (a) the date on which he/she becomes a Director; (b) the date on which he/she acquires an interest in the Company's securities; or (c) the date he/she becomes aware of a change thereto. The Company will announce such disclosure on SGXNet within one business day of receiving notification from the Director.

The Policy and Guidelines also remind employees and Directors to avoid dealing in the Company's securities for short-term considerations and to be mindful of the insider trading prohibitions under the Securities and Futures Act 2001 of Singapore when trading in the Company's or any other related corporation's securities.

Audit Committee's activities during the financial year

Prior to Audit Committee meetings, the Chairman and members of the Audit Committee meet with Management and the Company's external auditors for open discussions and confirmation of the Audit Committee meeting agendas.

The Audit Committee held four meetings during the financial year. The attendance of individual Directors at these meetings is shown on page 33 of this Annual Report.

In the course of the financial year, the Audit Committee performed the following key duties in accordance with its Terms of Reference:

(a) Financial Reporting

Following amendments to the Listing Manual in February 2020, the Company has adopted half-yearly reporting of its financial results and voluntary business updates for the first and third quarters of each financial year from FY2020/21 onwards. The business updates included relevant financial information;

operating statistics on the Company's performance; and non-financial information such as significant matters and factors that relate to the Company's performance and/or prospects. During the year, the Audit Committee reviewed the half-year and full-year financial results announcements and financial statements required by the Listing Manual, and voluntary business updates for the first and third quarters of the financial year for recommendation to the Board for approval. The review focused on changes in significant accounting policies, consistency of principles and practices adopted, major judgmental and risk areas, key audit matters, significant adjustments resulting from the audit, the going concern assumption, compliance with significant financial reporting standards, compliance with the Listing Manual and other legal requirements. The Audit Committee kept itself apprised of changes in financial reporting standards and issues which have a direct impact on the consolidated financial statements of the Group through regular updates by the external auditors.

(b) External Audit

The Audit Committee discussed with the external auditors the audit plan, and the report on the audit of the year-end financial statements, and reviewed the external auditors' management letter and Management's responses thereto. The external auditors did not raise any significant issues in the year-end audit of the financial statements which would have an impact on the previously announced interim financial statements.

The Audit Committee discussed with Management and the external auditors the key areas of Management's estimates and judgment applied in the preparation of the financial statements, the most significant of which have been highlighted as Key Audit Matters ("KAMs") in the Independent Auditors' Report for FY2023/24. Please refer to pages 98 to 104 of this Annual Report for the Independent Auditors' Report. The Audit Committee's commentary on the KAMs is as follows:

Key Audit Matters	How the Audit Committee reviewed these matters and what decisions were made
Impairment risk on non-financial assets	The Audit Committee reviewed and considered the approach and methodology applied to the relevant valuation models and their key assumptions and actions taken by Management to manage and drive performance improvements up to the date of the Directors' Statement as set out on pages 89 to 97 of this Annual Report. The Audit Committee considered the findings of the external auditors, including their assessments and appropriateness of their key assumptions. The Audit Committee was satisfied that impairment has been adequately provided for and appropriately disclosed in the consolidated financial statements as at the date of the Directors' Statement as set out on pages 89 to 97 of this Annual Report.
Recognition of revenue on customer contracts	The Audit Committee reviewed the recognition of revenue of the Group including significant joint ventures and associated companies. The Audit Committee considered the findings of the external auditors, including the methodology for evaluating key contract parameters and was satisfied that the revenue recognition of the Group had been appropriately accounted for in the consolidated financial statements.

The Audit Committee reviewed the external auditors' objectivity and independence from Management and the Company and reviewed the quality and scope of work as well as the fees paid to them. It included the assessment of the nature, extent and costs of non-audit services provided by the external auditors. Fees of $415,100 were paid to the external auditors of the Group during FY2023/24 for audit and non-audit services. Of this, fees for non-audit services amounted to $17,400. The Audit Committee is of the opinion that the amount of fees paid for non-audit services did not compromise the external auditors' independence.

The Audit Committee considered the information provided by the external auditors under the Audit Quality Indicators Disclosure Framework issued by ACRA in evaluating the performance and effectiveness of the external auditors.

After evaluating the above, the Audit Committee recommended, and the Board endorsed, the terms of engagement and the audit fees for FY2023/24 and the re-appointment of KPMG for shareholders' approval at the 2024 AGM.

The Company has complied with Rules 712 and 716 of the Listing Manual in relation to its engagement of auditors for FY2023/24.

(c) Internal Audit

The Audit Committee reviewed the scope of internal audit work and its audit programmes, the major findings during the year and Management's responses thereto. This includes the internal review on the sustainability reporting processes in accordance with Rule 711B of the Listing Manual, for identified key material topics. In FY2023/24, this was carried out by an external consultant. In relation to audit activities conducted during the financial year, the internal auditors had unfettered access to the Group's documents, records, properties and personnel, as well as the Audit Committee. The Audit Committee is of the opinion that the internal audit function is independent, effective and adequately resourced, and has appropriate standing within the Company.

(d) Internal Controls and Risk Management

The Audit Committee reviewed the adequacy and effectiveness of the Group's material internal controls, including financial, operational, compliance and information technology controls.

In line with its responsibilities under the Company's Group Risk & Compliance Management structure, the Audit Committee provided oversight to the work of the Group Risk & Compliance Management Committee in respect of financial risks and the related compliance risks, and internal controls. The Audit Committee closely monitored the Group's capital and liquidity positions to ensure that they remain healthy and that the Company retained financial flexibility to pursue business opportunities. The Audit Committee has found no significant evidence to suggest that the financial risks and the related compliance risks, which the Group considers relevant and material to its operations, are not being satisfactorily managed.

The Board has received assurances from:

i. the CEO and the CFO that the financial records have been properly maintained and the consolidated financial statements give a true and fair view of the Group's operations and finances; and

ii. the CEO, the CFO and the Chairman of each Risk & Compliance Management Committee that the Group's risk management system and internal controls, addressing the risks (including financial, operational, compliance and information technology risks) which the Group considers relevant and material to its operations, were adequate and effective as at 31 March 2024.

Based on the Group's risk management system and internal controls established and maintained by the Company; the review of the Group's risk management policies and practices; work performed by the internal and external auditors; the reviews performed by Management and the relevant Board committees; and the above assurances received from the CEO, the CFO and the Chairman of each Risk & Compliance Management Committee, the Board is of the opinion that the Group's risk management system and internal controls, addressing the risks (including financial, operational, compliance and information technology risks) which the Group considers relevant and material to its operations, were adequate and effective as at 31 March 2024. The Audit Committee concurs with the Board in its opinion. The Board has found no significant evidence to suggest that these risks are not being satisfactorily managed.

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

(e) Interested Person Transactions ("IPTs")

SIA Internal Audit regularly audits the IPTs entered into by the Group to verify the accuracy and completeness of the IPT disclosure and compliance with the SGX-ST reporting requirements under Chapter 9 of the Listing Manual. The Audit Committee, assisted by the internal auditors, reviewed the IPTs in compliance with the Listing Manual and the Shareholders' Mandate obtained at the last AGM, and is satisfied that the IPTs were made on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. The Shareholders Mandate, which is set out in the Appendix to the Letter to Shareholders, defines the levels and procedures to obtain approval for such

transactions. As required by the Listing Manual, details of the IPTs entered into by the Group are disclosed on pages 198 and 199 of this Annual Report.

Pursuant to the Listing Manual, where any IPT requires shareholders' approval, the interested person will abstain from voting and the decision will be made by disinterested shareholders. The Board has adopted a policy that there should be no loans to Directors, except for loans to fund expenditure to defend Directors in legal or regulatory proceedings, as permitted under the Companies Act 1967. As at 31 March 2024, there were no loans granted to Directors.

(f) Whistle-Blowing

The Audit Committee had reviewed and was satisfied with the adequacy of the whistle-blowing programme instituted by the Company which encourages and provides staff and others with the channels to raise concerns, in confidence, about possible improprieties in matters of financial reporting or other matters and misconduct or wrong-doing relating to the Group or its officers. All whistle-blowing reports were investigated by the internal audit function and reviewed by the Audit Committee at its quarterly meetings to ensure timely, independent and thorough investigation and adequate resolution.

(g) Others

The Audit Committee has explicit authority to investigate any matter within its Terms of Reference, and has full access to and co-operation from Management. The Audit Committee also has full discretion to invite any Director or executive officer to attend its meetings, and has been given adequate resources to discharge its functions. The Audit Committee meets with the internal and external auditors without the presence of Management annually and bi-annually respectively.

EXECUTIVE COMMITTEE

The Executive Committee comprises four Directors, half of whom, including the Chairman, are independent. The members of the Executive Committee are:

Chairman: Mr Tang Kin Fei
Members: Mr Goh Choon Phong
Ms Chua Bin Hwee
Mr Chin Yau Seng *(from 1 June 2023)*
Mr Ng Chin Hwee *(until 30 September 2023)*

Mr Ng Chin Hwee stepped down as a member of the Executive Committee upon his retirement as CEO and Executive Director of the Company on 1 October 2023. Mr Chin Yau Seng was appointed as a member of the Executive Committee with effect from 1 June 2023 upon assuming the position of CEO-Designate and Executive Director of the Company.

The Executive Committee, in accordance with the Terms of Reference approved by the Board, is responsible for, *inter alia*, the following:

- overseeing the execution by Management of the overall strategy relating to the Company, its subsidiaries and joint ventures and such matters delegated by the Board set out herein;
- monitoring the Group's operations, performance, investments and partnership affairs;
- reviewing Group funding and related financial projections;
- making administrative decisions on matters including delegation of authority, opening and operation of bank accounts and allotment of shares; and
- carrying out any other functions or duties as may be delegated by the Board.

The Executive Committee is authorised by the Board to consider, evaluate, approve or recommend for the Board's consideration and approval business opportunities, group funding requirements, strategic investments and divestments, within its Financial Authority Limits ranging from $5.0 million to $10.0 million. The Executive Committee relieves the Board of decision-making on routine day-to-day administrative matters and enables the Company to deal with such matters expeditiously in its daily operations.

During FY2023/24, the Executive Committee held three meetings, and also undertook, *inter alia*, the following activities:

(a) reviewed the lease and depreciation of components in support of an Inventory Technical Management programme;

(b) reviewed the next steps for the upgrading of software platforms and an enterprise operating system;

(c) reviewed nominations to the boards of Group companies and appointments of the Company's corporate representatives; and

(d) reviewed the performance of Group companies and status of joint venture projects that are in progress, and provided guidance on the reshaping of the portfolio of joint venture companies and new opportunities to strengthen the Company's capabilities and growth.

TECHNOLOGY ADVISORY COMMITTEE

The Technology Advisory Committee comprises three Directors including the Chairman, and up to five other eminent business leaders and industry experts. Collectively, the members' expertise covers a range of topics relating

to digital transformation, infrastructure technology, internet of things, robotics and aeronautics. The members of the Technology Advisory Committee are:

Chairman: Dr Raj Thampuran (Director of the Company)
Members: Dr Alan H. Epstein (Professor Emeritus, Massachusetts Institute of Technology) *(until 10 January 2024)*
Mr Peter Ho (Executive Chairman, Hope Technik) *(until 10 January 2024)*
Mr George Wang (SVP IT, Singapore Airlines Limited)
Mr Ng Chin Hwee (previous Director and CEO of the Company) *(until 30 September 2023)*
Ms Shirley Wong (Managing Partner of TNF Ventures Pte Ltd)
Mr Mark Schulz (Founder of #DigitalAircraft *(until 13 November 2023)*
Ms Chong Chuan Neo (Director of the Company)
Mr Chin Yau Seng (Director and CEO of the Company) *(from 1 June 2023)*
Dr Hamid G Mughal (Special Advisor to the Principal of the University of Strathclyde) *(from 11 January 2024)*

Mr Ng Chin Hwee stepped down as a member of the Technology Advisory Committee upon his retirement as CEO and Executive Director of the Company on 1 October 2023. Mr Chin Yau Seng was appointed as a member of the Technology Advisory Committee with effect from 1 June 2023 upon assuming the position of CEO-Designate and Executive Director of the Company.

The Technology Advisory Committee, constituted with its own Terms of Reference, complements the other Board committees, namely the Audit Committee, the Nominating Committee, the Compensation & HR Committee, the Board Safety & Risk Committee, the Executive Committee, the Board Sustainability Committee and the Board Working Group. It shares perspectives on emerging trends and opportunities in technologies, provides advice and feedback on technological and digital concepts in relation to the business and operations of the Company, advises on major technology-related projects and provides guidance on the approach to technology-led innovation and digitalisation, amongst others.

During FY2023/24 the Technology Advisory Committee held two meetings and discussed, *inter alia*, the Company's progress in technology projects and efforts; learnings from major, digital and optimization initiatives; and exploration of technology solutions for energy, waste and water management.

BOARD SUSTAINABILITY COMMITTEE

The Board Sustainability Committee was established on 19 April 2022 and comprises three Independent Directors, the CEO and the Chief Sustainability Officer. The members of the Board Sustainability Committee are:

Chairman: Mr Lim Kong Puay
Members: Ms Chua Bin Hwee
Ms Tan Tze Gay
Mr Chin Yau Seng *(from 1 June 2023)*
Mr Ng Chin Hwee *(until 30 September 2023)*
Mr Foo Kean Shuh

Mr Ng Chin Hwee stepped down as a member of the Board Sustainability Committee upon his retirement as CEO and Executive Director of the Company on 1 October 2023. Mr Chin Yau Seng was appointed as a member of the Board Sustainability Committee with effect from 1 June 2023 upon assuming the position of CEO-Designate and Executive Director of the Company.

The Board Sustainability Committee assists the Board in overseeing sustainability matters by accelerating, leading and guiding the Group's sustainability efforts. In accordance with the Terms of Reference approved by the Board, the Board Sustainability Committee's key responsibilities are:

- development and ongoing review of the Group's sustainability strategy;
- development and ongoing review of the Company's ESG framework, policies, goals, priorities, guidelines, etc.;
- sustainability governance;
- management of the Company's ESG risks under its purview;
- determination of the Company's material ESG factors (including performance metrics and targets and tracking thereof) and review of the Company's sustainability performance for factors under its purview; and
- oversight of sustainability reporting, assurance matters and the Company's annual Sustainability Report.

The Company committed to plans to reduce carbon emissions in FY2022/23, positioning the Company for continued sustainable growth in the years to come.

During FY2023/24, the Board Sustainability Committee held three meetings, and also undertook, *inter alia*, the following activities:

(a) reviewed the sustainability workplan and tracked performance and progress of the workplan;

(b) reviewed materiality assessment findings;

(c) attended a training by external consultants on the

recommendations of the Task Force on Climate-related Financial Disclosures and the Sustainability Reporting Advisory Committee; and

(d) reviewed the Sustainability Report.

Following the introduction of a phased approach to mandatory climate reporting, the Company will provide the requisite disclosures in accordance with the relevant requirements.

BOARD WORKING GROUP

The Board Working Group was established on 2 November 2023 and comprises four Non-Executive Directors, the majority of whom, including the Chairman, are independent. The members of the Board Working Group are:

Chairman: Mr Tang Kin Fei
Members: Mr Lim Kong Puay
Ms Chong Chuan Neo
Mr Tan Kai Ping

The Board Working Group assists the Board for a time-limited period. In accordance with the Terms of Reference approved by the Board, the Board Working Group's key responsibilities are to advise and guide the Company in building a stronger foundation towards achieving the following objectives:

- continuous improvement and optimisation of operational systems, practices and processes to enhance business resilience and sustained profitability;
- embedding a culture of continuous improvement across the Company;
- increasing long-term productivity and efficiency for better competitiveness; and
- enhancing synergies with and value delivery to key customers.

During FY2023/24, the Board Working Group held four meetings, and also undertook, *inter alia*, the following activities:

(a) provided guidance on the enhancement of processes and standards of excellence across the Company's MRO processes under an enterprise operating system, including timelines and deliverables;

(b) discussed the growth strategy and capability development plans for the Company's core businesses;

(c) reviewed business units' commercial models, and approach for customer capture and collaborations;

(d) reviewed Lean, digitalisation, technology adoption and workforce culture change initiatives to improve productivity and performance; and

(e) reviewed business performance against business plans.

MANAGEMENT COMMITTEES

Management oversees specific areas of the Group's operations and businesses through various committees, holding meetings with varying frequencies, from weekly, monthly, bi-monthly to quarterly. These include the Management Committee, the Staff Committee, the Investment Committee, the Partnership Review Committee, the Group Risk & Compliance Management Committee, the Risk & Compliance Management Committee and the Joint Ventures Risk & Compliance Management Committee.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Shareholders' Right to Participate Effectively at Meetings

All shareholders enjoy specific rights under the Constitution and the relevant laws and regulations. The Company is fully committed to the fair and equitable treatment of all shareholders. It recognises that the release of timely, regular and relevant information regarding the Group's performance, progress and prospects aids shareholders in their investment decisions. The Company ensures that all materially price and/or trade-sensitive information is disclosed on a timely, comprehensive, accurate and transparent basis via SGXNet, and is also posted on the Company's website at www.siaec.com.sg. Such materially price and/or trade-sensitive information include its financial results, Annual Reports and other information of interest to shareholders and investors.

Shareholders are informed of general meetings through notices sent to all shareholders, notices published in

the newspapers and the Company's website, as well as electronic releases via SGXNet. The Company generally provides shareholders with longer than the minimum statutory notice period required for general meetings. The general meeting procedures provide shareholders the opportunity to participate effectively, vote, raise questions relating to each resolution tabled for approval and openly communicate their views to the Directors, in accordance with the established rules and procedures at the Company's AGM. Under the multiple proxies regime introduced pursuant to the Companies (Amendment) Act 2014, "relevant intermediaries" such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund ("CPF") Board are allowed to appoint more than two proxies to attend, speak and vote at general meetings. This enables indirect investors, including CPF and SRS investors, to be appointed as proxies to participate at shareholder meetings. In addition, shareholders will be given the opportunity to submit written questions prior to general meetings, and all substantial and relevant comments and queries will be responded to within a reasonable timeframe, either prior to the general meeting through publication on SGXNet and the Company's website or at the general meeting itself.

Separate Resolutions

At shareholder meetings, every proposal on each distinct issue requiring approval is tabled as a separate resolution with the necessary information provided to enable shareholders to exercise their votes on an informed basis. In the event that there are resolutions which are interdependent and linked, the Board will explain the reasons and material implications in the notice of the meeting. For detailed information and explanatory notes on the resolutions proposed for the 2024 AGM, please refer to the 'Notice of AGM' in this Annual Report, which is also accessible on SGXNet and the Company's website. For resolutions on the re-election of Directors, information on their background, their contributions to the Company, and their Board and Board committee positions is provided in this Annual Report.

Conduct of Meetings

Since 2012, the Company had adopted electronic poll voting by shareholders for greater transparency in the voting process. An independent external consultant is also appointed as scrutineer for the electronic poll voting process. Prior to the commencement of the general meeting of shareholders, the scrutineer would review the proxies and the proxy process. A proxy verification process agreed upon with the scrutineer is also in place. The scrutineer briefs the shareholders on the electronic poll voting process at the start of the general meeting. Votes cast for, or against, each resolution are tallied and displayed live-on-screen immediately after each poll conducted at the meeting. The Company maintains an audit trail of all votes cast at the general meeting of shareholders. Each share is entitled to one vote.

Provision 11.4 of the Code provides that a company's constitution should allow for absentia voting at general meetings of shareholders. Currently, shareholders can vote by proxy but not in absentia. The Company will consider amending its Constitution if the Board is of the view that there is justifiable demand for absentia voting, and after the Company has evaluated and put in place the necessary measures to facilitate such voting. Notwithstanding the Company's deviation from Provision 11.4 of the Code, shareholders are treated fairly and equitably and have the opportunity to communicate their views on matters affecting the Company. Where shareholders are unable to attend general meetings, they may appoint proxies to attend, speak and vote on their behalf.

After the general meeting of shareholders, the voting results of the general meeting (including total numbers and percentage of votes cast for and against each resolution) and the name of the independent scrutineer are also promptly announced on SGXNet on the same day.

Board and Management Attendance at General Meetings

The AGMs and/or extraordinary general meetings are principal forums for dialogue with shareholders. At each AGM, the CEO delivers a presentation to update shareholders on key developments in the MRO industry, measures being taken by the Company to address these developments as well as its strategic direction. The presentation is posted on SGXNet and the Company's website. Shareholders are encouraged to participate in such meetings by raising relevant questions or seeking clarification on the motions tabled at these meetings. The Chairman, Directors, Management and external auditors are in attendance for the entire duration of these meetings to address questions from shareholders. The Chairman of the Meeting facilitates constructive dialogue between shareholders and the Board, Management, external auditors and other relevant professionals. Where appropriate, Directors such as the respective Board committee chairmen, will directly answer queries on matters related to their roles, and shareholders are given an opportunity to interact with the Directors and Senior Management after general meetings.

2023 AGM and forthcoming 2024 AGM

The AGM held in respect of the financial year ended 31 March 2023 was conducted in a wholly physical format, facilitating direct interaction between the Board, Management and the attending shareholders. Shareholders were given the opportunity to submit written questions prior to the 2023 AGM.

Having regard to the size and needs of the Company's shareholder base and to facilitate shareholder engagement, the forthcoming 2024 AGM will again be held in a wholly physical format. There will be no option for shareholders to participate virtually. Shareholders may submit, via email or by post, substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance

of the AGM, by the deadline specified in the Notice of AGM. The Company will respond to all substantial and relevant questions received by the submission deadline by publishing its responses on SGXNet and the Company's website at least 48 hours prior to the closing date and time for the lodgment or receipt of instruments appointing a proxy(ies).

The Company will respond to questions or follow-up questions submitted after the submission deadline either within a reasonable timeframe before the 2024 AGM, or at the 2024 AGM itself.

Minutes of General Meetings

Minutes of shareholders' meetings, which record substantial and relevant comments and queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management, are prepared by the Company Secretary and published on SGXNet and the Company's website as soon as practicable, and, in any case, within one month after such meetings. The minutes of the 2023 AGM proceedings were published on SGXNet and the Company's website within one month after the 2023 AGM, in compliance with the Listing Manual.

Dividends

The Company aims to pay a sustainable dividend over time, consistent with long-term growth prospects. Dividends to be paid will be at the discretion of the Board, which takes into account, *inter alia*, the Company's profitability, capital structure, projected capital requirements, investment plans and cash requirements. The previous years' dividend payouts are set out in the "Five-Year Financial Summary of the Group" section of the Annual Report. The proposed final dividend of 6.0 cents per ordinary share for FY2023/24 is subject to the approval of the shareholders at the forthcoming 2024 AGM.

Disclosures, Ongoing Communication and Access

The Company adopts transparent, accountable and effective communication practices to enhance standards of corporate governance, and aims to provide clear and continuous disclosure of its corporate governance practices, financial performance and key business developments through the efficient use of technology. All announcements are made available on the Company's website immediately after they are released on SGXNet to ensure fair, equal and prompt dissemination of material information (including materially price and/or trade-sensitive information). The following information is made available on the Company's website and/or SGXNet on a timely basis:

(a) Board of Directors and Key Executives' profiles;

(b) Notices of shareholder meetings, proxy forms and minutes of general meetings;

(c) Annual Reports;

(d) Letters and circulars to shareholders;

(e) Company announcements;

(f) Press releases;

(g) Half-year and full-year financial results;

(h) First quarter and third quarter business updates; and

(i) Analysts and media briefing presentations.

The Company adopted half-yearly reporting of its financial results since FY2020/21. The half-year and full-year financial results contain detailed financial statements, key business drivers and Management commentaries on the financial performance of the Group. They are announced within 45 and 60 days from the end of each respective financial period. As part of the Company's commitment to engage shareholders through clear, timely and consistent communication, the Company provides voluntary business updates for the first and third quarters of each financial year to give shareholders a better insight into the Company's performance in between the half-year and full-year financial results.

The Company holds analysts and media briefings for its half-year and full-year results to explain the financial performance as well as its strategy and key business developments. The CEO and key management representatives also meet with investors to share the same information following the release of the half-year and full-year results. At other times, non-deal road shows, corporate access forums and conferences, institutional investor meetings and conference calls between senior management representatives and analysts/investors are held to facilitate their understanding of the Company's business and performance. Presentation materials are made available to shareholders on SGXNet and the Company's website prior to these sessions.

MANAGING STAKEHOLDERS RELATIONSHIPS ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, which may have an impact on the Company's long-term sustainability. The Company regularly engages its stakeholders, namely, its employees, unions, customers, shareholders, joint venture partners, suppliers, government agencies, authorities and trade associations, and the community, to gather feedback and gain insights on actual and potential interests and impacts on material topics. This commitment to maintain open lines of communication with

stakeholders aids the Company in developing appropriate responses and initiatives for integration into its sustainability practices and strategies, and ensures that business operations are aligned with stakeholders' expectations and a shared goal of sustainable success. The Company conducts an annual materiality assessment to better understand the key sustainability topics and recalibrates its responses, where required, to address stakeholders' interests effectively.

Methods of Engagement with Key Stakeholders

Stakeholder	Engagement Methods
Employees	• 1SQ Mobile web application, myHR and Workspace ONE Platform • Intranet portal, in-house online magazine, enterprise social networking communities, toolbox briefings and communication decks • Updates from Senior Management at Business Meetings for half-year and full-year financial performance announcements • Dialogues with Senior Management • Surveys on organisational climate, sustainability, wellbeing, etc. • Events such as Safety & Security Week, Innovation Week and HR Week • Grievance procedure set out in collective agreements
Unions	• Meetings between Management and unions on employee-related issues • Informal get-together sessions and retreats to maintain collaborative relationships with union partners
Customers	• Regular status updates or sharing of key performance indicators through emails, teleconferences and meetings • Company updates through Customer Newsletter and LinkedIn • Visits with customers • Independent customer survey • Events such as Singapore Airshow and international MRO shows and exhibitions
Shareholders	• Company announcements, press releases, financial results, business updates and interim financial statements, Annual Reports, Sustainability Reports and information of interest to shareholders available on SGXNet and the Company's website • Annual dialogue between shareholders, Board of Directors and Senior Management at the AGM • Half-yearly analysts briefings • Management participation in non-deal road shows, corporate access forums and conferences, institutional investor meetings and conference calls • Investor relations contact details available on the Company's website
Joint Venture ("JV") Partners	• Frequent engagement to explore growth opportunities, develop new capabilities, provide advice and support for strategic restructuring and acquisition/divestment activities • Management review of JVs' performance and matters • Representation and participation of the Company's nominee directors at JV Board meetings • Updates to the Board and Board Committees on JVs' performance and growth plans • Partners Forum to collaborate on strategic and business opportunities, attended by representatives from the Economic Development Board, Association of Aerospace Industries Singapore, SIA and JV partners • Regular internal audits to monitor internal controls and compliance, and regulatory audits to ensure safety and quality standards are maintained
Suppliers	• Regular meetings, emails and teleconferences to discuss commercial and operational matters • Review of suppliers' performance to ensure compliance with the established standards, procedures or key performance indicators • Regular review of suppliers' sustainability practices and evaluate any breaches of the Supplier Code of Conduct • Questionnaire for new suppliers • Supplier risk assessments during the selection phase

Stakeholder	Engagement Methods
Government Agencies, Authorities and Trade Associations	• Participation in events and activities of trade associations. The Company is a member of the Singapore Business Federation, Singapore Institute of Directors, Singapore National Employers Federation and Association of Aerospace Industries (Singapore) • Regular meetings and visits by the aviation authorities' auditors • Collaborations with industry and government agencies
Community	• Participation of employee volunteers in community projects and environmental outreach activities • Donations

In our pursuit to be the MRO service provider of choice, the Company aims to create growth through innovation, technology and continuous improvement, in collaboration with its stakeholders. The Company acts responsibly, ensuring environmental and social sustainability throughout operations and the supply chain, with a particular emphasis on the safety of all staff and customers. It strives to contribute to society, respect human rights and deliver value to its employees and local communities. Please refer to the Sustainability Report, which will be published on the Company's website, for more information on stakeholder engagement activities.

Sustainability

SIAEC remains committed to working towards a sustainable future. Guided by the Board and the Board Sustainability Committee, the Company strives to continually improve our sustainability practices and performance. In April 2022, the Board Sustainability Committee was established to provide oversight and guide the Company's sustainability strategy. We report our sustainability performance with reference to the Listing Manual, the SGX Sustainability Reporting Guide and the Global Reporting Initiative ("GRI") Standards. The Company has adopted a phased approach towards implementation of the recommendations of the TCFD on climate-related disclosures by the regulatory timeline set by the SGX. The adoption of TCFD recommendations will facilitate subsequent transition to the International Sustainability Standards Board's standards. The Company also supports the United Nations 2030 Agenda for Sustainable Development. We have reviewed aspects of these which are important to the Company and our stakeholders, and have identified 13 Sustainable Development Goals which our sustainability practices support.

Sharing the same industry commitment to a sustainable future for aviation, the Company has set goals to halve its Scope 1 and 2 emissions by 2030 and achieve net-zero emissions by 2050.

More information on the Company's sustainability efforts is set out in the Company's Sustainability Report.

Dedicated Public Affairs & Investor Relations ("PRIR") Team

The Company has an Investor Relations Policy which outlines the principles and practices that guides the Company in its communications with shareholders, analysts and other stakeholders in the investment community. The PRIR team is the Company's corporate liaison and the team is responsible for the dissemination of corporate information and ongoing engagements with the Company's stakeholders as described under the section on "Disclosures, Ongoing Communication and Access" on page 65. Open dialogue with the Company's stakeholders is valued and the contact details of the PRIR team are available on the Company's website for stakeholders to submit their feedback and raise any questions.

The Company also has procedures in place for addressing and responding to stakeholders' needs in a timely manner. Upon receiving queries and feedback, the PRIR team will consult the relevant subject matter expert before responding appropriately to the feedback. Communications with the Company's stakeholders are conducted in an open, transparent manner and in compliance with SGX-ST requirements. There is a dedicated investor relations section on the Company's website where current and past Annual Reports, quarterly financial results, corporate presentations and other information considered to be of interest to stakeholders are readily available.

Our PRIR team may be contacted at siaec_comms@singaporeair.com.sg.

Corporate Governance

SUMMARY OF DISCLOSURES ON THE CODE

Rule 710 of the Listing Manual requires Singapore-listed companies to describe their corporate governance practices with specific reference to the Code in their Annual Reports. This Summary of Disclosures describes our corporate governance practices with specific reference to the principles and provisions of the Code.

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Risk Management

RISK MANAGEMENT FRAMEWORK

The risk management framework sets out the policies, processes and procedures for identifying, evaluating and managing risks. The Company advocates a continuous and iterative risk management process, which was developed with reference to the principles and guidelines of the ISO 31000 risk management standards and the Code. The risks identified are wide-ranging, covering strategic, financial, operational, cyber security and information technology, compliance, human resources and industrial relations, and environmental and climate risks.

More details of the key elements of the Risk Management Framework can be found on the Company's website[1].

RISK APPETITE STATEMENTS

The following risk appetite statements outline the amount of risk the Group is willing to take in achieving its business objectives.

Risk Appetite Statements	
Strategic	• SIAEC pursues diversified growth in the aircraft MRO business to mitigate the risk of over-reliance on any single segment. • In addition to the Singapore hub, SIAEC also grows its presence overseas to capture growth opportunities in those markets and diversify its revenue sources. • To maintain competitiveness, SIAEC continually invests in infrastructure, equipment, technology, systems and training to develop capabilities, optimise operations and maintain a highly-skilled and productive workforce. • SIAEC forms strategic partnerships with airlines, aerospace original equipment manufacturers and other relevant companies, to gain long-term access to key markets, technologies and capabilities. • SIAEC will continue to strengthen its business portfolio by pursuing value-accretive opportunities in new markets and businesses, whilst maintaining a disciplined and robust investment approval process, and ensuring a prudent approach in managing the associated risks.
Regulatory	• SIAEC is fully committed to complying with applicable laws and regulatory requirements, and conducting business with integrity, transparency and honesty.
Safety, Health and Environment	• Safety is a top priority and of paramount importance to the continuing operations of SIAEC. There is no compromise on safety and this message is continuously reinforced in daily work and training. • Conscientious efforts are made to embed continued safety vigilance and safety culture amongst all staff. This includes providing a safe work environment, encouraging active reporting of safety matters, continuous learning and improvement whilst maintaining the highest standard of quality and safety in aircraft maintenance. • SIAEC is committed to operating in an environmentally responsible manner and continually explores sustainable solutions.

1 https://www.siaec.com.sg/pdf/SIAEC_risk_management_framework.pdf

Risk Management

MANAGEMENT OF KEY RISKS

The following sets out the key risks faced by SIAEC and the approach to managing these risks.

Management of Key Risks	
Strategic Risks	The Group's strategic risks include geo-political tensions, varying competitive landscapes, changing customer demands, evolving regulatory and operating environments and technological disruptions. Uncertainties in the global economy, rapid geo-political developments, competition in the core business segments and disruptive technologies continue to impact the Group. These risks are monitored constantly throughout the year, taking into consideration changing global economic and industry trends. Strategy meetings are held annually to formulate and fine-tune business strategies and responses, which will support business objectives, while addressing strategic risks and identified trends. To remain as a valued service provider and stay ahead of its competition, the Company focuses on Continuous Improvement across key technology areas such as digitalisation and automation, as well as the adoption of Lean methodology in its operations and business processes. Besides improving operational efficiency and productivity, Continuous Improvement aims to create value for customers through delivery of high-quality services at competitive prices, develop new and relevant capabilities within the Group and promote a culture of innovation and continuous improvement throughout the organisation. On strategic initiatives such as commercial partnerships, investment and divestment decisions, the Company has an established evaluation process and decisions are guided by the Investment Committee and the Board. This ensures that value-accretive opportunities are pursued through a disciplined and robust investment approval process, while ensuring a prudent approach in managing the associated risks. In evaluating strategic initiatives, the Company performs thorough due diligence, feasibility studies and sensitivity analyses, engaging the counsel and expertise of external advisors as required. These strategic initiatives are also monitored to ensure that they continue to meet the Group's business objectives and where required, the Group will augment its strategic initiatives to respond to changes in the business landscape.

Management of Key Risks

Compliance and Regulatory Risks

The Company is fully committed to complying with applicable laws and regulatory requirements, and conducting business with integrity, transparency and honesty. The Company has a zero-tolerance policy towards bribery and corruption. There are policies and procedures in place against violation of regulations, which set out standards of ethical conduct for all employees covering topics such as anti-bribery and corruption; giving and receiving of corporate gifts and concessionary offers; competition laws; interested person transactions; personal data protection; dealings in securities; employee conduct and work ethics; conflicts of interests; and economic sanctions (collectively, "Compliance Controls"). The Company's economic sanctions policy details the processes for due diligence and screening of sanctioned entities, individuals or corporates prior to dealing with such sanctioned persons and on an ongoing basis. The Company also has an established whistle-blowing programme and channel for stakeholders to provide confidential feedback or raise concerns about possible improprieties in any matter. More information on the whistle-blowing programme is set out in the section on the "Group's Whistle-Blowing Policy" of this Annual Report.

It is a requirement for our suppliers, including their subcontractors or service providers, to adhere to applicable laws and regulations as well as the Company's suppliers' code of conduct which is enforced through purchase orders and agreements.

To reinforce the compliance culture, recurrent mandatory e-learning programmes have been put in place for the Company's staff and the completion rates for such programmes are closely monitored and reported to the Risk & Compliance Management Committee.

Risk Management

Management of Key Risks	
 Safety Risks	With the Group's business in aircraft MRO, aviation and workplace safety are key risks facing the Group. Safety and quality are key focus areas for the management of these operational risks. The Company is committed to building and maintaining a strong and effective safety and quality management system, in compliance with regulatory requirements and in accordance with best practices in the MRO industry. The Company's Aviation Safety Management System ("ASMS") adopts the requirements and guidelines set by the International Civil Aviation Organisation and the Civil Aviation Authority of Singapore. A Safety, Health and Quality Council ("Council"), chaired by the CEO, oversees the ASMS. The Council closely monitors safety and quality performance to ensure the effectiveness of safety and quality systems, and to identify emerging trends. Additionally, the Management Committee regularly reviews aviation and workplace safety issues and incidents to ensure accountability and prompt follow-up at the operational level. Every quarter, the Board Safety & Risk Committee reviews reports on safety and quality performance and lapses to ensure that Management undertakes prompt and effective remedial actions to address shortcomings and prevent recurrence. Pursuit of Excellence and Safety are core values of the Company. Through ongoing and new training programmes and campaigns, staff are regularly engaged and reminded on the importance of maintaining high standards of safety and quality at the workplace. To reinforce the importance of safety and strengthen safety training, the Company has set up the Aviation and Workplace Safety Promotion Centres. In addition, the Maintenance Line Operations Safety Assessment programme is in place to enlist operational staff to participate in the identification of operational issues. Observations gathered are analysed and action plans are developed to address the issues identified. Operating in a highly regulated industry, the Group is subject to regular audits conducted by airworthiness authorities and customer airlines on its adherence to mandated standards of safety and quality. The Company holds approvals from 29 airworthiness authorities worldwide, including the Civil Aviation Authority of Singapore, the Federal Aviation Administration and the European Union Aviation Safety Agency. These authorities, as well as the Company's customers, conducted 226 physical and desktop audits on the operations of the Company in FY2023/24 to affirm the adherence to operational and safety standards.
 Operational Risks, Crisis Management and Business Continuity	As part of our continuing efforts to enhance the robustness of our crisis management plans, a Company-wide crisis management exercise is conducted yearly. Crisis management and communication plans and procedures are regularly reviewed and refined, to ensure that responses in a crisis are coordinated and effective. Incidents that had taken place in the aviation and related industries are reviewed and learning points applied to strengthen the Company's crisis management processes. On an ongoing basis, business units and support divisions conduct tests of business continuity plans to ensure their preparedness and the effectiveness of responses to disruptions of critical business functions. As part of its risk-mitigating measures, the Group regularly reviews the scope, type and adequacy of its insurance coverage, taking into account matters including the availability of cover and the probability and impact of potential risks.

Management of Key Risks	
Cyber Security and Information Technology ("IT") Risks	With increasing cyber security threats globally, the Company has taken a pro-active approach to managing its cyber security and IT risks. The Company adopts SIA Group's IT security and governance policies, which take reference from the ISO/IEC 27001 standard on information security management. In addition, the Company leverages SIA Group IT infrastructure and maintains oversight of the systems and conducts independent review to monitor that the IT security infrastructure and networks are continually kept up with evolving threats. A Cyber Incident Response Team within the Crisis Management Directorate is in place to manage Company's responses in the event of a cyber security incident and an exercise was conducted in FY2023/24 to test and enhance the responses to such incidents. Annually, the business units and support divisions conduct tests of business continuity plans to ensure preparedness and effectiveness of responses to disruptions on critical IT systems. To further safeguard IT security arising from staff working from home, the Company has implemented IT security policies that require mandatory updating of the Company's laptops and servers. Besides the bi-annual IT certification exercises, regular reminders are sent to all staff on phishing and hacking risks and best IT practices. Staff are also required to undergo recurrent e-learning training on information security. To ensure cyber resilience of the Group, IT audits and assessments are conducted on subsidiaries, joint venture and associated companies to ensure compliance with IT controls and where required, follow-up actions to improve standards and resilience.
Financial Risks	The Group's operations carry certain financial risks, including the effects of changes in foreign exchange rates and interest rates. The Group's risk management approach is to moderate the effects of such volatility on its financial performance. The Group's policy permits the use of derivatives to hedge specific exposures. The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for Singapore dollars. The Group also uses forward foreign currency contracts to hedge a portion of its future foreign exchange exposure. The Group uses forward contracts purely as a hedging tool and does not take positions in currencies with a view to making speculative gains from currency movements. Counterparty risks are managed by limiting aggregated exposure on all outstanding financial instruments to any individual counterparty, taking into account its credit rating. Such counterparty exposures are regularly reviewed, and adjusted as necessary to mitigate the risk of material loss arising in the event of non-performance by counterparties. Trade and other receivables that are neither past due nor impaired are with creditworthy debtors. Concentrations of credit risk with respect to trade debtors are limited to the entities comprising the Group's customer base. The Group carefully assesses the financial strength of its customers and where appropriate, obtains collaterals, including bank guarantees and letters of credit, from customers. In addition, the Group monitors the receivable balances on an ongoing basis, providing for doubtful accounts whenever risks are identified. More information on financial risk management is set out in the section on "Financial Risk Management Objectives and Policies" of this Annual Report.

Risk Management

Management of Key Risks	
 Human Resources Risks	In a rapidly changing business landscape, businesses need to be agile and responsive to market shifts. A talented and skilled workforce that is equipped with the necessary competencies is critical. The Company recognises the importance of having a good pipeline of talents to assume key management positions so that the Company's leadership bench strength and ability to make key business decisions remain robust to support business growth and expansion. Through a structured Talent Management Framework, high potential employees with desired leadership qualities and the potential to assume key management positions are identified. This talent pool is reviewed and refreshed annually, and the Company invests in their development through targeted training, mentoring, coaching and on-the-job capability development opportunities. The plans are reviewed regularly to ensure that our talents are provided with sufficient exposure to build up their repertoire of experiences, skills, knowledge and competencies needed for the Company's current and future leadership roles. The Company is equally committed to the development of the workforce through upskilling and reskilling. Keeping pace with the Company's Continuous Improvement initiatives, continuing education and training of the workforce ensures all employees are equipped with the right skills and competencies to adapt to new technology and work processes. By investing in a future-ready workforce, the Company ensures that the Group's business remains competitive and at the same time, strengthens employee engagement and retention. Pre-employment training is another area where the Company is committed to nurturing the next generation of talents for the business. The Company collaborates with Institutes of Higher Learning ("IHLs") and has entered into Memorandums of Understanding with seven IHLs, namely the Institute of Technical Education, the Polytechnics in Singapore and the Singapore Institute of Technology, which underscores its commitment in this area. Through internships, attachments, career talks and projects that expose students to real-world challenges, we aspire to build pipelines of talents that are equipped with the necessary skills and knowledge needed in the future. The Company monitors the labour market and reviews recruitment plans to ensure sufficient resources to support business growth and ramp-up of operations. On staff retention and attraction, the Company continually evaluates our remuneration packages and makes adjustments if needed to be competitive with market rates, as well as takes steps to improve career development and progression opportunities.

Management of Key Risks	
Supply Chain Risks	As part of supply chain management, the Company forecasts and provisions parts and materials required for aircraft, engine and component maintenance in advance. In addition, inventory levels are monitored and replenished regularly to ensure adequacy. The Company also maintains close communication with original equipment manufacturers ("OEM") and major part suppliers to anticipate potential supply disruptions and ensure continual access to parts and materials. The Company has programmes with several major part suppliers to consign their parts on-site. The Company will continue to expand and diversify its supplier network, and identify alternate vendors as back-up. The Company also conducts robust evaluation of suppliers during the selection process. In addition, processes are in place to manage suppliers and monitor their performance, including requiring suppliers to adhere to SIAEC Suppliers' Code of Conduct and ongoing monitoring of suppliers' compliance through audits and supplier engagements.
Climate Change Risks	With the effects of climate change becoming increasingly evident, there is a growing concern on the ability of corporations to effectively manage the associated impacts and adapt to the changes. Physical climate risks, such as heat stress and prolonged wet weather, affect working conditions and jeopardise physical assets. Transition climate risks, such as stricter regulations and higher carbon taxes, increase the operating costs of businesses. The Company is committed to play our part in addressing climate change by setting targets to halve its Scope 1 and 2 emissions by 2030 and achieve net-zero emissions by 2050. To this end, the Company has developed a decarbonisation framework and identified key levers and enablers to leverage to meet these goals. Some of the initiatives include electrification of ground support equipment and vehicle fleet, installation of solar panels to tap renewable energy, etc. The Company also promotes the conservation of resources and recycling efforts, regularly engaging staff on the importance of sustainability. Aligning with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, the Company has initiated an exercise to identify physical and transition climate risks and opportunities relevant to our business. The identified climate risks will be integrated into our Enterprise Risk Management ("ERM") framework to be continually assessed and managed. As part of ongoing efforts to better manage climate risks, the Company is looking into quantifying the impact of risks identified. This will allow the Company to improve resource allocation for risk management, facilitate decision-making and enhance transparency of disclosure to stakeholders. More information on climate change mitigation can be found in SIAEC's Sustainability Report.

Sustainability at SIAEC

Guided by SIAEC's sustainability framework, which outlines our approach in the management of sustainability topics under four key pillars, we continued to enhance our environmental, social and governance (ESG) practices and performance over the past year. To ensure SIAEC's priorities remain current and relevant to our stakeholders' expectations, we have internally revalidated our material topics and identified 'Labour-Management Relations' as a new Topic of Ongoing Importance[1], in view of its importance in ensuring the Company's continued success.

ENHANCE VALUE CREATION

- Economic Performance and Value Creation
- Innovation and Technology
- Capability Building and Internationalisation
- Service Quality
- Business Ethics and Governance
- Compliance with Laws and Regulations
- Human Rights, Child and Forced/Compulsory Labour
- Data Protection and Cybersecurity

EMPOWER OUR WORKFORCE

- Employee Health, Safety and Well-being
- Talent Attraction, Retention, Training and Development
- Diversity, Equal Opportunity, and Non-discrimination
- Labour-Management Relations

MANAGE OUR ENVIRONMENTAL IMPACT

- Climate Change Resilience and Mitigation
- Energy and Emissions Management
- Water and Effluents Management
- Waste Management and Resource Circularity

PURSUE ACTIVE PARTNERSHIPS

- Sustainable Supply Chain Management
- Community and Social Vitality

1 While Topics of Ongoing Importance may not be classified as material by stakeholders, SIAEC acknowledges their importance to the business and continues to provide information on the management of these areas.

1 Enhance Value Creation

In FY2023/24, the Company launched the Continuous Improvement (CI) programme, which aims to foster its CI culture by bolstering its Lean community and digital capabilities. We are increasing investments in our workforce by upskilling and equipping them with the necessary skillsets and knowledge to excel in their roles. To further enhance our competitiveness and deliver value to our customers, we continue to embrace technology and encourage innovation. The Company organises various events such as data challenges and surveys to engage employees in technology and gather ideas on innovation. Our digital initiatives were also recognised with awards from the Singapore Business Review and Aviation Week Network.

We continue to enhance our MRO capabilities and expand our presence globally through developing maintenance capabilities for new generation aircraft and engines, and forming joint ventures and partnerships with OEMs and strategic partners. We are expanding the scope of our MRO services in Malaysia and establishing a line maintenance joint venture at the future international airport in Phnom Penh, Cambodia. SIAEC has also been appointed by Air India Limited as its strategic partner for the development of Air India's Base Maintenance facilities located in Bangalore, India. To further explore business development and collaboration opportunities in the Asia-Pacific region, we signed non-binding Memoranda of Understanding with Thales Solutions Asia Private Limited and Xiamen Iport Group.

We are committed to providing high-quality aviation engineering services to our customers and maintaining world-class standards in aviation safety. To maintain these standards, the Company invests in training, equipment and technology. In addition, SIAEC has a robust Aviation Safety Management System, which is subject to regular audits by aviation authorities and airline customers, for operations to ensure service quality.

SIAEC remains committed to upholding ethical business practices and compliance with relevant laws and regulations, and proactively manages current and emerging risks, including cybersecurity. The Company has a comprehensive suite of policies, procedures and systems in place for the business to operate in a compliant, transparent and ethical manner.

KEY HIGHLIGHTS IN FY2023/24

Expanding Global Presence
in India, Malaysia and Cambodia

Innovation of the Year Award
by Aviation Week Network

Digital – Aviation Award
by Singapore Business Review for e-LITE Platform

0
incidents of corruption or bribery

0
major findings from audits by aviation authorities

0
major cybersecurity incidents and data breaches

2 Empower Our Workforce

Our employees are the cornerstone of SIAEC's success, and their safety, health and well-being are top priorities for the Company. Our safety approach is guided by four key thrusts comprising Board and Management oversight, Safety Management System (SMS), training and communication, and partnership with stakeholders. Our SMS is certified to ISO 45001:2018 Occupational Health and Safety Management System Standard and reviewed annually to ensure its continued effectiveness. All employees have to undergo safety training conducted at our Workplace Safety Promotion Centre. We also encourage employees to provide feedback to improve our safety practices, and participate in the review and enhancement of our occupational health and safety procedures. For our initiatives and efforts, our employees received several awards at the Changi Airport Group's (CAG) Airport Safety Awards.

Additionally, we have initiatives to promote employee health and well-being, encouraging our staff to adopt a healthy lifestyle. These include various health benefits, well-being talks, counselling services and employee support groups, as well as sports, social and recreational activities.

We recognise the importance of our employee culture, competencies, capabilities and experience in driving SIAEC's success, and are committed to cultivating a work environment that promotes talent attraction, retention and development. By providing a multitude of development opportunities, training and upskilling programmes, coupled with an array of employee benefits and pro-family initiatives, SIAEC aims to enhance employee job satisfaction and retain talents. As a testament to our efforts and initiatives, we are honoured to receive several HR accolades in the past year.

We continue to foster diversity and equal opportunity in the workplace. Our policies and processes are designed to cultivate an inclusive culture and establish a work environment that welcomes individuals from diverse religious and ethnic backgrounds, varying physical capabilities and different genders. In FY2023/24, the Company launched a mandatory course on Diversity, Equity and Inclusion for all employees, as well as in-person training for supervisors to equip them with knowledge and skills to manage diversity at their work areas.

KEY HIGHLIGHTS IN FY2023/24

0
high-consequence work-related injuries and work-related fatalities

55.2
hours of training per employee on average

Skills Future Employer Award
(Silver)

Silver for Two Award Categories
at Singapore HR Awards

3rd Consecutive Year
Top 250 employers in the Singapore's Best Employers survey

Training on Diversity, Equity and Inclusion
Introduced for employees

Airport Safety Awards
from the CAG

3 Manage Our Environmental Impact

SIAEC remains committed to net-zero emissions by 2050 and achieve our medium-term target to halve the Company's Scope 1 and 2 emissions in FY2019/20 by 2030. To achieve these targets, we focus on plans and initiatives in key areas based on SIAEC's decarbonisation framework, which is in line with the Sustainable Air Hub Blueprint announced by the Civil Aviation Authority of Singapore. Besides electrification and upgrades to energy-efficient equipment, we are exploring new initiatives such as trials on renewable diesel for ground equipment with limited viable electric options.

In our continual efforts to enhance disclosures, we will be reporting additional environmental metrics, including more Scope 3 emissions categories, as well as further updates on the progress of adopting the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. With the release of the International Sustainability Standards Board's (ISSB) standards which are built on the TCFD recommendations, we will continue to monitor the regulatory development and comply with the reporting requirements.

KEY HIGHLIGHTS IN FY2023/24

37.2%
lower Scope 1 and 2 emissions against baseline (FY2019/20)

8.6%
reduction in water intensity against baseline (FY2017/18 to FY2019/20 average)

28.4%
of waste recycled

0
cases of non-compliance with environmental laws and regulations

Sustainability at SIAEC

4 Pursue Active Partnerships

SIAEC acknowledges the importance of sustainable supply chain management in creating value for our stakeholders. We have processes in place for assessing sustainability risks, including supplier evaluations, adherence to our Suppliers' Code of Conduct, and ongoing monitoring through audits and site visits. To manage Scope 3 emissions arising from our supply chain, the Company has initiated engagement with key suppliers to better understand their sustainability practices and targets, which will contribute towards our net-zero emissions goal.

As a responsible corporate citizen, SIAEC strives to create a positive impact in the communities where we operate. In FY2023/24, our annual charity walk event to raise funds for our community partner was held at the newly opened Bird Paradise, which saw a record participation from our employees. Our employees also volunteered in various activities with charity organisations as part of our Corporate Social Responsibility programme, including bread collections and deliveries, Community Chest's events, etc.

KEY HIGHLIGHTS IN FY2023/24

0

suppliers found to have breached SIAEC Suppliers' Code of Conduct

Recognised as a Gold Partner

by Community Chest

SIAEC remains committed to ensuring the sustainability of its business and operations through the proper stewardship of its sustainability topics, while continuing to deliver long-term growth and world-class MRO services. For more information on the management approach, targets and performance of our material sustainability topics, please look out for SIAEC's FY2023/24 Sustainability Report, which will be published on the corporate website.

STATISTICAL HIGHLIGHTS

	2023/24	2022/23	% Change
FINANCIAL STATISTICS [R1]			
Financial Results ($ million)			
Revenue	**1,094.2**	796.0	+ 37.5
Expenditure	**1,091.9**	822.3	+ 32.8
Operating profit/(loss)	**2.3**	(26.3)	n.m.
Profit before taxation	**99.3**	65.5	+ 51.6
Profit attributable to owners of the parent	**97.1**	66.4	+ 46.2
Financial Position ($ million)			
Equity attributable to owners of the parent	**1,687.1**	1,666.1	+ 1.3
Total assets	**2,088.3**	1,983.2	+ 5.3
Return on equity holders' funds (%) [R2]	**5.8**	4.1	+ 1.7pts
Value added ($ million)	**743.1**	557.9	+ 33.2
Per Share Data (cents)			
Earnings - basic [R3]	**8.65**	5.91	+ 46.4
Earnings - diluted [R4]	**8.61**	5.89	+ 46.2
Net asset value [R5]	**150.3**	148.5	+ 1.2
Dividends (cents per share)			
Interim dividend	**2.0**	-	n.m.
Final dividend	**6.0** #	5.5	+ 9.1
Total dividend	**8.0** #	5.5	+ 45.5
PRODUCTIVITY AND EMPLOYEE DATA			
Average number of employees	**6,014**	5,515	+ 9.0
Revenue per employee ($)	**181,942**	144,328	+ 26.1
Value added per employee ($)	**123,558**	101,156	+ 22.1
Staff costs per employee ($)	**95,821**	79,475	+ 20.6

Proposed
n.m. not meaningful

Notes:

R1 SIA Engineering Company ("SIAEC")'s financial year is from 1 April to 31 March. Throughout this report, all financial figures are in Singapore Dollars, unless stated otherwise.

R2 Return on equity holders' funds is the profit attributable to owners of the parent expressed as a percentage of the average equity attributable to owners of the parent.

R3 Earnings per share (basic) is computed by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue excluding treasury shares.

R4 Earnings per share (diluted) is computed by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue excluding treasury shares, after adjusting for the dilutive effect on the vesting of all outstanding performance shares, restricted shares and deferred shares granted to employees.

R5 Net asset value per share is computed by dividing the equity attributable to owners of the parent by the number of ordinary shares in issue excluding treasury shares at 31 March.

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FINANCIAL REVIEW

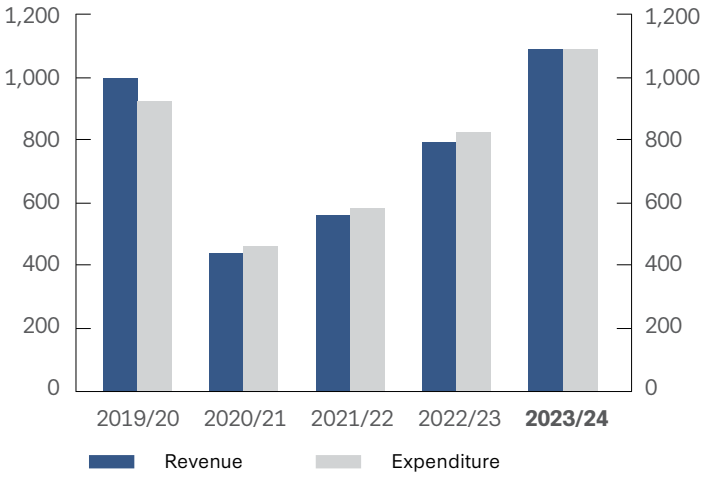
Group revenue grew $298.2 million (+37.5%) year-on-year, to $1,094.2 million, from further recovery of MRO demand. Expenditure also increased, at a lower rate of 32.8% (+$269.6 million) year-on-year, to $1,091.9 million, mainly due to increase in manpower costs and material usage. Group operating performance returned to first full year profit since the onset of the COVID-19 pandemic. Operating profit of $2.3 million was better off by $28.6 million as compared to the operating loss of $26.3 million last year.

The Group posted a profit attributable to owners of the parent of $97.1 million, which included a one-time write-off of $25.1 million in net assets following the Group's exit from the Pratt & Whitney PW1500G engine Risk-Revenue Sharing Programme. As compared to the profit of $66.4 million recorded in 2022/23, the profit attributable to owners of the parent increased $30.7 million year-on-year.

Basic earnings per share for the Group stood at 8.65 cents, as compared to the basic earnings per share of 5.91 cents last year.

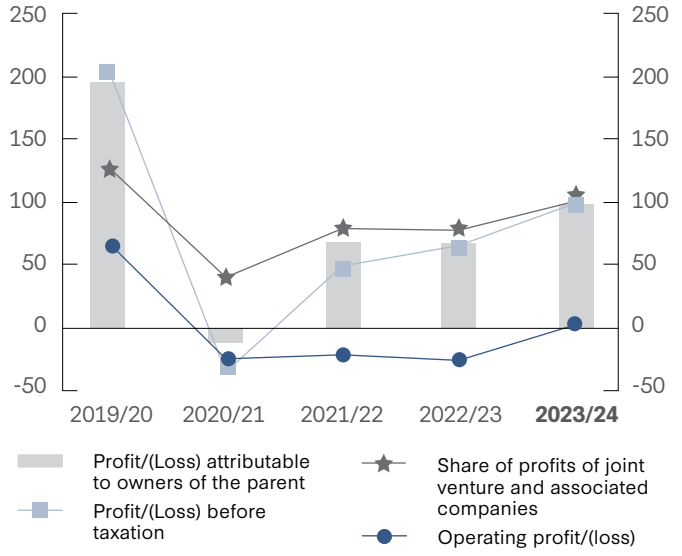
GROUP REVENUE AND EXPENDITURE

($ million)

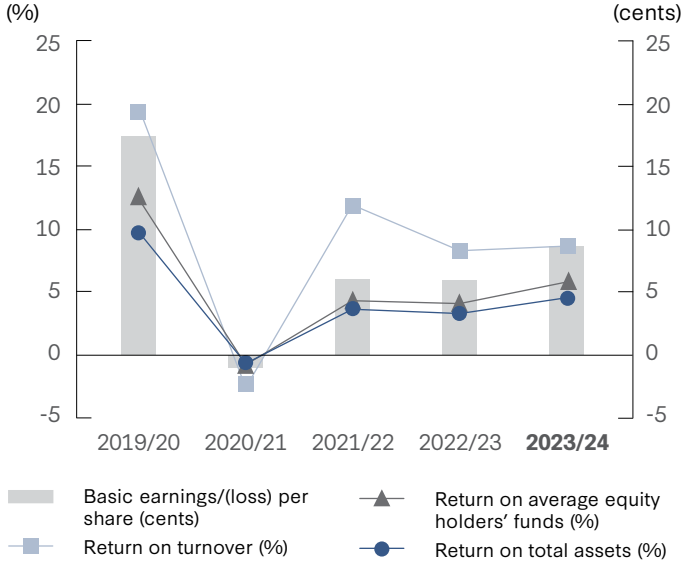


GROUP OPERATING PROFIT, PROFIT BEFORE TAXATION AND PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

($ million)



GROUP PROFITABILITY RATIOS



Profitability ratios of the Group are as follows:

	2023/24 %	2022/23 %	Change % points
Return on turnover	**8.9**	8.3	+ 0.6
Return on average equity holders' funds	**5.8**	4.1	+ 1.7
Return on total assets	**4.6**	3.3	+ 1.3

FINANCIAL REVIEW

REVENUE*

The Group's revenue composition is as follows:

	2023/24 $ million	2022/23 $ million	Change $ million		%
Airframe overhaul and line maintenance	**836.2**	644.9	+ 191.3	+	29.7
Engine and component	**258.0**	151.1	+ 106.9	+	70.7
Total	**1,094.2**	796.0	+ 298.2	+	37.5

Revenue increased $298.2 million (+37.5%) to $1,094.2 million as maintenance and overhaul demand picked up in line with the recovery of flight activities.

* Revenue from Company and subsidiary companies. Please refer to Note 38 Segment Information of the Financial Statements for the group revenue inclusive of revenue of joint venture and associated companies.

EXPENDITURE

A breakdown of the Group's expenditure is as follows:

	2023/24 $ million	2022/23 $ million	Change $ million		%
Staff costs	**576.3**	426.4	+ 149.9	+	35.2
Material costs	**204.8**	118.8	+ 86.0	+	72.4
Subcontract costs	**109.9**	93.0	+ 16.9	+	18.2
Overheads	**200.9**	184.1	+ 16.8	+	9.1
Total	**1,091.9**	822.3	+ 269.6	+	32.8

Expenditure increased $269.6 million or 32.8% mainly due to higher staff costs and material usage. Staff costs increased mainly due to increase in headcount, increments and absence of wage support. Material and subcontract costs increased due to higher work volume. Overheads were higher mainly due to higher equipment related costs.

FINANCIAL REVIEW

OPERATING PROFIT/(LOSS)

The Group's operating profit/(loss) by segment is as follows:

	2023/24 $ million	2022/23 $ million	Change $ million	Change %
Airframe and line maintenance	**32.9**	(2.0)	+ 34.9	n.m.
Engine and component	**(30.6)**	(24.3)	– 6.3	– 25.9
Total	**2.3**	(26.3)	+ 28.6	n.m.

n.m. not meaningful

Airframe and line maintenance segment turned profitable with the increase in MRO demand supported by recovery in flight activities during the year. Losses of engine and component segment increased due to low engine output arising from supply chain issues, and higher repair and subcontract services costs.

SHARE OF PROFITS OF ASSOCIATED AND JOINT VENTURE COMPANIES

Share of profits of associated and joint venture companies at $101.0 million was $23.2 million (+29.8%) higher year-on-year due to better performance of engine and component segment of $21.5 million (+28.2%) and airline and line maintenance segment of $1.7 million (+107.1%).

Eagle Services Asia ("ESA")'s engine shipments were 178 in 2023/24, compared with 153 in 2022/23.

Singapore Aero Engine Services ("SAESL")'s engine shipments were 240 in 2023/24, compared with 257 in 2022/23.

TAXATION

The Group recorded a tax provision of $2.2 million for the financial year 2023/24 and tax credit of $1.0 million in the prior year.

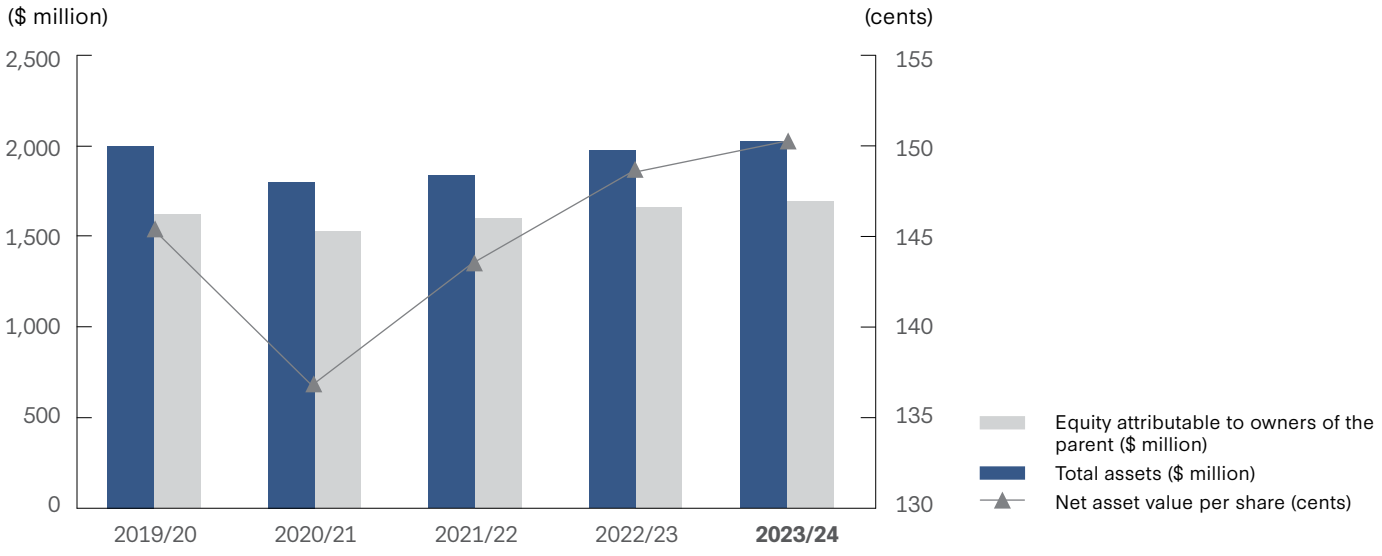
FINANCIAL POSITION

As at 31 March 2024, equity attributable to owners of the parent of $1,687.1 million was $21.0 million or 1.3% higher than at 31 March 2023. The increase was mainly due to profit earned for the financial year, partially offset by dividend paid.

Total assets stood at $2,088.3 million as of 31 March 2024, an increase of $105.1 million (+5.3%). The Group's cash balance stood at $646.0 million as of 31 March 2024, an increase of $13.0 million (+2.1%). Net asset value per share as at 31 March 2024 was 150.3 cents, an increase of 1.8 cents or 1.2%.

FINANCIAL REVIEW

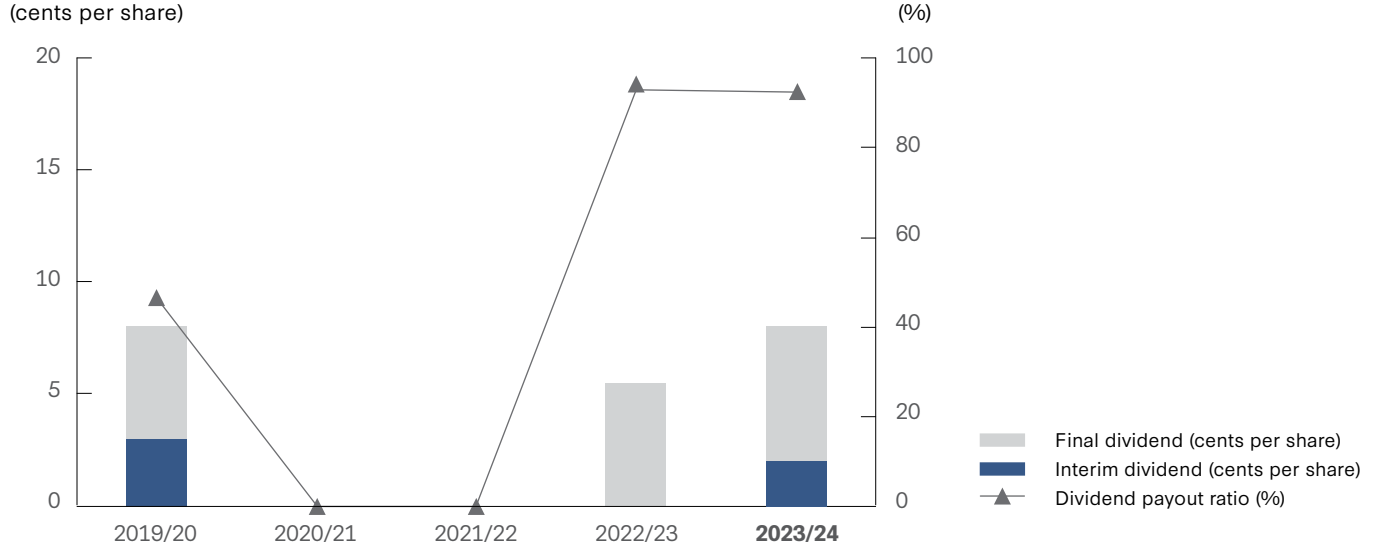
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT, TOTAL ASSETS AND NET ASSET VALUE PER SHARE



DIVIDENDS

The Board is recommending a final ordinary dividend of 6.0 cents per share for 2023/24. Together with the 2.0 cents per share interim dividend paid in November 2023, the total dividend for 2023/24 is 8.0 cents per share.

The final ordinary dividend (amounting to approximately $67.3 million), if approved by shareholders during the Annual General Meeting on 19 July 2024, will be paid on 14 August 2024.



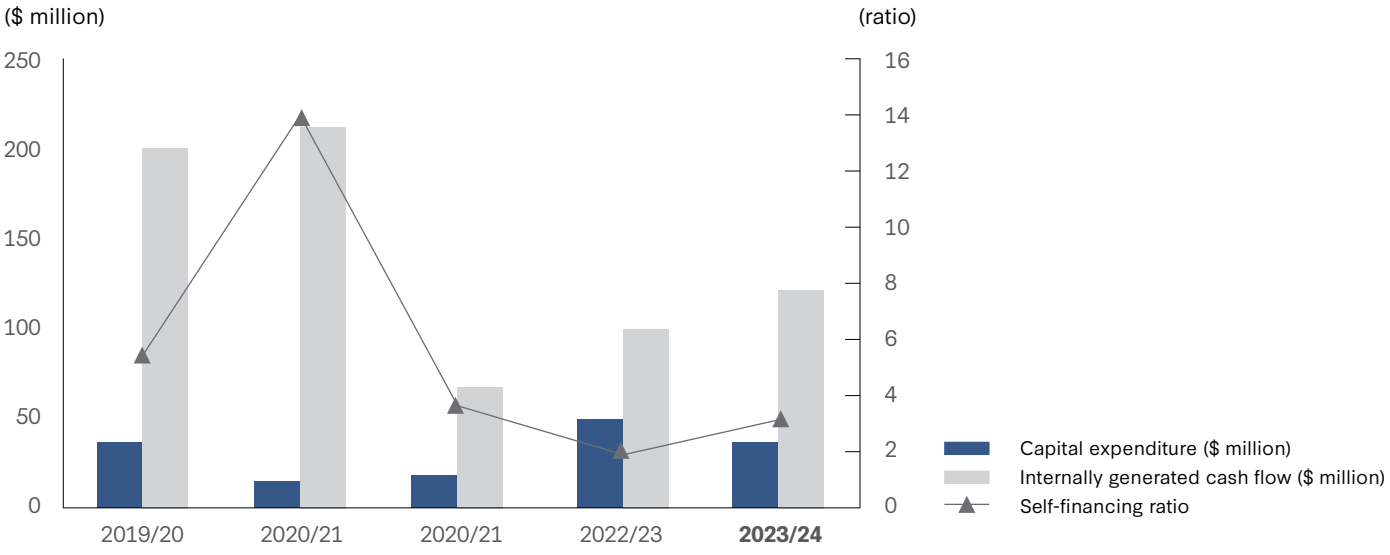
FINANCIAL REVIEW

CAPITAL EXPENDITURE AND CASH FLOW

Capital expenditure by the Group decreased by $9.4 million (-19.3%) to $39.2 million in 2023/24.

Internally generated cash flow increased $30.3 million (+30.6%) to $129.2 million. The self-financing ratio of cash flow to capital expenditure was 3.3 times, compared to 2.0 times in the year before.

CAPITAL EXPENDITURE, INTERNALLY GENERATED CASH FLOW AND SELF-FINANCING RATIO



STAFF STRENGTH AND INDICES

The Group's average staff strength and staff productivity are as follows:

	2023/24	2022/23	% change
Revenue per employee ($)	**181,942**	144,328	+ 26.1
Value added per employee ($)	**123,558**	101,156	+ 22.1
Staff costs per employee ($)*	**95,821**	79,475	+ 20.6
Average number of employees	**6,014**	5,515	+ 9.0

* Staff costs excluding wage support from government support schemes.

FINANCIAL REVIEW

STATEMENT OF VALUE ADDED AND ITS DISTRIBUTION (IN $ MILLION)

	2023/24	2022/23
Revenue	**1,094.2**	796.0
Less:		
Purchase of goods and services	**(452.5)**	(331.9)
Value added on operations	**641.7**	464.1
Add:		
Interest income	**24.4**	12.3
Surplus 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 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
Total value added available for distribution	**743.1**	557.9
Applied as follows:		
To employees		
– Salaries and other staff costs#	**576.3**	438.3
To government		
– Corporate taxes	**2.0**	(1.1)
– Wage support from government support schemes	**–**	(11.9)
To suppliers of capital		
– Interest charges	**4.4**	2.0
– Interim and proposed dividends	**89.8**	61.8
– Non-controlling interests	*****	0.1
Retained for future capital requirements		
– Depreciation	**57.6**	59.3
– Amortisation of intangibles	**5.5**	4.7
– Retained profit	**7.5**	4.7
Total value added	**743.1**	557.9
Value added per $ revenue ($)	**0.68**	0.70
Value added per $ employment cost# ($)	**1.29**	1.27
Value added per $ investment in property, plant and equipment ($)	**0.86**	0.69

* Amount less than $0.1 million
\# Excluding wage support from government support schemes

DIRECTORS' STATEMENT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

In our opinion:

(a) the financial statements set out on pages 105 to 197 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and financial position of the Company as at 31 March 2024, and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) ("SFRS(I)") and International Financial Reporting Standards ("IFRS"); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

1. DIRECTORS OF THE COMPANY

The Directors in office at the date of this statement are as follows:

Tang Kin Fei	Chairman (Independent)
Goh Choon Phong	(Non-independent)
Raj Thampuran	(Independent)
Wee Siew Kim	(Independent)
Chin Yau Seng	(Non-independent, Chief Executive Officer)
Chua Bin Hwee	(Independent)
Lim Kong Puay	(Independent)
Chong Chuan Neo	(Independent)
Tan Tze Gay	(Independent)
Tan Kai Ping	(Non-independent, appointed on 10 September 2023)

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangements to which the Company was a party, whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed under "Directors' Interests in Ordinary Shares and Debentures" and "Equity Compensation Plans of the Company" in this statement. Directors of the Company who are employees of the Company's immediate holding company, Singapore Airlines Limited ("SIA"), or its subsidiaries, also participate in SIA's Equity Compensation Plans, as disclosed in this statement.

3. DIRECTORS' INTERESTS IN ORDINARY SHARES, SHARE OPTIONS AND DEBENTURES

The following Directors who held office at the end of the financial year had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Companies Act 1967 (the "Act"), interests (direct and deemed) in the following ordinary shares, awards and debentures of the Company and of related corporations:

	Direct interest		Deemed interest	
Name of Director	1.4.2023/date of appointment	31.3.2024	1.4.2023/date of appointment	31.3.2024
Interest in Singapore Airlines Limited				
Ordinary shares				
Goh Choon Phong	3,806,779	4,300,975	–	–
Chin Yau Seng	346,907	468,992	–	–
Chua Bin Hwee	–	–	30,000	30,000
Chong Chuan Neo	–	–	18,000	18,000
Tan Tze Gay	23,000	23,000	–	–
Tan Kai Ping	391,307	391,307	–	–
Conditional award of Restricted Share Plan ("RSP") shares [1]				
Goh Choon Phong				
– Base Awards	93,494	73,856	–	–
– Final Awards (Pending Release)	121,978	112,232	–	–
Chin Yau Seng				
– Base Awards	34,689	–	–	–
– Final Awards (Pending Release)	41,182	41,642	–	–
Tan Kai Ping				
– Base Awards	40,445	40,445	–	–
– Final Awards (Pending Release)	46,362	46,362	–	–
Conditional award of Performance Share Plan ("PSP") shares [2]				
Goh Choon Phong				
– Base Awards	429,517	405,302	–	–
Chin Yau Seng				
– Base Awards	79,204	59,604	–	–
Tan Kai Ping				
– Base Awards	146,756	146,756	–	–
Conditional award of Strategic restricted shares [3]				
Goh Choon Phong				
– Final Awards (Pending Release)	122,125	193,075	–	–
Chin Yau Seng				
– Final Awards (Pending Release)	41,650	15,725	–	–
Tan Kai Ping				
– Final Awards (Pending Release)	77,975	77,975	–	–
$600 million 3.16% Notes due 2023				
Tang Kin Fei	$250,000	–	–	–
2021 $6.197 billion Mandatory Convertible Bonds due 2030				
Goh Choon Phong	$500,000	$125,000	–	–
Tan Tze Gay	$48,070	$12,018	–	–

3. DIRECTORS' INTERESTS IN ORDINARY SHARES, SHARE OPTIONS AND DEBENTURES (continued)

Name of Director	Direct interest		Deemed interest	
	1.4.2023/date of appointment	31.3.2024	1.4.2023/date of appointment	31.3.2024
Interest in SIA Engineering Company Limited				
Ordinary shares				
Tang Kin Fei	–	–	20,000	20,000
Tan Tze Gay	5,000	5,000	–	–
Conditional award of RSP shares [1]				
Chin Yau Seng				
– Initial Awards	–	74,600	–	–
Conditional award of PSP shares [2]				
Chin Yau Seng				
– Initial Awards	–	91,600	–	–
Interest in Astrea IV Pte. Ltd.				
$242 million 4.35% Class A-1 Secured Fixed Rate Bonds due 2028				
Chin Yau Seng	$133,000	–	–	–
Tan Tze Gay	$8,000	–	–	–
Interest in Astrea V Pte. Ltd.				
$315 million 3.85% Class A-1 Secured Fixed Rate Bonds due 2029				
Tan Tze Gay	$5,000	$5,000	–	–
Interest in Astrea 7 Pte. Ltd.				
US$200 million 6% Class B Secured Fixed Rate Bonds due 2032				
Chin Yau Seng	US$298,000	US$298,000	–	–
$526 million 4.125% Class A-1 Secured Fixed Rate Bonds due 2032				
Tan Tze Gay	$100,000	$100,000	–	–
Interest in CapitaLand Ascendas REIT				
Units				
Tan Tze Gay	10,000	10,000	–	–
$208 million 3.468% Green Fixed Rate Notes due 2029				
Tan Tze Gay	$250,000	$250,000	–	–
Interest in CapitaLand Ascott Trust				
Units				
Tan Tze Gay	12,310	14,510	–	7,943
Interest in CapitaLand China Trust				
Units				
Tan Tze Gay	5,786	5,786	–	–
Wee Siew Kim	170,000	170,000	–	–

3. DIRECTORS' INTERESTS IN ORDINARY SHARES, SHARE OPTIONS AND DEBENTURES (continued)

Name of Director	Direct interest		Deemed interest	
	1.4.2023/date of appointment	31.3.2024	1.4.2023/date of appointment	31.3.2024
Interest in CapitaLand Integrated Commercial Trust				
Units				
Goh Choon Phong	10,237	10,237	–	–
Chua Bin Hwee	71,470 (4)	84,660 (4)	–	–
Tan Tze Gay	17,995	17,995	21,550	21,550
Ordinary shares				
Goh Choon Phong	35,000	35,000	–	–
Tan Tze Gay	38,605	38,605	139,336	139,336
Interest in CapitaLand Investment Limited				
S$400 million 3.33% Fixed Rate Senior Notes due 2027				
Goh Choon Phong	$250,000	$250,000	–	–
Interest in Mapletree Australia Commercial Private Trust				
Units in Stapled Securities				
Mapletree QL Trust				
Chua Bin Hwee	75,000	75,000	–	–
Mapletree ROA Trust				
Chua Bin Hwee	375,000	375,000	–	–
Interest in Mapletree Global Student Accommodation Private Trust				
Units				
Class A (USD)				
Goh Choon Phong	4,823	4,823	–	–
Class B (GBP)				
Goh Choon Phong	4,823	4,823	–	–
Interest in Mapletree Industrial Trust				
Units				
Tang Kin Fei	50,000	50,000	–	–
Wee Siew Kim	169,101	169,101	–	–
Tan Tze Gay	3,118	3,118	–	–
Interest in Mapletree Logistics Trust				
Units				
Tang Kin Fei	40,000	40,000	–	–
Tan Tze Gay	23,500	23,500	114,900	114,900
Interest in Mapletree Pan Asia Commercial Trust				
Units				
Wee Siew Kim	45,312	45,312	–	–
Tan Tze Gay	36,192	36,192	115,000	115,000

3. DIRECTORS' INTERESTS IN ORDINARY SHARES, SHARE OPTIONS AND DEBENTURES (continued)

Name of Director	Direct interest		Deemed interest	
	1.4.2023/date of appointment	31.3.2024	1.4.2023/date of appointment	31.3.2024
Interest in Mapletree Treasury Services Limited				
$700 million 3.95% Perpetual Securities				
Tang Kin Fei	$500,000	$500,000	–	–
Tan Tze Gay	$250,000	$250,000	–	–
Interest in Mapletree US & EU Logistics Private Trust				
Units				
(USD)				
Wee Siew Kim	300	300	–	–
Chua Bin Hwee	200	200	–	–
(EUR)				
Wee Siew Kim	300	300	–	–
Chua Bin Hwee	200	200	–	–
Interest in Mapletree US Income Commercial Trust				
Units				
Chua Bin Hwee	150	150	–	–
Interest in Mapletree US Logistics Private Trust				
Units				
Chua Bin Hwee	100	100	–	–
Interest in Olam International Limited				
$250 million 5.375% Perpetual Securities				
Tan Tze Gay	$250,000	$250,000	–	–
Interest in Paragon REIT				
Units				
Tan Tze Gay	2,782	2,782	210,000	210,000
Interest in Singapore Technologies Engineering Limited				
Ordinary shares				
Tang Kin Fei	100,000	100,000	50,000	50,000
Goh Choon Phong	6,000	6,000	–	–
Tan Tze Gay	30,011	30,011	120,046	120,046
Interest in Singapore Technologies Telemedia Pte. Ltd.				
$500 million 4.2% Perpetual Securities				
Tan Tze Gay	$500,000	$500,000	–	–

3. DIRECTORS' INTERESTS IN ORDINARY SHARES, SHARE OPTIONS AND DEBENTURES (continued)

Name of Director	Direct interest		Deemed interest	
	1.4.2023/date of appointment	31.3.2024	1.4.2023/date of appointment	31.3.2024
Interest in Singapore Telecommunications Limited				
Ordinary shares				
Tang Kin Fei	30,190	30,190	190	190
Goh Choon Phong	1,610	1,610	–	–
Raj Thampuran	600	600	–	–
Wee Siew Kim	501,838	501,838	190	190
Chin Yau Seng	100,000	100,000	–	–
Lim Kong Puay	15,000	15,000	–	–
Tan Tze Gay	13,755	13,755	61,360	61,360
Interest in StarHub Ltd				
Ordinary shares				
Wee Siew Kim	72,600	72,600	–	–
Interest in Temasek Financial (IV) Private Limited				
$500 million 2.7% Notes due 2023				
Lim Kong Puay	$7,000	–	–	–
$500 million 1.8% Bonds due 2026				
Tan Tze Gay	$66,000	$66,000	–	–
Interest in Vertex Venture Holdings Ltd				
$450 million 3.3% Notes due 2028				
Tan Tze Gay	$250,000	$250,000	–	–
Interest in 17Live Group Limited (formerly known as Vertex Technology Acquisition Corporation Ltd)				
Ordinary shares				
Tan Tze Gay	–	–	10,000	–
Warrants				
Tan Tze Gay	–	–	3,000	3,000

Notes:

1. The actual number of RSP Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards or Initial Awards and is contingent on the achievements against targets over the one-year performance periods relating to the relevant awards.
2. The actual number of PSP Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards or Initial Awards and is contingent on the achievements against targets over the three-year performance periods relating to the relevant awards.
3. The Final Strategic Award of fully-paid ordinary shares will vest over two years with 50% vesting immediately upon the date of grant of the award, and the balance at 25% over the next two years. On the final vesting date, an additional equity kicker equivalent to 20% of the Final Award will be settled with the participants.
4. Held in the name of Citibank Nominees Singapore Pte. Ltd.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interests in ordinary shares or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2024.

4. EQUITY COMPENSATION PLANS OF THE COMPANY

The Company has in place, the Restricted Share Plan ("RSP") and Performance Share Plan ("PSP").

At the date of this statement, the Compensation & HR Committee administering the RSP and PSP comprises the following directors:

Tang Kin Fei – Chairman
Goh Choon Phong
Wee Siew Kim

Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

Details of the RSP and PSP are disclosed in Note 11 to the financial statements.

At the Extraordinary General Meeting of the Company held on 21 July 2014, shareholders approved the adoption of the SIAEC RSP 2014 and SIAEC PSP 2014.

Under the RSP and PSP, a base number of conditional share awards ("Base Award") is granted to eligible participants annually, dependent on position level and individual performance. Depending on the achievement of pre-determined targets over a one-year performance period for the RSP and a three-year performance period for the PSP, the Compensation & HR Committee will determine an achievement factor which will then be applied to the Base Award to determine the final number of RSP shares and PSP shares to be awarded at the end of the respective performance periods ("Final Award"). The achievement factor could range from 0% to 150% for the RSP and from 0% to 200% for the PSP.

One-third of the RSP Final Awards of fully paid ordinary shares will be released to the participants upon vesting. The balance will be released equally over the subsequent two years with fulfilment of service requirements. All the PSP Final Awards of fully paid ordinary shares will be released to the participants at the end of the three-year performance period.

No awards have been granted to controlling shareholders or their associates, or parent group directors or employees under the RSP and PSP.

Deferred Share Awards ("DSA")

As part of the Strategic Share Award ("SSA", previously "STIP"), the DSA is a share award established with the objective of rewarding, motivating and retaining Key Executives who are responsible for strategic and transformational initiatives. The DSA is granted as a contingent share award under the RSP 2014. The final award, which includes the accumulated dividend yield (based on the sum of SIAEC share dividend yields declared with ex-dividend dates occurring during the vesting period), will cliff vest at the end of three years after the grant date, subject to meeting a service-based condition, and provided that individual performance remains satisfactory.

For DSA shares granted in 2023, the Initial Award will vest with 1/3 vesting immediately upon the date of grant, and the balance at 1/3 over the next two years. Balance will vest equally over the subsequent two years with fulfilment of service requirements and additional dividend kicker upon final vesting.

DIRECTORS' STATEMENT

5. AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following five Non-Executive, Independent Directors:

Quek Bin Hwee – Chairman
Raj Thampuran
Lim Kong Puay
Chong Chuan Neo
Tan Tze Gay

The Audit Committee performed its functions in accordance with Section 201B(5) of the Companies Act 1967, the SGX-ST Listing Manual and the Code of Corporate Governance which include inter alia the review of the following:

(i) half-yearly and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;

(ii) audit scopes, plans and reports (including Key Audit Matters) of the external and internal auditors;

(iii) adequacy and effectiveness of material controls, including financial, operational, compliance and information technology controls;

(iv) adequacy, effectiveness and quality of the internal audit function, and the effectiveness, independence and objectivity of the external auditors;

(v) interested person transactions (as defined in Chapter 9 of the SGX-ST Listing Manual); and

(vi) whistle-blowing programme instituted by the Company.

The Audit Committee has held 4 meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system. The Audit Committee also reviewed Management's internal control adequacy representations that is based on the Control Self-Assessment ("CSA") System developed. In the review of the audited financial statements of the Group and the Company, the Audit Committee had discussed with Management and the external auditors the accounting principles that were applied and their judgement on the items that might affect the financial statements. Based on the review and discussions with Management and the external auditors, the Audit Committee is of the view that the financial statements are fairly presented in conformity with generally accepted accounting principles in all material aspects.

The Audit Committee has full access to Management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 716 of the SGX-ST Listing Manual.

DIRECTORS' STATEMENT

6. AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board,

TANG KIN FEI
Chairman

CHIN YAU SENG
Chief Executive Officer

10 May 2024

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 105 to 197.

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.

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	Our response
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. 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.	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	Our response
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.

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

INDEPENDENT AUDITORS' REPORT

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.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
10 May 2024

CONSOLIDATED INCOME STATEMENT

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	The Group 2023/24	2022/23
REVENUE	4	**1,094,217**	795,970
EXPENDITURE			
Staff costs	5	**576,270**	426,408
Material costs		**204,758**	118,828
Depreciation	15,16	**57,605**	59,270
Amortisation of intangible assets	17	**5,474**	4,682
Company accommodation		**20,031**	18,919
Subcontract costs		**109,866**	93,020
Other operating expenses		**117,857**	101,094
		1,091,861	822,221
OPERATING PROFIT/(LOSS)	6	**2,356**	(26,251)
Interest income	7	**24,433**	12,271
Finance charges		**(4,386)**	(1,949)
Surplus/(Loss) on disposal of property, plant and equipment and intangible assets		**95**	(19)
Impairment loss (allowance)/reversal of financial and non-financial assets	15,17	**(26,844)**	1,678
Impairment loss reversal of associated companies	20	**-**	2,005
Surplus on disposal of associated companies	20	**2,307**	-
Surplus on disposal of subsidiaries		**390**	-
Share of profits of associated companies, net of tax		**70,656**	48,545
Share of profits of a joint venture company, net of tax		**30,338**	29,269
PROFIT BEFORE TAXATION		**99,345**	65,549
Taxation	8	**(2,216)**	996
PROFIT FOR THE FINANCIAL YEAR		**97,129**	66,545
PROFIT ATTRIBUTABLE TO:			
OWNERS OF THE PARENT		**97,124**	66,389
Non-controlling interests		**5**	156
		97,129	66,545
BASIC EARNINGS PER SHARE (CENTS)	9	**8.65**	5.91
DILUTED EARNINGS PER SHARE (CENTS)	9	**8.61**	5.89

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 March 2024 (in thousands of $)

	The Group	
	2023/24	2022/23
PROFIT FOR THE FINANCIAL YEAR	**97,129**	66,545
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		
Item that will not be reclassified to profit or loss:		
Actuarial gain on remeasurement of defined benefit plan	**374**	630
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation of foreign operations	**10,978**	(15,025)
Re-classification of foreign currency translation upon disposal of foreign operations	**770**	–
Net fair value adjustment on cash flow hedges	**(771)**	(611)
Share of other comprehensive (loss)/income of associated/joint venture companies	**(5,504)**	4,261
	5,473	(11,375)
Other comprehensive income/(loss), net of tax	**5,847**	(10,745)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	**102,976**	55,800
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE PARENT	**102,909**	55,861
Non-controlling interests	**67**	(61)
	102,976	55,800

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 March 2024 (in thousands of $)

	Notes	The Group 2024	The Group 2023	The Company 2024	The Company 2023
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT					
Share capital	11	**420,044**	420,044	**420,044**	420,044
Treasury shares	12	**(4,511)**	(4,971)	**(4,511)**	(4,971)
Capital reserve	13	**(388)**	(482)	**(388)**	(482)
Share-based compensation reserve	13	**7,501**	5,805	**7,501**	5,805
Foreign currency translation reserve	13	**(24,198)**	(35,351)	**–**	–
Fair value reserve	13	**(1,300)**	4,442	**(257)**	514
Equity transaction reserve	13	**(2,173)**	(2,173)	**–**	–
General reserve	13	**1,292,059**	1,278,845	**745,692**	830,720
		1,687,034	1,666,159	**1,168,081**	1,251,630
NON-CONTROLLING INTERESTS		**16,205**	10,579	**–**	–
TOTAL EQUITY		**1,703,239**	1,676,738	**1,168,081**	1,251,630
NON-CURRENT LIABILITIES					
Deferred tax liabilities	14	**724**	539	**–**	–
Lease liabilities	32	**80,077**	90,134	**73,766**	83,256
Long-term bank loan	33	**2,439**	462	**–**	–
		83,240	91,135	**73,766**	83,256
		1,786,479	1,767,873	**1,241,847**	1,334,886
Represented by:					
PROPERTY, PLANT AND EQUIPMENT	15	**185,215**	175,143	**147,019**	138,829
RIGHT-OF-USE ASSETS	16	**103,385**	112,382	**96,327**	104,464
INTANGIBLE ASSETS	17	**31,994**	40,778	**24,899**	19,564
SUBSIDIARY COMPANIES	18	**–**	–	**107,656**	143,245
ASSOCIATED COMPANIES	20	**487,430**	452,740	**167,670**	178,910
JOINT VENTURE COMPANY	22	**261,647**	232,564	**61,867**	61,867
DEFERRED TAX ASSETS	14	**17,781**	17,539	**16,313**	16,688
CURRENT ASSETS					
Trade debtors	23	**70,879**	34,151	**51,825**	23,785
Contract assets	24	**151,132**	160,304	**142,805**	149,100
Prepayments and other debtors	25	**20,432**	17,756	**14,014**	6,932
Amounts owing by immediate holding company	26	**30,920**	43,715	**30,494**	43,271
Amounts owing by related parties	27	**19,415**	18,442	**26,999**	24,760
Inventories	28	**61,702**	43,359	**28,315**	25,915
Short-term deposits	29	**604,869**	603,539	**579,770**	589,128
Cash and bank balances	30	**41,081**	29,450	**12,909**	12,271
		1,000,430	950,716	**887,131**	875,162
Assets held for sale	15	**467**	1,516	**467**	1,516
		1,000,897	952,232	**887,598**	876,678
Less:					
CURRENT LIABILITIES					
Trade and other creditors	31	**220,104**	162,025	**195,986**	140,175
Contract liabilities	24	**46,237**	21,510	**31,255**	20,760
Lease liabilities	32	**25,222**	22,570	**23,440**	20,569
Amounts owing to related parties	27	**334**	1,239	**10,464**	17,170
Bank loans	33	**2,699**	2,029	**–**	–
Tax payable		**7,274**	6,132	**6,357**	6,685
		301,870	215,505	**267,502**	205,359
NET CURRENT ASSETS		**699,027**	736,727	**620,096**	671,319
		1,786,479	1,767,873	**1,241,847**	1,334,886

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve
The Group					
Balance at 1 April 2023		**420,044**	**(4,971)**	**(482)**	**5,805**
Profit for the year		**-**	**-**	**-**	**-**
Actuarial gain on remeasurement of defined benefit plan		**-**	**-**	**-**	**-**
Foreign currency translation of foreign operations		**-**	**-**	**-**	**-**
Re-classification of foreign currency translation upon disposal of foreign operations		**-**	**-**	**-**	**-**
Net fair value adjustment on cash flow hedges		**-**	**-**	**-**	**-**
Share of other comprehensive loss of associated/ joint venture companies	13	**-**	**-**	**-**	**-**
Other comprehensive income/(loss) for the year, net of tax		**-**	**-**	**-**	**-**
Total comprehensive income for the financial year		**-**	**-**	**-**	**-**
Share-based compensation expense	13	**-**	**-**	**-**	**6,263**
Share awards released	12,13	**-**	**4,567**	**-**	**(4,567)**
Purchase of treasury shares	12	**-**	**(4,013)**	**-**	**-**
Treasury shares reissued pursuant to equity compensation plans	12	**-**	**(94)**	**94**	**-**
Dividends	10	**-**	**-**	**-**	**-**
Total contributions by and distributions to owners		**-**	**460**	**94**	**1,696**
Acquisition of a subsidiary with non-controlling interests	19	**-**	**-**	**-**	**-**
Disposal of a subsidiary with non-controlling interests	19	**-**	**-**	**-**	**-**
Total changes in ownerships interests in subsidiary		**-**	**-**	**-**	**-**
Balance at 31 March 2024		**420,044**	**(4,511)**	**(388)**	**7,501**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to Owners of the Parent						
Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total	Non-controlling interests	Total equity
(35,351)	4,442	(2,173)	1,278,845	1,666,159	10,579	1,676,738
–	–	–	97,124	97,124	5	97,129
–	–	–	374	374	–	374
10,916	–	–	–	10,916	62	10,978
770	–	–	–	770	–	770
–	(771)	–	–	(771)	–	(771)
(533)	(4,971)	–	–	(5,504)	–	(5,504)
11,153	(5,742)	–	374	5,785	62	5,847
11,153	(5,742)	–	97,498	102,909	67	102,976
–	–	–	–	6,263	–	6,263
–	–	–	–	–	–	–
–	–	–	–	(4,013)	–	(4,013)
–	–	–	–	–	–	–
–	–	–	(84,284)	(84,284)	(660)	(84,944)
–	–	–	(84,284)	(82,034)	(660)	(82,694)
–	–	–	–	–	5,622	5,622
–	–	–	–	–	597	597
–	–	–	–	–	6,219	6,219
(24,198)	(1,300)	(2,173)	1,292,059	1,687,034	16,205	1,703,239

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve
The Group					
Balance at 1 April 2022		420,044	(5,776)	1,506	5,110
Profit for the year		–	–	–	–
Actuarial gain on remeasurement of defined benefit plan		–	–	–	–
Foreign currency translation of foreign operations		–	–	–	–
Net fair value adjustment on cash flow hedges		–	–	–	–
Share of other comprehensive (loss)/income of associated/joint venture companies	13	–	–	–	–
Other comprehensive (loss)/income for the year, net of tax		–	–	–	–
Total comprehensive (loss)/income for the financial year		–	–	–	–
Share-based compensation expense	13	–	–	–	4,525
Share awards released	12,13	–	3,830	–	(3,830)
Purchase of treasury shares	12	–	(5,013)	–	–
Treasury shares reissued pursuant to equity compensation plans	12	–	1,988	(1,988)	–
Dividends		–	–	–	–
Total contributions by and distributions to owners		–	805	(1,988)	695
Acquisition of a subsidiary with non-controlling interests	19	–	–	–	–
Total changes in ownerships interests in subsidiary		–	–	–	–
Balance at 31 March 2023		420,044	(4,971)	(482)	5,805

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to Owners of the Parent						
Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total	Non-controlling interests	Total equity
(19,843)	92	(2,173)	1,211,826	1,610,786	10,620	1,621,406
–	–	–	66,389	66,389	156	66,545
–	–	–	630	630	–	630
(14,808)	–	–	–	(14,808)	(217)	(15,025)
–	(611)	–	–	(611)	–	(611)
(700)	4,961	–	–	4,261	–	4,261
(15,508)	4,350	–	630	(10,528)	(217)	(10,745)
(15,508)	4,350	–	67,019	55,861	(61)	55,800
–	–	–	–	4,525	–	4,525
–	–	–	–	–	–	–
–	–	–	–	(5,013)	–	(5,013)
–	–	–	–	–	–	–
–	–	–	–	–	(1,150)	(1,150)
–	–	–	–	(488)	(1,150)	(1,638)
–	–	–	–	–	1,170	1,170
–	–	–	–	–	1,170	1,170
(35,351)	4,442	(2,173)	1,278,845	1,666,159	10,579	1,676,738

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
The Company								
Balance at 1 April 2023		**420,044**	**(4,971)**	**(482)**	**5,805**	**514**	**830,720**	**1,251,630**
Loss for the year		**-**	**-**	**-**	**-**	**-**	**(744)**	**(744)**
Other comprehensive loss for the year, net of tax:								
Net fair value adjustment on cash flow hedges		**-**	**-**	**-**	**-**	**(771)**	**-**	**(771)**
Total comprehensive loss for the financial year		**-**	**-**	**-**	**-**	**(771)**	**(744)**	**(1,515)**
Share-based compensation expense	13	**-**	**-**	**-**	**6,263**	**-**	**-**	**6,263**
Share awards released	12,13	**-**	**4,567**	**-**	**(4,567)**	**-**	**-**	**-**
Purchase of treasury shares	12		**(4,013)**					**(4,013)**
Treasury shares reissued pursuant to equity compensation plans	12	**-**	**(94)**	**94**	**-**	**-**	**-**	**-**
Dividends	10	**-**	**-**	**-**	**-**	**-**	**(84,284)**	**(84,284)**
Total contributions by and distributions to owners		**-**	**460**	**94**	**1,696**	**-**	**(84,284)**	**(82,034)**
Balance at 31 March 2024		**420,044**	**(4,511)**	**(388)**	**7,501**	**(257)**	**745,692**	**1,168,081**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
The Company								
Balance at 1 April 2022		420,044	(5,776)	1,506	5,110	1,125	796,767	1,218,776
Profit for the year		–	–	–	–	–	33,325	33,325
Other comprehensive (loss)/ income for the year, net of tax:								
Actuarial gain on remeasurement of defined benefit plan		–	–	–	–	–	628	628
Net fair value adjustment on cash flow hedges		–	–	–	–	(611)	–	(611)
Total comprehensive (loss)/ income for the financial year		–	–	–	–	(611)	33,953	33,342
Share-based compensation expense	13	–	–	–	4,525	–	–	4,525
Share awards released	12,13	–	3,830	–	(3,830)	–	–	–
Purchase of treasury shares	12	–	(5,013)	–	–	–	–	(5,013)
Treasury shares reissued pursuant to equity compensation plans	12	–	1,988	(1,988)	–	–	–	–
Total contributions by and distributions to owners		–	805	(1,988)	695	–	–	(488)
Balance at 31 March 2023		420,044	(4,971)	(482)	5,805	514	830,720	1,251,630

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	The Group 2023/24	2022/23
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**99,345**	65,549
Adjustments for:			
Depreciation	15,16	**57,605**	59,270
Amortisation of intangible assets	17	**5,474**	4,682
Impairment loss allowance/(reversal) for trade receivables, contract assets and amounts owing by related parties	6	**3,792**	(2,106)
Share-based compensation expense		**6,663**	4,525
Rent concessions		**-**	(588)
Unrealised exchange differences		**(625)**	582
Interest income	7	**(24,433)**	(12,271)
Finance charges		**4,386**	1,949
(Surplus)/Loss on disposal of property, plant and equipment and intangible assets		**(95)**	19
Surplus on disposal of associated companies		**(2,307)**	-
Surplus on disposal of subsidiaries		**(390)**	-
Impairment loss reversal of associated companies	20	**-**	(2,005)
Impairment loss allowance/(reversal) of financial and non-financial assets		**26,844**	(1,678)
Share of profits of associated and joint venture companies, net of tax		**(100,994)**	(77,814)
Operating profit before working capital changes		**75,265**	40,114
(Increase)/Decrease in debtors		**(45,450)**	26,668
Decrease/(Increase) in contract assets		**10,407**	(35,587)
Increase in inventories		**(18,374)**	(7,599)
Increase in creditors		**58,492**	33,205
Increase in contract liabilities		**10,415**	8,807
Decrease/(Increase) in amounts owing by immediate holding company		**11,849**	(6,040)
(Increase)/Decrease in amounts owing by related parties, net		**(1,402)**	2,054
Cash generated from operations		**101,202**	61,622
Income taxes (paid)/refunded		**(804)**	2,987
NET CASH PROVIDED BY OPERATING ACTIVITIES		**100,398**	64,609

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 March 2024 (in thousands of $)

	Notes	The Group 2023/24	2022/23
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure	15	**(39,219)**	(48,599)
Purchase of intangible assets	17	**(9,458)**	(11,034)
Proceeds from disposal of property, plant and equipment and intangible assets		**196**	559
Return of shareholders' equity upon dissolution of an associated company		**13,822**	–
Investment in associated company		**(3,022)**	–
Acquisition of a subsidiary, net of cash acquired	19	**15,649**	(4,657)
Disposal of a subsidiary, net of cash disposed	19	**91**	–
Dividends received from associated companies		**27,768**	36,734
Interest received from deposits		**24,982**	7,537
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**30,809**	(19,460)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid	10	**(84,284)**	–
Dividends paid by subsidiary companies to non-controlling interests		**(660)**	(1,150)
Finance charges paid	34	**(549)**	(61)
Repayment of lease liabilities	32,34	**(30,948)**	(30,443)
Proceeds from borrowings	34	**2,655**	3,207
Repayment of borrowings	34	**–**	(3,645)
Purchase of treasury shares	12	**(4,013)**	(5,013)
NET CASH USED IN FINANCING ACTIVITIES		**(117,799)**	(37,105)
NET CASH INFLOW		**13,408**	8,044
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		**632,989**	625,477
Effect of exchange rate changes		**(447)**	(532)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		**645,950**	632,989
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Short-term deposits	29	**604,869**	603,539
Cash and bank balances	30	**41,081**	29,450
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		**645,950**	632,989

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. GENERAL

SIA Engineering Company Limited (the "Company") is a limited liability company incorporated in the Republic of Singapore which is also the place of domicile. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company is a subsidiary company of Singapore Airlines Limited and its ultimate holding company is Temasek Holdings (Private) Limited. Both holding companies are incorporated in the Republic of Singapore.

The registered office of the Company is at 31 Airline Road, Singapore 819831.

The financial statements of the Group as at 31 March 2024 and for the year then ended comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in equity-accounted investees.

The principal activities of the Company are the provision of airframe maintenance, component overhaul services and inventory technical management, the provision of line maintenance and technical ground handling services and investment holdings. The principal activities of the subsidiaries are disclosed in Note 18 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 10 May 2024.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies applied by the Group and the Company are consistent to all periods presented in the financial statements and in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") and International Financial Reporting Standards ("IFRS"), except as explained in Note 2(b) which addresses changes in material accounting policies.

(a) Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with SFRS(I) and IFRS.

All references to SFRS(I)s and IFRSs are subsequently referred to as IFRSs in these financial statements unless otherwise specified.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD"), which is the Company's functional currency and all financial information presented in SGD have been rounded to the nearest thousand ($'000), unless otherwise stated.

2. MATERIAL ACCOUNTING POLICIES (continued)

(b) Changes in material accounting policies

New standards and amendments

The Group has applied the following IFRSs, amendments to and interpretations of IFRSs for the first time for the annual period beginning on 1 April 2023:

- *IFRS 17: Insurance Contracts*
- *Amendments to IAS 12: Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- *Amendments to IAS 12: International Tax Reform – Pillar Two Model Rules*
- *Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies*
- *Amendments to IAS 8: Definition of Accounting Estimates*

Other than the below, the application of these amendments to standards and interpretations does not have a material effect on the financial statements.

Adoption of Deferred tax related to Assets and Liabilities arising from a Single Transaction

The Group has adopted Amendments to *IAS 12: Deferred tax related to Assets and Liabilities arising from a Single Transaction* from 1 April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities.

For leases, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of IAS 12. There was also no impact on the opening retained earnings as at 1 April 2022 as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised (see Note 14).

Global minimum top-up tax

The Group falls within the scope of the Global Anti-Base Erosion (GloBE) rules introduced by the OECD under the new global minimum top-up tax framework (Pillar Two) through its immediate holding company. Singapore plans to enact Pillar Two legislation which will come into effect from 1 January 2025, while some of the other countries where the Group operates have enacted or substantively enacted Pillar Two legislation.

The Group is in the process of assessing its exposure to the Pillar Two income taxes arising from the legislation.

In Japan and Malaysia where Pillar Two has been enacted or substantively, the average effective tax rates calculated based on the accounting tax expense and the accounting profits are below 15%. Despite these accounting average effective tax rates being less than 15%, the Group may not be exposed to Pillar Two income taxes in relation to these jurisdictions, as all the adjustments required to determine the effective tax rates in accordance with the Pillar Two legislation have not been considered. This could potentially lead to different effective tax rates under the legislation. In addition, other entities in the Group with higher accounting average effective rates may also be exposed to Pillar Two income taxes.

2. MATERIAL ACCOUNTING POLICIES (continued)

(b) Changes in material accounting policies (continued)

Due to the complexity of this legislation and the calculations involved, including the determination of the adjustments required under the Pillar Two legislation, the Group has assessed that the quantitative impact of the potential top-up tax arising from the enacted or substantively enacted legislation is not yet reasonably estimable. The Group continues to assess the impact of the Pillar Two legislation on its financials.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impact of the top-up tax and accounts for it as a current tax when it is incurred (see Note 2(l)).

Material accounting policy information

The Group adopted *Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 2 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

(c) New standards and interpretations not adopted

New standards and amendments to standards that are effective from the Group's financial year ending 31 March 2025 are as follows:

Description	Effective from
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1)	1 April 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 April 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 April 2024
Lack of Exchangeability (Amendments to IAS 21)	1 April 2025

Based on our current assessment, apart from the below, the application of these amendments to standards and interpretations is not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

Non-current liabilities with covenants

As disclosed in Note 33, the Group has a secured bank loan that are subject to specific covenants. While it is classified as non-current at 31 March 2024, a future breach of the related covenants may require the Group to repay the liability earlier than the contractual maturity date. The Group is in the process of assessing the potential impact of the amendments on the classification of this liability and the related disclosure.

2. MATERIAL ACCOUNTING POLICIES (continued)

(d) Intangible assets

Intangible assets comprised of computer software, engine development costs, goodwill and licenses acquired in business combinations.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss account on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The estimated useful lives are as follows:

- Computer software 3 – 5 years
- Licences 3 years

For engine programme assets including development costs, amortisation begins only when assets are available for use. These engine programme assets including development costs are amortised on a straight-line basis over a maximum of 39 years, the expected project life from the start of aircraft engine sales through post-sales maintenance service periods.

Assets under construction are not amortised. Amortisation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted, if appropriate.

(e) Foreign currencies

Foreign currency transactions

Foreign currency transactions are translated into SGD at rates prevailing at the dates of those transactions.

All foreign currency monetary assets and liabilities are translated into SGD using year-end exchange rates. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The foreign currency gain or loss on monetary assets and liabilities is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency re-translated at the exchange rate at the end of the year.

Foreign currency differences are recognised in profit or loss, except for qualifying cash flow hedges which are recognised in other comprehensive income and deferred to equity.

Entities with non-SGD functional currencies

For the purpose of the consolidated financial statements, the net assets of subsidiaries, associated and joint venture companies whose functional currencies are not SGD, are translated into SGD at the rates prevailing at the reporting date. The financial results of these subsidiaries, associated and joint venture companies are translated monthly into SGD at the prevailing exchange rates. The resulting gains or losses on exchange are recognised in other comprehensive income and accumulated under foreign currency translation reserve.

Goodwill and fair value adjustments arising from acquisition are treated as assets and liabilities of the entities acquired and are recorded in the functional currency of the entity, and where required, translated into SGD at the closing rate at the end of the reporting period.

2. MATERIAL ACCOUNTING POLICIES (continued)

(e) Foreign currencies (continued)

Entities with non-SGD functional currencies (continued)

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity, except to the extent that the foreign currency differences are allocated to non-controlling interests. When a subsidiary, joint venture or associated company is disposed, i.e. control, significant influence or joint control is lost, any cumulative amount in the foreign currency translation reserve related to that entity is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary company while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associated or a joint venture company while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(f) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When parts of a property, plant and equipment have different useful lives, they are accounted for as separate components. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment are also capitalised.

When assets are sold or retired, their costs, accumulated depreciation and accumulated impairment loss, if any, are removed from the financial statements and any gain or loss resulting from their disposal is included in profit or loss.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

(ii) Depreciation of property, plant and equipment

Depreciation is based on the cost of an asset less its residual value. Operational lives, residual values and depreciation method are reviewed annually, and adjusted prospectively, if appropriate. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is recognised from the date the property, plant and equipment are installed and ready for use.

Assets under construction are not depreciated as they are not yet available for use.

Fully depreciated assets are retained in the financial statements until they are no longer in use. No depreciation is charged after assets are depreciated to their residual values.

2. MATERIAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment (continued)

(ii) Depreciation of property, plant and equipment (continued)

Property, plant and equipment type	Useful lives	Residual values
Leasehold land and buildings	Shorter of lease period or 30 years	Nil
Plant, equipment and engine overhaul tooling	1– 15 years	Nil
Aircraft rotable spares	3 – 15 years	Nil
Office furniture, computer equipment and motor vehicles	1 – 7 years	Nil

(g) Leases

As a lessee

The Group recognises a right-of-use ("ROU") asset and lease liability at the lease commencement date.

ROU asset

ROU asset is initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimated cost to restore the underlying asset, less any lease incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

Lease liability

The initial measurement of lease liability is measured at the present value of the unpaid lease payments discounted using the implicit rate in the lease, or if the rate cannot be easily determined, the Group shall use its incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rate from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments comprise the following:

- fixed payments, including in-substance fixed payments, less any incentives receivables;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee and;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Group's estimate of the residual value guarantees, extension or termination options, or there is a revision to an in-substance fixed payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

2. MATERIAL ACCOUNTING POLICIES (continued)

(g) Leases (continued)

As a lessee (continued)

Lease liability (continued)

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected not to separate lease and non-lease components for property leases and has elected to account for these as one single lease component.

Interest expense arising from lease liabilities are included in repayment of leases under cash flow from financing activities in the consolidated statement of cash flows.

Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term equipment leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

(i) Financial instruments

(i) Recognition and initial measurement

A financial asset or financial liability (except for trade receivable without a significant financing component) is initially measured at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

Financial liabilities

The Group classifies its financial liabilities, other than loan commitments, as measured at amortised cost or FVTPL.

2. MATERIAL ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the sum of the (i) consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that has been recognised in other comprehensive income, is recognised in profit or loss.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(v) Impairment

Expected credit loss ("ECL")

The Group recognises loss allowances for ECL on financial assets measured at amortised cost and contract assets.

Simplified approach

The Group applies the simplified approach to provide for loss allowances for trade debtors, contract assets and amounts owing by related parties to be always measured at an amount equal to lifetime ECL.

2. MATERIAL ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

(v) Impairment (continued)

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

12-month ECL is the portion of lifetime ECL that results from the default events on a financial instrument that are possible within the 12 months after the reporting date. The lifetime ECL is the expected credit loss over the term of the financial instrument, and is the shortfall of the probability weighted net present value of cash flows as compared to the carrying value of the non-equity financial asset.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Credit-impaired financial assets

At each reporting date, the Group assesses whether non-equity financial assets that are carried at amortised cost and non-equity financial assets that are carried at FVOCI are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of allowance for ECLs in the balance sheet

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

2. MATERIAL ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into; any attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivative financial instruments are remeasured at their fair values.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken directly to profit or loss.

Designation of hedges

The Group designates certain derivatives as well as non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objective and strategy in undertaking the hedge, the economic relationship between the hedge instrument and the hedged item, the effects of credit risk on the hedge, the hedge ratio and the hedge type (cash flow or fair value).

At the inception of the hedge relationship, the Group makes an assessment of whether the hedging instrument is expected to be highly effective in offsetting the changes in the fair value, or cash flows of the respective hedged item during the period for which the hedge is designated. For a cash flow hedge of a forecast transaction, the Group also assesses whether the forecast transaction is highly probable to occur and if it presents an exposure to variations in cash flows that could ultimately affect profit or loss.

Cash flow hedges

When a derivative is designated in a cash flow hedge, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the fair value reserve. Any ineffective portion of changes in the fair value of the derivative (i.e. the extent to which changes in the fair value of the hedge instrument are greater than the changes in fair value of the hedged item) is recognised immediately in profit or loss.

The amount accumulated in equity is retained in other comprehensive income and depending on the nature of the hedged item, will either be transferred to profit or loss in the same period that the underlying transaction affects profit or loss or be capitalised in the initial carrying amount of a hedged item.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in the fair value reserve remains there until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

2. MATERIAL ACCOUNTING POLICIES (continued)

(j) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's ("CGU") fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Where the carrying amount of an asset or its related CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For non-financial assets excluding goodwill and those with indefinite lives, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty claims is made for airframe maintenance and component overhaul services based on past experience of the level of repairs.

2. MATERIAL ACCOUNTING POLICIES (continued)

(l) Taxation

(i) Current income tax

Tax recoverable and tax liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to, respectively, the tax authorities using tax rates enacted or substantively enacted at balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to a business combination, or items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are not recognised for:

- Temporary differences on the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- Temporary differences associated with investments in subsidiary and joint venture companies, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

2. MATERIAL ACCOUNTING POLICIES (continued)

(m) Revenue

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

The following policies provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms and the related revenue recognition policies.

Airframe and line maintenance

Revenue from airframe and line maintenance includes airframe maintenance, line maintenance and inventory technical management.

Revenue from airframe maintenance is recognised over time using input method to reflect the progress of the projects completed to date. The progress of the projects is determined based on the number of man-hours incurred to-date against the estimated man-hours needed to complete the projects. Billing for airframe services is either on a fixed price or "as incurred basis". The fixed price charges are generally due prior to aircraft redelivery. For services that are charged on "as incurred" basis, they are payable within 30 – 90 days.

Revenue from line maintenance includes aircraft certification and technical ground handling and is recognised over the duration of the services rendered. Invoices are issued bi-monthly or monthly or upon rendering of services. The invoices are payable within 30 – 90 days.

For inventory technical management, billings to customers are based on flying hours and/or fixed contractual prices and revenue is recognised over time when services are being performed. The charges are billed in advance using estimated flying hour or billed in arrears using actual flying hours or upon rendering of services. The invoices are payable within 30 – 90 days.

Engine and component

Revenue from engine and component includes engine and component overhaul and is recognised over time using input method as to reflect the progress of repair services completed to date. Invoices are issued upon rendering of services and are payable within 30 – 90 days.

The Group and Company exercised judgement in applying the estimated variable consideration based on experience with customers. A general provision for expected claims by customers is made based on historical experience. Additionally, the Group and Company make specific provisions at each reporting period for failure to adhere to specific conditions under each customer contract. The Group and Company review their estimates of expected claims at each reporting date and update the amounts of the provisions accordingly.

(n) Employee benefits

Equity compensation plans

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered.

The Company has implemented the Restricted Share Plan, Performance Share Plan and Deferred Share Awards for the award of fully paid ordinary shares to key senior management and senior executives, after pre-determined performance or service conditions are accomplished.

Details of the plans are disclosed in Note 11 to the financial statements.

2. MATERIAL ACCOUNTING POLICIES (continued)

(n) Employee benefits (continued)

Equity compensation plans (continued)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which the share awards are granted. In valuing the share awards, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company and non-vesting performance conditions.

This cost is recognised in profit or loss as share-based compensation expense, with a corresponding increase in the share-based compensation reserve, over the vesting period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date").

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The share-based compensation reserve is transferred to general reserve upon cancellation or expiry of the vested awards. When the awards are released, the share-based compensation reserve is transferred to share capital when new shares are issued, or to treasury shares if the awards are satisfied by the reissuance of treasury shares.

Defined benefit plans

The Group contributes to several defined benefit pension and post-employment benefit plans for some of the regular employees. The cost of providing benefits includes the Group's contribution for the year plus any unfunded liabilities under the plans, which is determined separately for each plan. Contributions to the plans over the expected average remaining working lives of the employees participating in the plans are recognised as expense in profit or loss.

Remeasurements comprising actuarial gains and losses, and the return on plan assets are recognised immediately in other comprehensive income in the period in which they arise. All expenses related to the defined benefit plans are recognised as an expense in profit or loss. Remeasurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

Defined contribution plans

As required by law, companies in Singapore make contributions to the Central Provident Fund scheme ("CPF") in Singapore, a defined contribution scheme. Certain of the Group's subsidiary companies outside Singapore make contributions to their respective country's defined contribution pension schemes. Such contributions are recognised as expenses in the period in which the related services are performed.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2. MATERIAL ACCOUNTING POLICIES (continued)

(o) Segmental reporting

For management purposes, the Group is organised into operating segments based on the nature of the services provided which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to Management of the Company that regularly reviews the segments' results in order to allocate resources to the segments and to assess the segments' performance.

Where the equity method investment is a reportable segment, the segment information reviewed by Management is the full financial information of the investee (e.g. total revenue, total profit or loss). Accordingly, the segment disclosures are based on the full financial information of the equity-accounted investees. Relevant elimination of the investees' revenue and results are made to reconcile to the Group consolidated results.

The Company and its subsidiaries operate in Singapore, Philippines, Japan, Malaysia and United States of America. The significant operating segments of the Group are airframe and line maintenance, and engine and component. Additional disclosures on each of these segments are shown in Note 38 including the factors used to identify the reportable segments and the measurement basis of segment information.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND CRITICAL JUDGEMENTS

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation and uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) ECL provision for trade receivables, contract assets and amounts owing by related parties

The Group uses an allowance matrix by age bracket to measure the ECL of trade receivables, contract assets and amounts owing by related parties. The provision rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on common credit risk characteristics.

The Group also assesses at the end of each reporting period whether there is any objective evidence that the receivables and contract balances from individual customers is credit-impaired based on factors such as insolvency, financial difficulties of the customer or significant delays in repayments.

The aggregated carrying amounts of the Group's and Company's trade receivables, contract assets and amounts owing by related parties as at 31 March 2024 were approximately $241,426,000 (2023: $212,897,000) and $221,629,000 (2023: $197,645,000), respectively.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND CRITICAL JUDGEMENTS (continued)

(b) Income taxes

The Group has exposure to income taxes in several jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amounts of the Group's current tax payable and deferred tax liabilities as at 31 March 2024 were approximately $7,274,000 (2023: $6,132,000) and $724,000 (2023: $539,000) respectively.

The carrying amounts of the Company's current tax payable as at 31 March 2024 was approximately $6,357,000 (2023: $6,685,000).

(c) Contract assets

Contract assets refer to services rendered which have not been billed and are stated at cost plus estimated profit earned, according to the estimated progress of the projects completed and total estimated budgeted cost. Management made reference to labour hours incurred and the physical stage of maintenance, repair and overhaul in estimating the progress of the projects completed and budgeted cost. The carrying amounts of the Group's and Company's contract assets as at 31 March 2024 were approximately $151,132,000 (2023: $160,304,000) and $142,805,000 (2023: $149,100,000) respectively.

(d) Impairment of non-financial assets

Management performs impairment testing for the following items:

- Property, plant and equipment (refer to Note 15);
- Right-of-use assets;
- Goodwill (refer to Note 17);
- Intangible assets, relating to engine development costs (refer to Note 17); and
- Investments in subsidiary, associated and joint venture companies.

Impairment is recognised when events and circumstances indicate that the non-financial assets may be impaired and the carrying amounts of the non-financial assets exceed the recoverable amounts. Recoverable amount is defined as the higher of the non-financial assets' fair value less costs to sell and its value-in-use. In the case of aircraft rotable spares, the current fair market value is determined based on the revised disposal value agreed with the bidder during the year.

When value-in-use calculations are undertaken, Management estimates the recoverable amount based on a discounted cash flow model. The cash flows are derived from the forecast approved by Management. These cash flow assumptions are premised on Management's assessment of market conditions and outlook relevant to the cash-generating units, and therefore subject to risk of estimation uncertainties.

4. REVENUE (IN THOUSANDS OF $)

	The Group	
	2023/24	2022/23
Airframe overhaul and line maintenance	**836,250**	644,898
Engine and component	**257,967**	151,072
	1,094,217	795,970

(a) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major service line and timing of revenue recognition.

	Airframe overhaul and line maintenance		Engine and component		Total	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Primary geographical markets						
East Asia	**675,470**	487,012	**138,070**	105,617	**813,540**	592,629
Europe	**74,126**	67,829	**82,063**	21,439	**156,189**	89,268
South West Pacific	**28,494**	15,971	**3,385**	2,585	**31,879**	18,556
Americas	**35,609**	44,554	**28,637**	18,033	**64,246**	62,587
West Asia and Africa	**22,551**	29,532	**5,812**	3,398	**28,363**	32,930
	836,250	644,898	**257,967**	151,072	**1,094,217**	795,970
Major service line						
Services rendered	**836,250**	644,898	**257,967**	151,072	**1,094,217**	795,970
Timing of revenue recognition						
Transferred over time	**836,250**	644,898	**257,967**	151,072	**1,094,217**	795,970

(b) Transaction price allocated to the remaining performance obligations

As at 31 March 2024, the revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date for inventory technical management amounts to approximately $183,000,000 (2022/23: $151,000,000) for financial periods 2024/25 to 2026/27 (2022/23: 2023/24 to 2025/26).

Variable consideration that is constrained is not included in the transaction price and therefore excluded in the amount presented above.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

5. STAFF COSTS (IN THOUSANDS OF $)

	The Group	
	2023/24	2022/23
Salary, bonuses and other costs	**520,478**	377,238
CPF and other defined contributions	**49,129**	44,444
Share-based compensation expense	**6,663**	4,726
	576,270	426,408

The Group contributes to unfunded, non-contributory, defined benefit plans for some of the regular employees. The Group recognised a writeback of $216,000 (2022/23: $160,000) with respect to defined benefit expenses for the year. As the financial effects of the defined benefit plan are not material to the overall financial statements, no further disclosures of the plan are provided. Disclosures relating to share-based compensation expense are in Note 11.

In the prior year, staff costs were offset by $11,894,000 of wage support grants extended by the Singapore Government, measured at 10-50% of the qualifying wages recorded by group entities in Singapore

6. OPERATING PROFIT/(LOSS) (IN THOUSANDS OF $)

Operating profit/(loss) for the financial year is arrived at after (crediting)/charging:

	The Group	
	2023/24	2022/23
Impairment loss allowance/(reversal) for trade receivables, contract assets and amounts owing by related parties	**3,792**	(2,106)
Net exchange (gain)/loss *	**(1,771)**	1,491
Provision for obsolete stocks, net	**1,049**	3,256
Equipment related costs	**53,314**	40,046
Freight cost	**12,541**	10,465
Insurance and warranty	**9,280**	6,200
Professional fee paid to a firm in which a director is a member	**90**	40
Audit fees		
- Auditors of the Company	**398**	342
- Other auditors	**54**	18
Non-audit fees #		
- Auditors of the Company	**17**	30

* Net exchange (gain)/loss includes:
(i) Amount includes a net fair value gain on forward currency contracts used for hedging purposes of approximately $588,000 (2022/23: net fair value loss of $8,000), realised in the current financial year. Disclosures relating to fair value changes on derivative financial instruments are in Note 13.
(ii) $473,000 (2022/23: Nil) exchange gain was also recognised from discontinuation of cash flow hedge during the year.
(iii) The Company also enters into multiple spot currency contracts which realised a net exchange gain of $92,000 (2022/23: Nil).

\# Non-audit fees paid to the auditors of the Company include audit related services of $10,400 (2022/23: $9,700).

7. INTEREST INCOME (IN THOUSANDS OF $)

	The Group	
	2023/24	2022/23
Deposits placed with immediate holding company	**22,905**	11,638
Deposits placed with banks	**1,528**	633
	24,433	12,271

8. TAXATION (IN THOUSANDS OF $)

The major components of taxation for the years ended 31 March 2024 and 2023 are as follows:

	The Group	
	2023/24	2022/23
Current tax		
Provision for the financial year	**(1,250)**	197
(Under)/Over-provision in respect of prior years	**(759)**	874
	(2,009)	1,071
Deferred tax		
Movement in temporary differences	**(6,448)**	(1,457)
Over-provision in respect of prior years	**6,241**	1,382
	(207)	(75)
Taxation recognised in profit or loss	**(2,216)**	996

Deferred tax related to other comprehensive income:

	The Group	
	2023/24	2022/23
Net change in the fair value of derivative financial instruments designated as cash flow hedges	**(157)**	(125)
Actuarial gain on revaluation of defined benefit plans	**77**	129

8. TAXATION (IN THOUSANDS OF $) (continued)

A reconciliation between taxation and the product of accounting profit multiplied by the applicable tax rate for the financial years ended 31 March is as follows:

	The Group	
	2023/24	2022/23
Profit before taxation	**99,345**	65,549
Less: share of results of associated and joint venture companies	**(100,994)**	(77,814)
	(1,649)	(12,265)
Taxation at statutory tax rate of 17.0%	**280**	2,085
Adjustments		
Income not subject to tax	**1,328**	1,188
Deferred tax assets not recognised	**(5,569)**	(268)
Expenses not deductible for tax purposes	**(4,942)**	(5,277)
Effects of difference in tax rates of other countries	**1,339**	721
Over-provision in relation to prior years	**5,482**	2,256
Provision of withholding tax expense	**(268)**	(108)
Tax incentives	**-**	(36)
Others	**134**	435
Taxation	**(2,216)**	996

9. EARNINGS PER SHARE

	The Group	
	2023/24	2022/23
Profit attributable to owners of the parent (in thousands of $)	**97,124**	66,389
Weighted average number of ordinary shares in issue used for computing basic earnings per share *	**1,122,884,979**	1,122,872,605
Adjustment for dilutive potential ordinary shares	**5,170,142**	4,355,127
Weighted average number of ordinary shares in issue used for computing diluted earnings per share	**1,128,055,121**	1,127,227,732
Basic earnings per share (cents)	**8.65**	5.91
Diluted earnings per share (cents)	**8.61**	5.89

* The weighted average number of ordinary shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

For purposes of calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to take into account the effects of dilutive potential ordinary shares. The Company has three categories of dilutive potential ordinary shares: performance shares, restricted shares and deferred shares.

10. DIVIDENDS PAID AND PROPOSED (IN THOUSANDS OF $)

	The Group and Company	
	2023/24	2022/23
Dividends paid:		
Final dividend of 5.5 cents per share in respect of 2022/23 (2021/22: Nil)	**61,814**	–
Interim dividend of 2.0 cents per share in respect of 2023/24 (2022/23: Nil)	**22,470**	–
	84,284	–

The directors propose a final tax exempt (one-tier) dividend of 6.0 cents per share (2022/2023: final tax exempt (one-tier) dividend of 5.5 cents per share) amounting to approximately $67,331,000 (2023: $61,814,000) to be paid for the financial year ended 31 March 2024.

11. SHARE CAPITAL (IN THOUSANDS OF $)

	The Group and Company			
	Number of shares		Amount	
	2024	2023	2024	2023
Issued and fully paid				
Balance at 1 April and 31 March	**1,124,116,360**	1,124,116,360	**420,044**	420,044

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

During the financial year, the Company's release of share awards granted under the restricted and performance share plans and deferred share award were settled by way of issuance of 1,913,024 (2022/23: 1,628,003) treasury shares.

Share-based incentive plans

At the Extraordinary General Meeting of the Company held on 21 July 2014, shareholders approved the adoption of the SIAEC RSP 2014 and SIAEC PSP 2014.

11. SHARE CAPITAL (IN THOUSANDS OF $) (continued)

Share-based incentive plans (continued)

The details of the plans are described below:

	Restricted Share Plan	Performance Share Plan	Deferred Share Award
Plan Description	Award of fully-paid ordinary shares of the Company, dependent on position level and individual performance targets set at the start of a one-year performance period based on Group and Company objectives with some degree of stretch.	Award of fully-paid ordinary shares of the Company, conditional on performance targets set at the start of a three-year performance period based on stretched long-term corporate objectives for senior management.	Conditional share award of fully-paid ordinary shares of the Company under the Restricted Share Plan ("RSP"), which is the part-settlement of the Strategic and Transformational Initiatives Incentive Plan ("STIP") for senior management.
Performance Conditions	Awards granted prior to 2021/22 • Group and Company EBITDA# Margin • Group and Company Value Added per $ Employment Cost Awards granted in and after 2021/22 • Achievement based on Company Operating Performance Scorecard The above performance conditions are selected as they are the key operational drivers of shareholder value and are aligned to the Group and Company's business objectives.	• Absolute Total Shareholder Return (TSR) outperform Cost of Equity (COE) • Return on Equity (ROE) The above performance measures are selected as key measurement of value-creation for shareholders.	None
Vesting Condition	Based on meeting stated performance conditions over a one-year performance period, 1/3 of award will vest provided performance conditions are met. Balance will vest equally over the subsequent two years with fulfilment of service requirements.	Vesting based on meeting stated performance conditions over the three-year performance period.	The Initial Award will vest with 1/3 vesting immediately upon the date of grant, and the balance at 1/3 over the next two years. Balance will vest equally over the subsequent two years with fulfilment of service requirements. Additional dividend kicker upon final vesting.
Payout	0% – 150% depending on the achievement of pre-set performance targets over the performance period.	0% – 200% depending on the achievement of pre-set performance targets over the performance period.	100%

EBITDA denotes Earnings before Interest, Taxes, Depreciation and Amortisation.

11. SHARE CAPITAL (IN THOUSANDS OF $) (continued)

Share-based incentive plans (continued)

The movement of the shares awarded during the financial year is as follows:

RSP

	Number of Restricted shares				
Date of grant	Balance at 1.4.2023/ date of grant	Adjustments *	Cancelled	Released	Balance at 31.3.2024
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
	4,201,234	–	(54,022)	(1,235,396)	2,911,816

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

PSP

	Number of Performance shares				
Date of grant	Balance at 1.4.2023/ date of grant	Adjustments *	Cancelled	Released	Balance at 31.3.2024
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
	1,672,400	(394,880)	–	(34,420)	1,243,100

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

DSA

	Number of Deferred shares				
Date of grant	Balance at 1.4.2023/ date of grant	Adjustments *	Cancelled	Released	Balance at 31.3.2024
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
	1,651,042	7,392	–	(643,208)	1,015,226

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

11. SHARE CAPITAL (IN THOUSANDS OF $) (continued)

Share-based incentive plans (continued)

Measurement of fair values

The fair value of services received in return for shares awarded is measured by reference to the fair value of shares granted each year under the SIAEC RSP, PSP and DSA. The estimate of the fair value of the services received is measured based on a prospective Monte Carlo simulation model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns.

The following table lists the key inputs to the model used for the July 2023, January 2023 and July 2022 awards:

	July 2023 Award			January 2023 Award		July 2022 Award		
	RSP	PSP	DSA	RSP	PSP	RSP	PSP	DSA
Expected dividend yield (%)	Management's forecast in line with dividend policy							
Expected volatility (%)	25.02	25.02	18.59 – 21.61	33.88	33.88	33.73	33.73	24.5 - 28.10
Risk-free interest rate (%)	3.49 – 3.70	3.49	3.49 – 3.64	3.06 – 4.01	3.06	2.52 – 2.61	2.61	2.52 - 2.55
Expected term (years)	1.00 – 3.00	3.00	2.00	1.00 – 3.00	3.00	1.00 – 3.00	3.00	2.00
Share price at date of grant ($)	2.45	2.45	2.45	2.48	2.48	2.40	2.40	2.40

For non-market conditions, achievement factors have been estimated based on inputs from the Compensation & HR Committee for the purpose of accrual for the RSP, PSP and DSA until the achievement of the targets can be accurately ascertained.

Based on the Monte Carlo simulation model, the estimated fair value at date of grant for each share granted under the RSP ranges from $2.19 to $2.36 (2022/23: $2.16 to $2.33), the estimated fair value at date of grant for each share granted under the PSP is $2.40 (2022/23: $2.53) and the estimated fair value at date of grant for each share granted under the DSA is $2.27 to $2.45 (2022/23: $2.25 to $2.40).

When estimating the fair value of the compensation cost, market-based performance conditions shall be taken into account. Therefore, for performance share grants with market-based performance conditions, the compensation cost shall be charged to profit or loss on a basis that fairly reflects the manner in which the benefits will accrue to the employee under the plan over the remaining service periods from date of grant to which the performance period relates, irrespective of whether this performance condition is satisfied.

For performance share grants with non-market conditions, the Company revises its estimates of the number of share grants expected to vest and corresponding adjustments are made to profit or loss and share-based compensation reserve.

Under the RSP, PSP and DSA, eligible key executives are required to hold a portion of the shares released to them under a share ownership guideline which requires them to maintain a beneficial ownership stake in the Company, thus further aligning their interests with shareholders.

The number of contingent shares granted but not released as at 31 March 2024, were 2,911,816 (2023: 2,419,100), 1,243,100 (2023: 1,146,800) and 1,015,226 (2023: 789,227) for RSP, PSP and DSA respectively. Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 3,772,083 (2023: 3,033,938), 2,486,200 (2023: 2,293,600) and 1,015,226 (2023: 789,227) fully-paid ordinary shares for RSP, PSP and DSA respectively.

11. SHARE CAPITAL (IN THOUSANDS OF $) (continued)

Share-based incentive plans (continued)

For the current financial year, the Group has provided approximately $6,663,000 (2022/23: $4,726,000) in respect of the RSP, PSP and DSA based on the fair values determined on grant date and estimation of share grants that will ultimately vest.

The amounts recognised in profit or loss for share-based compensation transactions with employees are as follows:

	The Group and Company	
	2023/24	2022/23
Share-based compensation expense		
– Restricted share plan	**3,384**	2,517
– Performance share plan	**958**	842
– Deferred share award	**2,321**	1,367
	6,663	4,726

12. TREASURY SHARES (IN THOUSANDS OF $)

	The Group and Company	
	31 March	
	2024	2023
Balance at 1 April	**(4,971)**	(5,776)
Purchase of treasury shares	**(4,013)**	(5,013)
Treasury shares reissued pursuant to equity compensation plans:		
– RSP/PSP/DSA awarded	**4,567**	3,830
– (Gain)/Loss on reissuance of treasury shares	**(94)**	1,988
	4,473	5,818
Balance at 31 March	**(4,511)**	(4,971)

Treasury shares relate to ordinary shares of the Company that are held by the Company.

During the financial year, the Company purchased 1,722,200 (2022/23: 2,150,000) of its ordinary shares by way of on-market purchases at share prices ranging from $2.25 to $2.40 (2022/23: $2.12 to $2.51). The total amount paid to purchase the shares was approximately $4,013,000 (2022/23: $5,013,000) and this is presented as a component within equity attributable to owners of the Parent.

The Company transferred 1,913,024 (2022/23: 1,628,003) treasury shares to employees on vesting of share-based incentive plans. The number of treasury shares as at 31 March 2024 was 1,935,914 (2023: 2,126,738).

13. OTHER RESERVES (IN THOUSANDS OF $)

(a) Capital reserve

Capital reserve arises from the gains or losses on the reissuance of treasury shares.

13. OTHER RESERVES (IN THOUSANDS OF $) (continued)

(b) Share-based compensation reserve

Share-based compensation reserve represents the equity-settled share awards granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share awards, and is reduced by the release of share awards.

(c) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising from the translation of the financial statements of subsidiaries, joint venture and associated companies whose functional currencies are different from that of the Group's presentation currency.

(d) Fair value reserve

Fair value reserve records the cumulative fair value changes of financial asset measured at fair value through other comprehensive income ("FVOCI") and the portion of the fair value changes (net of tax) on derivative financial instruments designated as hedging instruments in cash flow hedges that is determined to be an effective hedge.

	The Group 31 March	
	2024	2023
Balance at 1 April	**4,442**	92
Net gain/(loss) on fair value adjustment	**290**	(619)
Recognised in "other operating expenses" in profit or loss on occurrence of forecast transactions	**(588)**	8
Effect from discontinuation of cash flow hedge	**(473)**	–
Share of other comprehensive income of a joint venture company	**(4,971)**	4,961
Balance at 31 March	**(1,300)**	4,442

	The Company 31 March	
	2024	2023
Balance at 1 April	**514**	1,125
Net gain/(loss) on fair value adjustment	**290**	(619)
Recognised in "other operating expenses" in profit or loss on occurrence of forecast transactions	**(588)**	8
Effect from discontinuation of cash flow hedge	**(473)**	–
Balance at 31 March	**(257)**	514

(e) Equity transaction reserve

The reserve represents the effects of changes in ownership interest in subsidiaries when there is no change in control.

(f) General reserve

General reserve comprises mainly retained earnings of the Group and the Company. Movements in the Group's and the Company's reserves are set out in the Statement of Changes in Equity respectively.

14. DEFERRED TAXATION (IN THOUSANDS OF $)

Deferred tax relates to the following items:

	The Group				The Company	
	Consolidated balance sheet 31 March		Consolidated income statement		Balance sheet 31 March	
	2024	2023	2023/24	2022/23	2024	2023
Deferred tax liabilities						
Differences in depreciation of property, plant and equipment	**409**	130	**(16,803)**	983	**-**	14,137
Revaluation of forward currency contracts to fair value #	**-**	105	**-**	-	**-**	105
Undistributed profits of overseas associated companies	**315**	282	**122**	108	**-**	-
Other items	**-**	22	**-**	-	**-**	-
Deferred tax assets						
Actuarial loss on revaluation of defined benefit plans ##	**(385)**	(385)	**-**	-	**(385)**	(385)
Differences in depreciation of property, plant and equipment	**(953)**	-	**-**	-	**(1,070)**	-
Provisions	**(748)**	(3,735)	**2,359**	548	**(748)**	(3,792)
Revaluation of forward currency contracts to fair value #	**(52)**	-	**-**	-	**(52)**	-
Unabsorbed capital allowances and tax losses	**(12,637)**	(12,447)	**14,130**	(1,243)	**(11,968)**	(26,753)
Other items	**(3,006)**	(972)	**399**	(321)	**(2,090)**	-
	(17,057)	(17,000)			**(16,313)**	(16,688)
Deferred income tax expense			**207**	75		

\# As at 31 March 2024, the Group and Company have deferred tax effects of changes in fair value of derivative financial instruments of approximately $157,000 (2022/23: $125,000) which were recognised in other comprehensive income (Refer to Note 8).

As at 31 March 2024, the Group and Company have deferred tax effects of actuarial loss on revaluation of defined benefit plans of approximately $77,000 (2022/23: $129,000) which were recognised in other comprehensive income (Refer to Note 8).

Deferred income tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable. The deferred tax assets of $14,130,000 utilised during the year (2022/23: $1,243,000 recognised) came from benefits of tax losses and unutilised capital allowances that arose during periods of the COVID-19 pandemic. With the full resumption of flight services, management has forecasted certain group entities to be generating future taxable profits in the foreseeable future to utilise these carry-forward tax losses.

As at 31 March 2024, the Group has remaining unrecognised tax losses of approximately $193,059,000 (2023: $166,252,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax assets are recognised due to uncertainty of their recoverability. The use of tax losses is subject to agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Out of these tax losses, $13,779,000 (2023: $11,207,000) will expire between 2028 – 2034 (2023: 2028 – 2033). In Singapore, these tax losses do not expire under current tax legislation.

Except for deferred tax liabilities recorded on unremitted earnings for certain group entities, the Group has determined the undistributed earnings of the remaining overseas subsidiaries will not be distributed in the foreseeable future. As at 31 March 2024, the unremitted earnings aggregated to $15,497,000 (2023: $15,389,000), and the deferred tax liability effect is $4,649,000 (2023: $4,617,000).

15. PROPERTY, PLANT AND EQUIPMENT (IN THOUSANDS OF $)

	Leasehold land and buildings	Plant, equipment & engine overhaul tooling	Aircraft rotable spares	Office furniture and computer equipment	Motor vehicles	Assets under construction #	Total
The Group							
Cost							
At 1 April 2022	294,694	295,512	95,507	69,362	8,324	3,680	767,079
Acquisitions through business combinations	–	430	–	129	–	–	559
Additions	951	4,168	36,969	670	360	5,481	48,599
Transfers	16	464	8	3,940	–	(4,428)	–
Disposals	(1)	(2,301)	(192)	(939)	(149)	–	(3,582)
Exchange differences	(830)	(654)	(106)	(90)	(38)	(29)	(1,747)
At 31 March 2023	294,830	297,619	132,186	73,072	8,497	4,704	810,908
Acquisitions through business combinations	–	15	–	112	–	–	127
Re-classification from asset held-for-sale	–	–	18,332	–	–	–	18,332
Additions	147	8,316	23,778	880	327	5,771	39,219
Transfers	72	3,729	102	2,505	–	(6,408)	–
Disposal of subsidiary	–	(1,041)	–	(283)	–	–	(1,324)
Disposals	(270)	(5,559)	(291)	(1,087)	–	–	(7,207)
Exchange differences	702	990	75	582	27	(78)	2,298
At 31 March 2024	**295,481**	**304,069**	**174,182**	**75,781**	**8,851**	**3,989**	**862,353**
Accumulated depreciation and impairment losses							
At 1 April 2022	208,918	260,184	72,375	61,739	6,962	–	610,178
Depreciation	8,345	11,540	5,005	4,741	572	–	30,203
Disposals	(1)	(2,313)	(124)	(937)	(149)	–	(3,524)
Exchange differences	(334)	(599)	(86)	(47)	(26)	–	(1,092)
At 31 March 2023	216,928	268,812	77,170	65,496	7,359	–	635,765
Depreciation	8,395	9,726	6,160	4,125	504	–	28,910
Impairment losses	–	643	–	28	–	–	671
Re-classification from asset held-for-sale	–	–	18,330	–	–	–	18,330
Disposal of subsidiary	–	(1,041)	–	(283)	–	–	(1,324)
Disposals	(265)	(5,560)	(197)	(1,084)	–	–	(7,106)
Exchange differences	256	946	69	594	27	–	1,892
At 31 March 2024	**225,314**	**273,526**	**101,532**	**68,876**	**7,890**	**–**	**677,138**
Net book value							
At 31 March 2023	77,902	28,807	55,016	7,576	1,138	4,704	175,143
At 31 March 2024	**70,167**	**30,543**	**72,650**	**6,905**	**961**	**3,989**	**185,215**

15. PROPERTY, PLANT AND EQUIPMENT (IN THOUSANDS OF $) (continued)

	Leasehold land and buildings	Plant, equipment & engine overhaul tooling	Aircraft rotable spares	Office furniture and computer equipment	Motor vehicles	Assets under construction #	Total
The Company							
Cost							
At 1 April 2022	247,624	253,957	89,786	66,325	6,404	3,137	667,233
Additions	(1)	2,682	36,801	117	40	4,856	44,495
Transfers	16	463	–	3,940	–	(4,419)	–
Disposals	–	(2,089)	(116)	(715)	(149)	–	(3,069)
At 31 March 2023	247,639	255,013	126,471	69,667	6,295	3,574	708,659
Additions	–	6,690	23,319	304	42	3,107	33,462
Transfers	–	3,188	–	2,486	–	(5,674)	–
Re-classification from assets held-for-sale	–	–	18,332	–	–	–	18,332
Disposals	–	(5,091)	(17)	(725)	–	–	(5,833)
At 31 March 2024	**247,639**	**259,800**	**168,105**	**71,732**	**6,337**	**1,007**	**754,620**
Accumulated depreciation and impairment losses							
At 1 April 2022	192,673	221,730	67,901	59,047	5,425	–	546,776
Depreciation	6,499	10,111	4,718	4,381	369	–	26,078
Disposals	–	(2,087)	(73)	(715)	(149)	–	(3,024)
At 31 March 2023	199,172	229,754	72,546	62,713	5,645	–	569,830
Depreciation	6,499	8,954	5,825	3,688	302	–	25,268
Re-classification from assets held-for-sale	–	–	18,330	–	–	–	18,330
Disposals	–	(5,091)	(11)	(725)	–	–	(5,827)
At 31 March 2024	**205,671**	**233,617**	**96,690**	**65,676**	**5,947**	**–**	**607,601**
Net book value							
At 31 March 2023	48,467	25,259	53,925	6,954	650	3,574	138,829
At 31 March 2024	**41,968**	**26,183**	**71,415**	**6,056**	**390**	**1,007**	**147,019**

Assets under construction comprise mainly plant, equipment and engine overhaul tooling (2023: plant, equipment and engine overhaul tooling).

Assets held for sale

Non-current assets that are highly probable to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets are remeasured in accordance with the Group's accounting policies. Thereafter, the assets classified as held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Assets held for sale consist of aircraft rotable spares for specific aircraft types.

15. PROPERTY, PLANT AND EQUIPMENT (IN THOUSANDS OF $) (continued)

During the year, there was a change in business plan not to sell certain aircraft rotable spares that were previously classified as assets held for sale. The revised business plan came following internal assessment that some of the existing inventory management contracts require such rotable spares. As a result, this group of aircraft rotable spares are reclassified to property, plant and equipment at the lower of their carrying amount adjusted for any depreciation that would have been recognised had the asset not been reclassified as held for sale or its recoverable amount at the date of the decision not to sell.

For the remaining aircraft rotable spares, Management recognised an impairment loss of $1,047,000 (2022/23: revaluation gain of $1,678,000) in current year's profit or loss, following a downward revision of the disposal value, by the same third-party bidder who have committed to the sale during the last financial year. The committed sale is expected to be fully realised in the next financial year. The expected disposal value of approximately $925,000 (2022/23: $2,021,000) represents the fair value less costs to sell under the Group's accounting policy in Note 3(d). Of the $925,000 disposal value, $458,000 were disposed in prior year.

The fair value of aircraft rotable spares falls under level 3 of fair value hierarchy.

Movements of Assets Held for Sale for the current and previous years are set out below:

	The Group and Company
Balance as at 1 April 2022	360
Revaluation gain	1,678
Disposal during the year	(522)
Balance as at 31 March 2023	1,516
Impairment loss	(1,047)
Re-classification to property, plant and equipment	(2)
Balance as at 31 March 2024	**467**

Impairment test

During the year, the aviation and MRO sectors remained strong as global air travel and flight activities edged closer to pre-pandemic level. However, the market conditions remained uncertain, driven by post-pandemic challenges such as supply chain disruptions, labour shortages and inflationary pressures. Accordingly, there were indications that that the property, plant and equipment and right-of-use assets may be impaired. Management's impairment test included the following CGUs:

Airframe Maintenance Division ("BMD") CGU

The re-estimated recoverable amount of the BMD CGU has been determined based on value-in-use calculations using cash flow projections from financial forecasts approved by Management, covering a five-year period. The approved financial forecasts factored in gradual increase of work volume at hangars, improved operational and financial performance through optimising productivity of the current workforce and stabilising costs, with gradual improvement in cash flows over the cash flow periods. The Group applied a pre-tax rate of 7.6% (2022/23: 8.4%) to discount the forecast cash flows. The terminal value assumed is premised on Year 5 cash flow through the expiry of the hangar lease period, i.e. at FY2039/40, at zero growth rate. Using these assumptions, the recoverable amount is able to support the carrying value of the non-financial assets deployed in the BMD CGU, net of accumulated impairment loss as brought forward from previous year of $35,000,000 (2022/23: $35,000,000). However, as the outlook for the aviation and MRO industries remain uncertain, there is an inherent risk of forecasting error embedded in the cash flow projections. As a result, the Group considers it necessary to perform sensitivity analysis on discount rate, assuming all things remain constant. Assuming the pre-tax discount rate of 13.0% is applied to reflect the forecasting risk error over the cash flow projections, the reduction in recoverable amount is $37,000,000. Should the recoverable amount be extended to the simulated recoverable amount at this higher discount rate as described, the net carrying value of the non-financial assets deployed in the BMD CGU continues to fall below this possible recoverable amount.

16. RIGHT-OF-USE ASSETS (IN THOUSANDS OF $)

The carrying amount of right-of-use assets recognised and the movements during the year are as follows:

	Land and buildings	Plant and equipment	Office furniture and computer equipment	Motor vehicles	Total
The Group					
At 1 April 2022	61,885	875	138	107	63,005
Additions	73,635	3,570	38	550	77,793
Acquisitions through business combinations	1,301	–	–	–	1,301
Derecognition of right-of-use assets	(396)	–	–	–	(396)
Depreciation	(28,172)	(640)	(100)	(155)	(29,067)
Exchange differences	(238)	(68)	45	7	(254)
At 31 March 2023	108,015	3,737	121	509	112,382
Additions	17,965	1,441	16	123	19,545
Acquisitions through business combinations	478	–	–	–	478
Derecognition of right-of-use assets	(152)	–	–	–	(152)
Depreciation	(27,555)	(793)	(91)	(256)	(28,695)
Disposal of subsidiary	–	(4)	–	–	(4)
Exchange differences	(170)	–	–	1	(169)
At 31 March 2024	**98,581**	**4,381**	**46**	**377**	**103,385**
The Company					
At 1 April 2022	55,911	785	97	48	56,841
Additions	71,287	3,524	33	52	74,896
Derecognition of right-of-use assets	(396)	–	–	–	(396)
Depreciation	(26,209)	(597)	(48)	(23)	(26,877)
At 31 March 2023	100,593	3,712	82	77	104,464
Additions	16,731	1,422	–	–	18,153
Depreciation	(25,426)	(774)	(54)	(36)	(26,290)
At 31 March 2024	**91,898**	**4,360**	**28**	**41**	**96,327**

17. INTANGIBLE ASSETS (IN THOUSANDS OF $)

	Computer software	Engine development costs	Assets under construction #	Goodwill	Total
The Group					
Cost					
At 1 April 2022	52,408	45,258	5,390	–	103,056
Additions	26	–	11,008	–	11,034
Acquisitions through business combinations	–	–	449	1,566	2,015
Transfers	6,916	–	(6,916)	–	–
Disposals	(57)	(34)	–	–	(91)
Exchange differences	(24)	(618)	(25)	–	(667)
At 31 March 2023	59,269	44,606	9,906	1,566	115,347
Additions	303	–	9,155	–	9,458
Acquisitions through business combinations	–	–	–	4,718	4,718
Transfers	10,783	–	(10,783)	–	–
Disposals	(372)	(11,731)	–	–	(12,103)
Disposal of subsidiary	(36)	–	–	–	(36)
Exchange differences	(21)	580	(6)	–	553
At 31 March 2024	**69,926**	**33,455**	**8,272**	**6,284**	**117,937**
Accumulated amortisation and impairment losses					
At 1 April 2022	45,712	24,558	–	–	70,270
Amortisation	3,144	1,538	–	–	4,682
Disposals	(57)	–	–	–	(57)
Exchange differences	(24)	(302)	–	–	(326)
At 31 March 2023	48,775	25,794	–	–	74,569
Amortisation	4,087	1,387	–	–	5,474
Impairment losses	13	17,652	–	–	17,665
Disposals	(372)	(11,731)	–	–	(12,103)
Disposal of subsidiary	(36)	–	–	–	(36)
Exchange differences	21	353	–	–	374
At 31 March 2024	**52,488**	**33,455**	**–**	**–**	**85,943**
Net book value					
At 31 March 2023	10,494	18,812	9,906	1,566	40,778
At 31 March 2024	**17,438**	**–**	**8,272**	**6,284**	**31,994**

Assets under construction comprise mainly computer software (2023: computer software).

17. INTANGIBLE ASSETS (IN THOUSANDS OF $) (continued)

Impairment testing of engine development costs

This relates to the Group's share of engine programme assets including development costs made in connection with its participation in aircraft engine development projects together with other companies (the "Cash-generating unit" or "CGU").

During the year, following the exit in the aircraft engine development project, a full impairment loss of $25,113,000, based on the net assets value associated with the engine programme, was charged to profit or loss, which included impairment losses of the engine development costs and net debts of $17,652,000 and $7,461,000 respectively.

Impairment testing of goodwill

Goodwill has been allocated to the Group's CGUs (subsidiary companies) as follows:

	The Group 31 March	
	2024	2023
Asia Pacific Aircraft Component Services Sdn. Bhd.	**1,566**	1,566
JADE Engineering Pte. Ltd.	**4,718**	–
	6,284	1,566

The Company tests goodwill at each financial year end for impairment, or more frequently if there are indications that goodwill is impaired.

Asia Pacific Aircraft Component Services Sdn. Bhd.

This relates to the goodwill arising from acquisition of subsidiary in the prior financial year.

The estimated recoverable amounts of the CGU were determined based on value-in-use calculations using cash flow projections from financial forecast approved by Management covering a five-year period. The pre-tax discount rate and average 5-year forecast growth rate applied to the cash flow projection is 15.0% and 31.1% respectively; nil growth rate is assumed to derive the terminal value. Under these assumptions, the estimated recoverable amount of the CGU is in excess of its net carrying value, no impairment loss is considered necessary for the current year.

The calculations of value-in-use are most sensitive to the realisation of revenue from new repair capabilities. Assuming either a one-year delay in the commencement of new repair capabilities or 50% reduction in revenue generated from new capabilities, the estimated recoverable amount of the CGU continues to be in excess of its net carrying value.

JADE Engineering Pte. Ltd.

This relates to the goodwill arising from the acquisition of an additional 10% shares of its associated company, resulting it to become a subsidiary company, in the current financial year.

The estimated recoverable amounts of the CGU were determined based on value-in-use calculations using cash flow projections from financial forecast approved by Management covering a five-year period. The pre-tax discount rate and average 5-year forecast growth rate applied to the cash flow projection is 9.8% and 16.7% respectively; nil growth rate is assumed to derive the terminal value. Under these assumptions, the estimated recoverable amount of the CGU is in excess of its net carrying value, no impairment loss is considered necessary for the current year.

The calculations of value-in-use are most sensitive to revenue growth and discount rate. Assuming either slower revenue growth or higher discount rate, the estimated range of recoverable amount of the CGU continues to be in excess of its net carrying value.

17. INTANGIBLE ASSETS (IN THOUSANDS OF $) (continued)

	Computer software	Assets under construction #	Total
The Company			
Cost			
At 1 April 2022	50,593	5,390	55,983
Additions	(10)	10,714	10,704
Transfers	6,916	(6,916)	–
Disposals	(17)	–	(17)
At 31 March 2023	57,482	9,188	66,670
Additions	157	9,065	9,222
Transfers	10,043	(10,043)	–
Disposals	(26)	–	(26)
At 31 March 2024	**67,656**	**8,210**	**75,866**
Accumulated amortisation			
At 1 April 2022	44,052	–	44,052
Amortisation	3,071	–	3,071
Disposals	(17)	–	(17)
At 31 March 2023	47,106	–	47,106
Amortisation	3,887	–	3,887
Disposals	(26)	–	(26)
At 31 March 2024	**50,967**	**–**	**50,967**
Net book value			
At 31 March 2023	10,376	9,188	19,564
At 31 March 2024	**16,689**	**8,210**	**24,899**

Assets under construction comprise mainly computer software (2023: computer software).

18. SUBSIDIARY COMPANIES (IN THOUSANDS OF $)

	The Company 31 March	
	2024	2023
Unquoted shares, at cost	**151,908**	161,838
Loans to subsidiary companies	**23,346**	13,294
Accumulated impairment loss	**(67,598)**	(31,887)
	107,656	143,245

18. SUBSIDIARY COMPANIES (IN THOUSANDS OF $) (continued)

(a) Composition of the Group

The subsidiary companies at 31 March are as follows:

Name of Company	Principal activities	Country of incorporation and place of business	Cost		Percentage equity held by the Group	
			2024	2023	2024	2023
NexGen Network (2) Holding Pte. Ltd. * ++	Investment holding	Singapore	**56,177**	56,177	**100**	100
SIA Engineering (USA), Inc. #	Provide aircraft maintenance services, including technical and non-technical handling at the airport	United States of America	**1,358**	1,358	**100**	100
SIAEC Global Private Limited *	Investment holding	Singapore	**@**	@	**100**	100
SIA Engineering Japan Corporation #	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Japan	**5,315**	5,315	**100**	100
Singapore Aero Support Services Pte. Ltd. *	Maintenance, repair and overhaul of aircraft and cabin components/ systems	Singapore	**12,445**	12,445	**100**	100
Heavy Maintenance Singapore Services Pte. Ltd. * ++	Provide airframe maintenance and component overhaul services	Singapore	**17,187**	17,187	**100**	100
SIA Engineering (Philippines) Corporation ^	Provide airframe maintenance and component overhaul services	Philippines	**38,645**	38,645	**100**	100
Base Maintenance Malaysia Sdn. Bhd. ^	Provide aircraft maintenance, repair and overhaul	Malaysia	**2,754**	-	**100**	-
Asia Pacific Aircraft Component Services Sdn. Bhd. (f.k.a. SR Technics Malaysia Sdn. Bhd.) ^	Provide airframe maintenance and component overhaul services	Malaysia	**5,077**	5,077	**75**	75

18. SUBSIDIARY COMPANIES (IN THOUSANDS OF $) (continued)

(a) Composition of the Group (continued)

Name of Company	Principal activities	Country of incorporation and place of business	Cost		Percentage equity held by the Group	
			2024	2023	2024	2023
JADE Engineering Pte. Ltd. (f.k.a JAMCO Aero Design & Engineering Private Limited) *	Provide turnkey solutions for aircraft interior modifications	Singapore	**2,016**	–	**55**	–
Aerospace Component Engineering Services Pte. Limited *	Repair and overhaul of hydro-mechanical equipment for Boeing and Airbus aircraft	Singapore	**10,934**	10,934	**51**	51
NexGen Network (1) Holding Pte. Ltd.	Investment holding	Singapore	**-**	12,000	**-**	100
Additive Flight Solutions Pte. Ltd.	Additive manufacturing of aircraft cabin parts and tooling for the aerospace industry	Singapore	**-**	2,700	**-**	60

* Audited by KPMG LLP, Singapore
** Not required to be audited by KPMG LLP, Singapore in current year
^ Audited by member firms of KPMG International in the respective countries
@ Cost of investment and issued and paid-up share capital is $2
# Not required to be audited
+ In process of voluntary wind down
++ Remained dormant at financial year-end

During the financial year:

1. NexGen Network (1) Holding Pte. Ltd. ("NGN1") was deemed dissolved following the registration for its dissolution in February 2024 and a loss on disposal of $626,000 is recognised. The liquidation procedure will be completed in May 2024.

2. The Company entered into an agreement with PW to exit from the PW1500G engine RRSP which was held through its wholly-owned subsidiary company, NexGen Network (2) Holding Pte. Ltd. ("NGN2"), on 28 March 2024. As a result, an impairment loss of $50,411,000 was recognised against the cost of investment at 31 March 2024, where the estimated recoverable amount was based on the net asset value, comprising predominantly monetary assets and liabilities.

3. The Company disposed off its entire interest of 60% of the shares in Additive Flight Solutions Pte. Ltd. ("AFS") for a cash consideration of approximately $121,000. AFS ceased to be a subsidiary of the Group from 8 February 2024, upon completion of the divestment (see Note 19) with a gain of $1,016,000 recognised in profit or loss.

4. The Company acquired an additional 10% of the shares and voting interests in JADE Engineering Pte. Ltd. ("JADE") on 20 October 2023 (see Note 19). As a result, the Group's equity interest in JADE increased from 45% to 55%, granting it control of JADE.

5. The Company incorporated a wholly-owned subsidiary, Base Maintenance Malaysia Sdn. Bhd. ("BMM") on 26 September 2023. Its issued and paid-up capital is $2,754,000.

18. SUBSIDIARY COMPANIES (IN THOUSANDS OF $) (continued)

(a) Composition of the Group (continued)

6. Loans extended to subsidiary companies comprised:

   (i) $13,495,000 extended to a subsidiary company bears interest ranging from 7.52% to 7.69% (2022/23: 2.76% to 7.25%) per annum. The loan is non-trade related, unsecured and repayable in tranches till maturity date 1 January 2028.

   (ii) $9,851,000 extended to a subsidiary company bears interest ranging from 7.32% to 7.57% per annum. The loan is non-trade related, unsecured and repayable in September 2025.

In the prior year:

1. The Company conducted an impairment review on the expected recoverable amount of its investment in a subsidiary company, Additive Flight Solutions Pte. Ltd. ("AFS"). Due to its continued loss-making position since incorporation, a full impairment loss of $2,700,000 was recognised against the cost of investment at 31 March 2023. Management assumed nil recoverable amount as AFS is in a net liability position with the fair value of net liabilities comprising predominantly monetary assets and liabilities.

2. The Company acquired 75% of the shares and voting interests in Asia Pacific Aircraft Component Services Sdn. Bhd. ("APACS") on 31 May 2022 (see Note 19).

3. The Company invested approximately $604,000 in SIA Engineering Japan Corporation ("SIAEJ").

4. The loan extended to a subsidiary company bears interest ranging from 2.76% to 7.25% per annum. The loan is non-trade related, unsecured and repayable in tranches till maturity date 31 March 2025.

Movements in allowance for impairment loss

	The Company 31 March	
	2024	**2023**
At 1 April	**(31,887)**	(29,187)
Impairment loss recognised	**(50,411)**	(2,700)
Impairment loss reversed	**328**	–
Impairment loss written off	**14,372**	–
At 31 March	**(67,598)**	(31,887)

(b) Interest in subsidiary companies with material non-controlling interests ("NCI")

The Group has the following subsidiary companies that have NCI that are material to the Group:

Name	Principal place of business/Country of incorporation	Operating Segment	Ownership interests held by NCI	
			2024	**2023**
			%	**%**
Aerospace Component Engineering Services Pte. Limited ("ACES")	Singapore	Engine and component	**49**	49
JADE Engineering Pte. Ltd. ("JADE")	Singapore	Airframe overhaul and line maintenance	**45**	–

18. SUBSIDIARY COMPANIES (IN THOUSANDS OF $) (continued)

(c) Summarised financial information about subsidiary companies with material NCI

Summarised financial information before intercompany eliminations of subsidiary companies with material NCI are as follows:

	ACES 31 March		JADE 31 March	
	2024	**2023**	**2024**	**2023**
Summarised balance sheet				
Current				
Assets	**22,245**	18,819	**22,457**	–
Liabilities	**(6,050)**	(3,548)	**(14,846)**	–
Net current assets	**16,195**	15,271	**7,611**	–
Non-Current				
Assets	**5,837**	5,583	**403**	–
Liabilities	**(1,373)**	(1,306)	**(135)**	–
Net non-current assets	**4,464**	4,277	**268**	–
Net assets	**20,659**	19,548	**7,879**	–
Add: Fair value adjustment arising from acquisition	**–**	–	**4,718**	–
Adjusted net assets	**20,659**	19,548	**12,597**	–
Summarised statement of comprehensive income				
Revenue	**30,996**	20,854	**4,497**	–
Profit before income tax	**2,512**	1,745	**119**	–
Taxation	**(355)**	(361)	**56**	–
Profit after tax and total comprehensive income	**2,157**	1,384	**175**	–
Other summarised information				
Net cash flow from operations	**(2,216)**	866	**(1,799)**	–
Acquisition of significant property, plant and equipment	**(1,003)**	(614)	**(34)**	–

19. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (IN THOUSANDS OF $)

(a) Acquisition of JADE Engineering Pte. Ltd. ("JADE")

On 20 October 2023, the Company acquired an additional 10% of the shares and voting interests in JADE Engineering Pte. Ltd. ("JADE"). As a result, the Group's equity interest in JADE increased from 45% to 55%, granting it control of JADE.

JADE's principal activities include the provision of total solutions in areas relating to aircraft cabin modification, configuration, retrofit and programme integration. This restructuring initiative will play an important part in the development of the Group's cabin maintenance and retrofit services.

For the subsequent period till 31 March 2024, JADE contributed revenue of $4,497,000 and profit of approximately $175,000 to the Group's results. If the acquisition had occurred at the start of the financial year, the revenue and profit contribution would have been approximately $7,326,000 and $267,000 respectively.

The change in control is accounted for using the acquisition method, and the Group's previously held equity interest is re-measured to fair value and a gain of $2,088,000 on deemed disposal was recognised in profit or loss. Goodwill of $4,718,000 is recognised resulting from the difference between the fair value of the Group's interest in JADE and the fair value of the net assets acquired.

Consideration transferred

The Company paid a consideration of $1,249,000 (equivalent to US$915,000) in cash for the 10% stake.

The net cash inflow on acquisition of subsidiary was as follows:

	2024
Cash and cash equivalents acquired	16,898
Less: Purchase consideration in cash	(1,249)
Net cash inflow on acquisition of subsidiary	15,649

19. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (IN THOUSANDS OF $) (continued)

(a) Acquisition of JADE Engineering Pte. Ltd. ("JADE") (continued)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Notes	As at date of acquisition
Property, plant and equipment	15	127
Right-of-use assets	16	478
Trade debtors		1,876
Prepayments and other debtors		1,614
Contract assets		3,836
Cash and bank balances		3,275
Short-term deposits		13,623
Trade and other creditors		(2,169)
Lease liabilities		(480)
Contract liabilities		(14,311)
Tax payable		(59)
Deferred tax liabilities		(34)
Total identifiable net assets		7,776
Less: Non-controlling interests measured at fair value		(5,622)
Less: Fair value of previously held equity interest		(5,623)
Goodwill arising from acquisition	17	4,718
Total purchase consideration		1,249

19. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (IN THOUSANDS OF $) (continued)

(a) Acquisition of JADE Engineering Pte. Ltd. ("JADE") (continued)

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Asset required	Valuation technique
Property, plant and equipment	*Market comparison technique and cost technique:* The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

Goodwill

Goodwill arising from the acquisition, attributable to the capabilities, future growth opportunities as well as the potential synergies expected to arise from the acquisition, has been recognised as follows:

	As at date of acquisition
Fair value of consideration	1,249
Fair value of NCI	5,622
Fair value of previously held equity investment	5,623
Subtotal	12,494
Fair value of identifiable assets	(7,776)
Goodwill	4,718

(b) Disposal of Additive Flight Solutions Pte. Ltd. ("AFS")

The Company disposed off its entire interest of 60% of the shares in AFS for a cash consideration of $121,000 (equivalent to US$90,000). AFS ceased to be a subsidiary of the Group from 8 February 2024, upon completion of the divestment.

The value of assets and liabilities of AFS disposed, and the effects of the disposal were:

	As at date of disposal
Right-of-use assets	4
Trade debtors	97
Inventories	32
Prepayment and other debtors	15
Cash and bank balances	30
Total assets	178
Less:	
Trade and other creditors	(1,666)
Lease liabilities	(4)
Net liabilities disposed	(1,492)

19. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (IN THOUSANDS OF $) (continued)

(b) Disposal of Additive Flight Solutions Pte. Ltd. ("AFS") (continued)

Surplus on disposal:

	2024
Cash received	121
Net liabilities disposed	1,492
NCI at disposal	(597)
Surplus on disposal	1,016

The net cash inflow on disposal of subsidiary was as follows:

	2024
Sales consideration received	121
Less: Cash and cash equivalents disposed	(30)
Net cash inflow on disposal of subsidiary	91

(c) Acquisition of Asia Pacific Aircraft Component Services Sdn. Bhd. ("APACS")

On 31 May 2022, the Group acquired 75% of the shares and voting interests in Asia Pacific Aircraft Component Services Sdn. Bhd. ("APACS"). As a result, APACS became a subsidiary of the Group.

The Group aims to create synergies and bring about new capabilities for more than 750 distinct aircraft parts to enhance its existing component repair and overhaul services and inventory technical management programme through the acquisition of APACS.

For the 10 months ended 31 March 2023, APACS contributed revenue of $10,336,000 and losses of approximately $1,000 to the Group's results. If the acquisition had occurred at the start of the financial year, the revenue and loss contribution would have been approximately $11,987,000 and $61,000 respectively.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	2023
Cash	4,979
Deferred consideration	98
Total cash purchase consideration	5,077

Deferred consideration

A retention sum of $512,000 was initially held by the Group as security as at the date of acquisition in which any breach of obligations committed may be deducted against this amount and will be paid to the selling shareholder six months from acquisition completion. $414,000 was paid to the selling shareholder during the year. As at 31 March 2024, a retention sum of $98,000 (2023: $98,000) continued to be withheld by the Group as security for obligations yet to be fulfilled. This amount will be paid to the selling shareholder in the next 12 months should all remaining obligations be fulfilled.

19. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (IN THOUSANDS OF $) (continued)

(c) Acquisition of Asia Pacific Aircraft Component Services Sdn. Bhd. ("APACS") (continued)

The net cash outflow on acquisition of subsidiary was as follows:

	2023
Purchase consideration in cash	4,979
Less: Cash and cash equivalents acquired	(322)
Net cash outflow on acquisition of subsidiary	4,657

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Notes	As at date of acquisition
Property, plant and equipment	15	559
Right-of-use assets	16	1,301
Intangible assets	17	449
Trade debtors		1,174
Inventories		2,766
Cash and bank balances		322
Trade and other creditors		(1,890)
Total identifiable net assets		4,681
Less: Non-controlling interests		(1,170)
Goodwill arising from acquisition	17	1,566
Total purchase consideration		5,077

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Asset required	Valuation technique
Property, plant and equipment	*Market comparison technique and cost technique:* The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	*Cost technique:* The valuation model considers replacement cost, adjusted for functional and economic obsolescence when appropriate.

19. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (IN THOUSANDS OF $) (continued)

(c) Acquisition of Asia Pacific Aircraft Component Services Sdn. Bhd. ("APACS") (continued)

Goodwill

Goodwill arising from the acquisition, attributable to the capabilities, future growth opportunities as well as the potential synergies expected to arise from the acquisition, has been recognised as follows:

	As at date of acquisition
Total consideration transferred	5,077
NCI	1,170
Fair value of identifiable net assets	(4,681)
Goodwill	1,566

20. ASSOCIATED COMPANIES (IN THOUSANDS OF $)

	The Group		The Company	
	2024	2023	2024	2023
Unquoted shares, at cost	**167,670**	216,379	**167,670**	216,379
Share of post-acquisition reserves	**419,730**	347,701	**-**	-
Share of other comprehensive income	**(1,330)**	67	**-**	-
Goodwill written-off to reserves	**(24,398)**	(24,398)	**-**	-
Translation adjustment	**(74,242)**	(86,663)	**-**	-
Accumulated impairment loss	**-**	(346)	**-**	(37,469)
	487,430	452,740	**167,670**	178,910

The associated companies at 31 March are as follows:

Name of company	Principal activities	Country of incorporation and place of business	Cost		Percentage equity held by the Group	
			2024	2023	2024	2023
Eagle Services Asia Private Limited # ++	Repair and overhaul of aircraft engines	Singapore	**71,588**	71,588	**49.0**	49.0
Fuel Accessory Service Technologies Pte Ltd # +	Repair and overhaul of engine fuel components and accessories	Singapore	**5,071**	5,071	**49.0**	49.0
Moog Aircraft Services Asia Pte. Ltd. **	Repair and overhaul services for flight control systems	Singapore	**6,561**	6,561	**49.0**	49.0
PT Jas Aero-Engineering Services ^ ++	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Indonesia	**3,675**	3,675	**49.0**	49.0

20. ASSOCIATED COMPANIES (IN THOUSANDS OF $) (continued)

Name of company	Principal activities	Country of incorporation and place of business	Cost		Percentage equity held by the Group	
			2024	2023	2024	2023
Southern Airports Aircraft Maintenance Services Company Limited *** ++	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Vietnam	**1,117**	1,117	**49.0**	49.0
GE Aviation, Overhaul Services – Singapore Pte. Ltd ## ++	Repair and servicing of aircraft and spacecraft (including aircraft engines and other parts)	Singapore	**7**	7	**49.0**	49.0
POS Aviation Engineering Services Sdn. Bhd. ^^ ++	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Malaysia	**3,023**	–	**49.0**	–
Component Aerospace Singapore Pte. Ltd. # +	Repair and overhaul of aircraft engine combustion chambers, guides, fuel nozzles and related parts	Singapore	**2,853**	2,853	**46.4**	46.4
Panasonic Avionics Services Singapore Pte. Ltd. @	Provide line maintenance and repair services of in-flight entertainment systems	Singapore	**2,685**	2,685	**42.5**	42.5
Goodrich Aerostructures Service Center-Asia Pte. Ltd. # ++	Repair and overhaul of aircraft nacelles, thrust reversers and pylons	Singapore	**37,220**	37,220	**40.0**	40.0
Pan Asia Pacific Aviation Services Limited *	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Hong Kong	**3,224**	3,224	**40.0**	40.0
Safran Electronics & Defense Services Asia Pte. Ltd. **** ++	Provide avionics maintenance, repair and overhaul services	Singapore	**11,004**	11,004	**40.0**	40.0
Safran Landing Systems Services Singapore Pte. Ltd. **** ++	Repair and overhaul of Boeing and Airbus series landing gears	Singapore	**13,971**	13,971	**40.0**	40.0
Turbine Coating Services Pte Ltd # +	Repair and overhaul of aircraft engine turbine airfoils	Singapore	**5,671**	5,671	**24.5**	24.5

20. ASSOCIATED COMPANIES (IN THOUSANDS OF $) (continued)

Name of company	Principal activities	Country of incorporation and place of business	Cost		Percentage equity held by the Group	
			2024	2023	2024	2023
Boeing Asia Pacific Aviation Services Pte. Ltd.	Provide engineering, material management and fleet support solutions	Singapore	-	50,965	-	49.0
JADE Engineering Pte. Ltd (f.k.a. JAMCO Aero Design & Engineering Private Limited)	Provide turnkey solutions for aircraft interior modifications	Singapore	-	767	-	45.0

@ Audited by KPMG LLP, Singapore
# Audited by PriceWaterhouseCoopers, Singapore
Not required to be audited by laws of country of incorporation
* Audited by Chan Li Law CPA Ltd
** Audited by Cypress Singapore Public Accounting Corporation
*** Audited by Deloitte & Touche, Vietnam
**** Audited by Mazars LLP, Singapore
^ Audited by Ernst & Young LLP, Indonesia
^^ Audited by KPMG LLP, Malaysia
+ Financial year end 30 November
++ Financial year end 31 December

During the financial year:

1. Boeing Asia Pacific Aviation Services Pte. Ltd. ("BAPAS") has been officially liquidated. The Group and the Company wrote back impairment losses of $346,000 and $326,000 respectively. The Group recognised a surplus on disposal of $219,000, being the total gain after writing back impairment losses previously recognised.

2. The Company acquired an additional 10% of the shares and voting interests in JADE Engineering Pte. Ltd. ("JADE") on 20 October 2023 (see Note 19). As a result, the Group's equity interest in JADE increased from 45% to 55%, granting it control of JADE.

In the prior year:

1. Boeing Asia Pacific Aviation Services Pte. Ltd. ("BAPAS") ceased operations amidst challenges arising from the changing business environment. Management has reassessed the recoverable amount of BAPAS based on its available cash balance for distribution to shareholders upon closure. Accordingly, the Group and the Company wrote back impairment losses of $2,005,000 and $3,635,000 respectively.

Movements in allowance for impairment loss

	The Group		The Company	
	2024	2023	2024	2023
At 1 April	**(346)**	(2,351)	**(37,469)**	(41,104)
Impairment loss written off	**-**	-	**37,143**	-
Impairment loss reversed	**346**	2,005	**326**	3,635
At 31 March	**-**	(346)	**-**	(37,469)

20. ASSOCIATED COMPANIES (IN THOUSANDS OF $) (continued)

The carrying amount of the material investment is as follows:

	The Group 31 March	
	2024	**2023**
Eagle Services Asia Private Limited ("ESA")	**290,994**	265,450
Other associated companies	**196,436**	187,290
	487,430	452,740

The activities of ESA complement the Group's activities.

No dividends were received from ESA in 2023/24 (2022/23: Nil).

Summarised financial information in respect of ESA is as follows:

	31 March	
	2024	**2023**
Summarised balance sheet		
Funds employed:		
Current assets	**925,666**	912,073
Non-current assets	**117,987**	119,661
	1,043,653	1,031,734
Current liabilities	**(439,700)**	(474,886)
Non-current liabilities	**(10,086)**	(15,112)
	593,867	541,736
Financed by:		
Shareholders' equity	**593,867**	541,736

	2023/24	**2022/23**
Summarised statement of comprehensive income		
Revenue	**2,042,932**	1,604,001
Profit after taxation from continuing operations	**44,026**	34,546
Total comprehensive income	**44,026**	34,546

The summarised financial information presented is extracted from the last audited financial statements available and unaudited management financial statements of ESA, prepared in conformity with the group accounting policies.

A reconciliation of the summarised financial information to the carrying amounts of ESA is as follows:

	The Group 31 March	
	2024	**2023**
Group's share of 49% of net assets	**290,994**	265,450

20. ASSOCIATED COMPANIES (IN THOUSANDS OF $) (continued)

Aggregate information about the Group's investment in associated companies that are not individually material are as follows:

The Group's share of the assets and liabilities comprises:

	The Group 31 March 2024	2023
Summarised balance sheet		
Funds employed:		
Current assets	**210,778**	238,159
Non-current assets	**71,665**	21,316
	282,443	259,475
Current liabilities	**(79,342)**	(65,077)
Non-current liabilities	**(9,676)**	(10,119)
	193,425	184,279
Financed by:		
Shareholders' equity	**193,425**	184,279

The Group's share of the results is as follows:

	2023/24	2022/23
Summarised statement of comprehensive income		
Profit after tax from continuing operations	**48,998**	31,617
Other comprehensive income	**(533)**	(700)
Total comprehensive income	**48,465**	30,917

21. ACQUISITION OF ASSOCIATED COMPANY (IN THOUSANDS OF $)

On 10 August 2023, the Group acquired 49% stake in POS Aviation Engineering Services Sdn. Bhd. ("PAES") from POS Aviation Sdn. Bhd., a wholly owned subsidiary of POS Malaysia Berhad at a purchase price consideration of $1,180,000 (equivalent to MYR 4,000,000).

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Asset required	Valuation technique
Property, plant and equipment	*Market comparison technique and cost technique:* The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

The fair value measurement was categorised as Level 1 in the fair value hierarchy based on the inputs in the valuation technique used.

Goodwill arising from the acquisition is approximately $750,000 and forms part of the carrying value of the associated companies in the consolidated balance sheet.

22. JOINT VENTURE COMPANY (IN THOUSANDS OF $)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Unquoted shares, at cost	**61,867**	61,867	**61,867**	61,867
Share of post-acquisition reserves	**216,014**	185,675	**-**	-
Share of other comprehensive income	**(1,043)**	3,928	**-**	-
Translation adjustment	**(15,191)**	(18,906)	**-**	-
	261,647	232,564	**61,867**	61,867

The joint venture company at 31 March is as follows:

Name of company	Principal activities	Country of incorporation and place of business	Cost		Percentage equity held by the Group	
			2024	2023	2024	2023
Singapore Aero Engine Services Private Limited @	Repair and overhaul of aircraft engines	Singapore	**61,867**	61,867	**50.0**	50.0

@ Audited by KPMG LLP, Singapore, financial year end of 31 December

The carrying amount of the material investment is as follows:

	The Group 31 March	
	2024	2023
Singapore Aero Engine Services Private Limited ("SAESL")	**261,647**	232,564

The Group has 50% (2023: 50%) interest in the ownership and voting rights in SAESL. The activities of SAESL complement the Group's activities. The Group jointly controls SAESL with other partner governed under a contractual agreement that requires unanimous consent for all major decisions over the relevant activities.

No dividends (2022/23: Nil) were received from SAESL.

22. JOINT VENTURE COMPANY (IN THOUSANDS OF $) (continued)

Summarised financial information in respect of SAESL is as follows:

	31 March 2024	31 March 2023
Summarised balance sheet		
Funds employed:		
Cash and short-term deposits	**140,717**	314,718
Other current assets	**1,575,837**	1,648,881
Total current assets	**1,716,554**	1,963,599
Non-current assets	**216,573**	238,398
Total assets	**1,933,127**	2,201,997
Current liabilities	**(1,396,875)**	(1,736,868)
Non-current liabilities	**(12,957)**	–
Total liabilities	**(1,409,832)**	(1,736,868)
Net assets	**523,295**	465,129
Financed by:		
Shareholders' equity	**523,295**	465,129

	2023/24	2022/23
Summarised statement of comprehensive income		
Revenue	**4,032,173**	3,742,708
Depreciation and amortisation	**(33,012)**	(35,892)
Interest income	**11,266**	4,454
Interest expense	**(2,055)**	(5,168)
Profit before tax	**64,948**	64,428
Taxation	**(4,271)**	(5,889)
Profit after taxation	**60,677**	58,539
Other comprehensive income	**(9,943)**	9,922
Total comprehensive income	**50,734**	68,461

The summarised financial information presented is extracted from the last audited financial statements available and unaudited management financial statements of SAESL, prepared in accordance with SFRS(I).

A reconciliation of the summarised financial information to the carrying amounts of SAESL is as follows:

	The Group 31 March 2024	The Group 31 March 2023
Group's share of 50% of net assets	**261,647**	232,564

23. TRADE DEBTORS (IN THOUSANDS OF $)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Trade debtors, net	**70,879**	34,151	**51,825**	23,785

The table below is an analysis of trade debtors as at 31 March:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Not past due and not impaired	**44,143**	21,691	**31,221**	14,828
Past due				
Trade debtors – collectively assessed	**29,276**	13,939	**22,930**	10,109
Less: Accumulated impairment losses	**(2,540)**	(1,479)	**(2,326)**	(1,152)
	26,736	12,460	**20,604**	8,957
Credit-impaired trade debtors – individually assessed	**3,612**	543	**3,402**	427
Less: Accumulated impairment losses	**(3,612)**	(543)	**(3,402)**	(427)
	-	–	**-**	–
Total trade debtors, net	**70,879**	34,151	**51,825**	23,785

Trade debtors are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The carrying amount of trade debtors impaired by credit losses is reduced through the use of an allowance account unless on the date the impairment loss is recognised, the Group ascertains the amount to be uncollectible whereby it would be reduced directly. In subsequent periods when a trade debtor is ascertained to be uncollectible, it is written off against the allowance account.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade debtor is credit-impaired. Individual trade debt is written off when Management deems the amount not to be collectible.

As at 31 March 2024, trade debtors in currencies other than the Group's functional currencies which were denominated in United States Dollars amounted to 65% (2023: 66%) for the Group and 85% (2023: 86%) for the Company.

24. CONTRACT BALANCES (IN THOUSANDS OF $)

The following table provides information about contract assets and contract liabilities from contracts with customers.

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Contract assets	**151,132**	160,304	**142,805**	149,100
Contract liabilities	**(46,237)**	(21,510)	**(31,255)**	(20,760)

Contract assets relate to the Group's and Company's rights to consideration for work completed but not billed at the reporting date. Included in contract assets are services rendered to immediate holding company of approximately $62,823,000 (2023: $75,302,000) and $62,658,000 (2023: $75,142,000) for the Group and Company respectively; and services rendered to fellow subsidiaries of the immediate holding company of approximately $13,506,000 (2023: $20,541,000) and $13,500,000 (2023: $19,888,000) for the Group and Company respectively. The contract assets are transferred to trade debtors when the rights become unconditional. This usually occurs when the Group and Company invoice the customers.

During the year, the Group made a write-back of provision for impairment of $132,000 (2023: provision for impairment of $40,000) on contract assets that have been assessed as credit-impaired.

The contract liabilities primarily relate to advance consideration received from customers for fixed price package contracts for which revenue is recognised over time over the periods of service performance.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

		Contract assets 31 March		Contract liabilities 31 March	
		2024	2023	2024	2023
The Group					
(a)	Revenue recognised that was included in the contract liability balance at the beginning of the year	**-**	-	**24,902**	12,292
(b)	Increase due to cash received, excluding amounts recognised as revenue during the year	**-**	-	**(35,241)**	(21,007)
(c)	Contract assets recognised	**164,893**	199,769	**-**	-
(d)	Transfer from contract assets to trade debtors	**(167,288)**	(161,293)	**-**	-
(e)	Acquisition of subsidiary	**3,836**	-	**(14,311)**	-

24. CONTRACT BALANCES (IN THOUSANDS OF $) (continued)

		Contract assets 31 March		Contract liabilities 31 March	
		2024	2023	2024	2023
The Company					
(a)	Revenue recognised that was included in the contract liability balance at the beginning of the year	**-**	-	**16,717**	10,008
(b)	Increase due to cash received, excluding amounts recognised as revenue during the year	**-**	-	**(27,212)**	(18,120)
(c)	Contract assets recognised	**150,967**	145,981	**-**	-
(d)	Transfer from contract assets to trade debtors	**(149,099)**	(112,954)	**-**	-

25. PREPAYMENTS AND OTHER DEBTORS (IN THOUSANDS OF $)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Prepayments	**5,441**	11,047	**1,039**	2,133
Other debtors	**14,991**	6,709	**12,975**	4,799
	20,432	17,756	**14,014**	6,932

As at 31 March 2024, the contract/notional amounts of the forward currency contracts were approximately $66,804,000 (2023: $23,323,000) for the Group and Company. These contracts were entered into by the Company's immediate holding company, on behalf of the Group and Company. In the prior year, the fair value gain of $803,000 for the Group and Company were recorded in other debtors.

In the prior year, other debtors also included wage support grant receivable of approximately $677,742.

In the prior year, out of the outstanding prepayments, $3,203,079 is held by a wholly-owned subsidiary company's programme partner to be used for settlement of the Group's share of future net financial obligations to the programme over the remaining period of approximately 1 year.

26. AMOUNTS OWING BY IMMEDIATE HOLDING COMPANY (IN THOUSANDS OF $)

The amounts due from the immediate holding company, which are carried at amortised cost, are unsecured, trade-related, interest-free and are repayable based on agreed trade terms. The Group has an arrangement with its immediate holding company to settle the net amounts due to or from each other in cash, based on the agreed terms.

The Group's receivables and payables from/(to) immediate holding company that are subject to offsetting arrangement are as follows:

	The Group 31 March 2024			The Company 31 March 2024		
	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet
Receivables	**102,717**	**(71,797)**	**30,920**	**102,291**	**(71,797)**	**30,494**
Payables	**(71,797)**	**71,797**	**–**	**(71,797)**	**71,797**	**–**

	31 March 2023			31 March 2023		
	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet
Receivables	102,648	(58,933)	43,715	102,204	(58,933)	43,271
Payables	(58,933)	58,933	–	(58,933)	58,933	–

27. AMOUNTS OWING BY/(TO) RELATED PARTIES (IN THOUSANDS OF $)

The amounts owing by/(to) related parties of the Group are unsecured, trade related, interest free and are repayable based on agreed terms.

The Group has an arrangement with its related parties to settle the net amounts due to or from each other in cash, based on the agreed terms.

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Amounts owing by related parties				
– Fellow subsidiaries	**17,713**	16,475	**17,644**	16,083
– Subsidiaries	**–**	–	**8,695**	6,933
– Joint venture/associated companies	**1,646**	1,906	**599**	1,683
– Others	**56**	61	**61**	61
	19,415	18,442	**26,999**	24,760
Amounts owing to related parties				
– Subsidiaries	**–**	–	**(10,130)**	(15,931)
– Joint venture/associated companies	**(334)**	(1,239)	**(334)**	(1,239)
	(334)	(1,239)	**(10,464)**	(17,170)

27. AMOUNTS OWING BY/(TO) RELATED PARTIES (IN THOUSANDS OF $) (continued)

The Group's receivables and payables from/(to) related parties that are subject to offsetting arrangement are as follows:

	The Group 31 March 2024			The Company 31 March 2024		
	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet
Amounts owing by related parties						
- Fellow subsidiaries	**17,713**	**-**	**17,713**	**17,644**	**-**	**17,644**
- Subsidiaries	**-**	**-**	**-**	**8,703**	**(8)**	**8,695**
- Joint venture/ associated companies	**1,646**	**-**	**1,646**	**599**	**-**	**599**
- Others	**56**	**-**	**56**	**61**	**-**	**61**
	19,415	**-**	**19,415**	**27,007**	**(8)**	**26,999**
Amounts owing to related parties						
- Subsidiaries	**-**	**-**	**-**	**(10,726)**	**596**	**(10,130)**
- Joint venture/ associated companies	**(334)**	**-**	**(334)**	**(334)**	**-**	**(334)**
	(334)	**-**	**(334)**	**(11,060)**	**596**	**(10,464)**

	The Group 31 March 2023			The Company 31 March 2023		
	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet	Gross carrying amount	Gross amounts offset in the balance sheet	Net amounts in the balance sheet
Amounts owing by related parties						
- Fellow subsidiaries	16,475	-	16,475	16,083	-	16,083
- Subsidiaries	-	-	-	6,933	-	6,933
- Joint venture/ associated companies	1,906	-	1,906	1,683	-	1,683
- Others	61	-	61	61	-	61
	18,442	-	18,442	24,760	-	24,760
Amounts owing to related parties						
- Subsidiaries	-	-	-	(16,290)	359	(15,931)
- Joint venture/ associated companies	(1,239)	-	(1,239)	(1,239)	-	(1,239)
	(1,239)	-	(1,239)	(17,529)	359	(17,170)

Amounts owing by related parties are stated after deducting impairment losses. During the year, the Group has not made any provision for impairment (2022/23: $18,000) on amounts owing by related parties as the expected credit loss is assessed as not material.

28. INVENTORIES (IN THOUSANDS OF $)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Aircraft and component spares	**47,972**	33,288	**28,202**	25,618
Consumable stores and stocks	**13,730**	10,071	**113**	297
Total inventories at lower of cost and net realisable value	**61,702**	43,359	**28,315**	25,915

Inventories are stated after deducting provision for stock obsolescence. An analysis of the provision for stock obsolescence is as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Balance at 1 April	**27,799**	25,002	**26,680**	23,882
Charge to profit or loss, net	**1,049**	3,256	**517**	2,920
Provision utilised during the year	**(1,828)**	(459)	**(2,430)**	(122)
Balance at 31 March	**27,020**	27,799	**24,767**	26,680

29. SHORT-TERM DEPOSITS (IN THOUSANDS OF $)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Deposits placed with the immediate holding company	**578,178**	587,579	**578,178**	587,579
Fixed deposits placed with banks	**26,691**	15,960	**1,592**	1,549
	604,869	603,539	**579,770**	589,128

The surplus funds of the Group's working capital requirements are placed in short-term deposits with the immediate holding company and external financial institutions for varying periods depending on the immediate cash requirements of the Group. These deposits earn interest ranging from 1.00% to 5.91% (2022/23: 0.05% to 5.46%) per annum and can be withdrawn on demand. The interest rates are repriced at varying periods ranging from 1 to 12 months (2023: 1 to 18 months).

As at 31 March 2024, short-term deposits in currencies other than the Group's functional currencies which were denominated in United States Dollars amounted to 13% (2023: 19%) for the Group and 14% (2023: 20%) for the Company.

30. CASH AND BANK BALANCES

These balances are placed in current accounts earning interest at floating rates based on daily bank deposit rates ranging from 0.0% to 1.50% (2022/23: 0.0% to 0.45%) per annum.

As at 31 March 2024, cash and bank balances in currencies other than the Group's functional currencies which were denominated in United States Dollars amounted to 29% (2023: 25%) for the Group and 61% (2023: 52%) for the Company.

31. TRADE AND OTHER CREDITORS (IN THOUSANDS OF $)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Trade	**80,044**	59,115	**73,462**	47,159
Accruals	**137,338**	100,154	**120,063**	90,535
Contingent consideration	**967**	967	**967**	967
Provision for warranty claims	**1,755**	1,789	**1,494**	1,514
	220,104	162,025	**195,986**	140,175

These amounts are non-interest bearing.

As at 31 March 2024, trade and other creditors in currencies other than the Group's functional currencies which were mainly denominated in United States Dollars amounted to 7% (2023: 3%) for the Group and 7% (2023: 3%) for the Company.

As at 31 March 2024, included in trade and other creditors are fair value losses arising from forward currency contracts (Note 36) of approximately $437,000 for the Group and Company.

Contingent consideration

The Group and the Company had previously entered into an agreement related to the sales and acquisition of its subsidiary companies whereby the selling shareholder would be compensated for any recovery of bad debts and insurance claims after the acquisition. The Group and the Company has included approximately $967,000 as contingent consideration related to the additional consideration.

The fair value of contingent consideration falls under level 3 of fair value hierarchy.

Provision for warranty claims

An analysis of the provision for warranty claims is as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Balance at 1 April	**1,789**	2,903	**1,514**	2,440
Charge/(Reversed) to profit or loss, net	**1,233**	(421)	**(20)**	(926)
Provision utilised during the year	**(1,267)**	(693)	**-**	-
Balance at 31 March	**1,755**	1,789	**1,494**	1,514

32. LEASES (IN THOUSANDS OF $)

(a) As lessee

The Group and the Company have entered into lease agreements for certain plant and equipment, office furniture and computer equipment and land and buildings. These non-cancellable leases have lease terms of between 1 and 48 years (2023: 1 and 48 years). There are no restrictions placed upon the Group or the Company under these arrangements.

32. LEASES (IN THOUSANDS OF $) (continued)

(a) As lessee (continued)

Amounts recognised in consolidated income statement

	The Group	
	2023/24	2022/23
Leases under IFRS 16		
Finance charges	**3,834**	1,887
Income from sub-leasing right-of-use assets	**34**	(87)
Expenses relating to variable lease payments not included in the measurement of lease liabilities	**873**	807
Expenses relating to short-term leases	**1,423**	789
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**83**	78

Amounts recognised in statement of cash flows

	The Group	
	2023/24	2022/23
Total cash outflow for leases	**33,327**	32,117

Extension options

Some leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options, and if so, these extension options are included in the measurement of lease liabilities. The Group also reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension options, would not be material.

Rent concessions

In the prior year, the Group negotiated rent concessions with its landlords for the majority of its property leases as a result of the severe impact of the COVID-19 pandemic. The Group applied the practical expedient for COVID-19-related rent concessions consistently to eligible rent concessions relating to its property leases.

The rent concessions recognised in profit or loss for prior reporting period to which the Group has applied the practical expedient for COVID-19-related rent concessions was $588,000.

32. LEASES (IN THOUSANDS OF $) (continued)

(b) As lessor

Operating lease

As at 31 March 2024, the Company leased its properties to another subsidiary for a lease term of 3 years. Another subsidiary also leased out its property to a third party for a period of 2 years and 3 months (2023: 6 months).

The future minimum lease receivables under non-cancellable operating leases are as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Within one year	**55**	22	**170**	170
After one year but less than 5 years	**69**	–	**340**	–
	124	22	**510**	170

33. BANK LOANS (IN THOUSANDS OF $)

	The Group 31 March	
	2024	2023
Current liabilities		
Revolving credit facilities	**2,699**	2,029
Non-current liability		
Long-term bank loan	**2,439**	462

The revolving credit facilities denominated in United States dollars taken by a subsidiary company are unsecured and bear interest at an average floating rate of 6.71% (2022/23: 6.21%) per annum. The current revolving credit facilities shall be repayable within 12 months after the reporting date.

The long-term bank loan denominated in United States dollars drawn down by a subsidiary company is unsecured and bears interest at a floating rate of 7.42% per annum, to be re-priced after half a year. This draw down is repayable by 15 March 2028.

34. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Long-term lease liabilities	Lease liabilities	Long-term bank loan	Bank loans	Total
Balance at 1 April 2023	**90,134**	**22,570**	**462**	**2,029**	**115,195**
Changes from financing cash flows					
Finance charges paid	**–**	**–**	**(183)**	**(366)**	**(549)**
Proceeds from borrowings	**–**	**–**	**1,986**	**669**	**2,655**
Repayment of lease liabilities	**–**	**(30,948)**	**–**	**–**	**(30,948)**
Total changes from financing cash flows	**–**	**(30,948)**	**1,803**	**303**	**(28,842)**
Non-cash changes					
Interest expense	**–**	**3,837**	**183**	**366**	**4,386**
Additions	**12,916**	**6,629**	**–**	**–**	**19,545**
Acquisition of subsidiary	**299**	**181**	**–**	**–**	**480**
Disposal	**–**	**(155)**	**–**	**–**	**(155)**
Disposal of subsidiary	**(2)**	**(2)**	**–**	**–**	**(4)**
Reclassification	**(23,168)**	**23,168**	**–**	**–**	**–**
Foreign exchange movement	**(102)**	**(58)**	**(9)**	**1**	**(168)**
	(10,057)	**33,600**	**174**	**367**	**24,084**
Balance at 31 March 2024	**80,077**	**25,222**	**2,439**	**2,699**	**110,437**
Balance at 1 April 2022	38,424	28,507	–	2,801	69,732
Changes from financing cash flows					
Finance charges paid	–	–	(1)	(60)	(61)
Proceeds from borrowings	–	–	462	2,745	3,207
Repayment of lease liabilities	–	(30,443)	–	–	(30,443)
Repayment of borrowings	–	–	–	(3,645)	(3,645)
Total changes from financing cash flows	–	(30,443)	461	(960)	(30,942)
Non-cash changes					
Interest expense	–	1,888	1	60	1,949
Additions	58,414	16,814	–	–	75,228
Reclassification	(6,440)	6,440	–	–	–
Rent concessions	–	(588)	–	–	(588)
Foreign exchange movement	(264)	(48)	–	128	(184)
	51,710	24,506	1	188	76,405
Balance at 31 March 2023	90,134	22,570	462	2,029	115,195

* Excluding fair value changes in contingent consideration recognised in profit or loss

35. CAPITAL EXPENDITURE COMMITMENTS (IN THOUSANDS OF $)

The Group and the Company have commitments for capital expenditure, with an aggregate value of approximately $91,101,000 (2023: $55,455,000) and $91,098,000 (2023: $51,848,595) respectively.

In addition, the Group's share of a joint venture company's commitments for capital expenditure is approximately $6,207,000 (2023: $2,812,000).

36. FINANCIAL INSTRUMENTS (IN THOUSANDS OF $)

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial liabilities in the balance sheet by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

	Financial assets at amortised cost	Derivatives used for hedging at fair value	Financial liabilities at amortised cost	Mandatorily at FVTPL – others	Total
The Group					
31 March 2024					
Assets					
Trade debtors	**70,879**	**–**	**–**	**–**	**70,879**
Other debtors	**14,991**	**–**	**–**	**–**	**14,991**
Amount due from immediate holding company	**30,920**	**–**	**–**	**–**	**30,920**
Amounts owing by related parties	**19,415**	**–**	**–**	**–**	**19,415**
Short-term deposits	**604,869**	**–**	**–**	**–**	**604,869**
Cash and bank balances	**41,081**	**–**	**–**	**–**	**41,081**
Total financial assets	**782,155**	**–**	**–**	**–**	**782,155**
Assets held for sale					**467**
Total non-financial assets					**1,305,727**
Total assets					**2,088,349**
Liabilities					
Trade and other creditors *	**–**	**437**	**218,700**	**–**	**219,137**
Contingent consideration	**–**	**–**	**–**	**967**	**967**
Amounts owing to related parties	**–**	**–**	**334**	**–**	**334**
Bank loans	**–**	**–**	**2,699**	**–**	**2,699**
Long-term bank loans	**–**	**–**	**2,439**	**–**	**2,439**
Total financial liabilities	**–**	**437**	**224,172**	**967**	**225,576**
Total non-financial liabilities					**159,534**
Total liabilities					**385,110**

* Excluding contingent consideration

36. FINANCIAL INSTRUMENTS (IN THOUSANDS OF $) (continued)

(a) Classification of financial instruments (continued)

	Financial assets at amortised cost	Derivatives used for hedging at fair value	Financial liabilities at amortised cost	Mandatorily at FVTPL – others	Total
The Group					
31 March 2023					
Assets					
Trade debtors	34,151	–	–	–	34,151
Other debtors	5,906	803	–	–	6,709
Amount due from immediate holding company	43,715	–	–	–	43,715
Amounts owing by related parties	18,442	–	–	–	18,442
Short-term deposits	603,539	–	–	–	603,539
Cash and bank balances	29,450	–	–	–	29,450
Total financial assets	735,203	803	–	–	736,006
Assets held for sale					1,516
Total non-financial assets					1,245,856
Total assets					1,983,378
Liabilities					
Trade and other creditors *	–	–	161,058	–	161,058
Contingent consideration	–	–	–	967	967
Amounts owing to related parties	–	–	1,239	–	1,239
Bank loans	–	–	2,029	–	2,029
Long-term bank loans	–	–	462	–	462
Total financial liabilities	–	–	164,788	967	165,755
Total non-financial liabilities					140,885
Total liabilities					306,640

* Excluding contingent consideration

36. FINANCIAL INSTRUMENTS (IN THOUSANDS OF $) (continued)

(a) Classification of financial instruments (continued)

	Financial assets at amortised cost	Derivatives used for hedging at fair value	Financial liabilities at amortised cost	Mandatorily at FVTPL – others	Total
The Company					
31 March 2024					
Assets					
Trade debtors	**51,825**	**–**	**–**	**–**	**51,825**
Other debtors	**12,975**	**–**	**–**	**–**	**12,975**
Immediate holding company	**30,494**	**–**	**–**	**–**	**30,494**
Loan to a subsidiary company	**23,346**	**–**	**–**	**–**	**23,346**
Amounts owing by related parties	**26,999**	**–**	**–**	**–**	**26,999**
Short-term deposits	**579,770**	**–**	**–**	**–**	**579,770**
Cash and bank balances	**12,909**	**–**	**–**	**–**	**12,909**
Total financial assets	**738,318**	**–**	**–**	**–**	**738,318**
Assets held for sale					**467**
Total non-financial assets					**770,564**
Total assets					**1,509,349**
Liabilities					
Trade and other creditors *	**–**	**437**	**194,582**	**–**	**195,019**
Contingent consideration	**–**	**–**	**–**	**967**	**967**
Amounts owing to related parties	**–**	**–**	**10,464**	**–**	**10,464**
Total financial liabilities	**–**	**437**	**205,046**	**967**	**206,450**
Total non-financial liabilities					**134,818**
Total liabilities					**341,268**

* Excluding contingent consideration

36. FINANCIAL INSTRUMENTS (IN THOUSANDS OF $) (continued)

(a) Classification of financial instruments (continued)

	Financial assets at amortised cost	Derivatives used for hedging at fair value	Financial liabilities at amortised cost	Mandatorily at FVTPL – others	Total
The Company					
31 March 2023					
Assets					
Trade debtors	23,785	–	–	–	23,785
Other debtors	3,996	803	–	–	4,799
Immediate holding company	43,271	–	–	–	43,271
Loan to a subsidiary company	13,294	–	–	–	13,294
Amounts owing by related parties	24,760	–	–	–	24,760
Short-term deposits	589,128	–	–	–	589,128
Cash and bank balances	12,271	–	–	–	12,271
Total financial assets	710,505	803	–	–	711,308
Assets held for sale					1,516
Total non-financial assets					827,421
Total assets					1,540,245
Liabilities					
Trade and other creditors *	–	–	139,208	–	139,208
Contingent consideration	–	–	–	967	967
Amounts owing to related parties	–	–	17,170	–	17,170
Total financial liabilities	–	–	156,378	967	157,345
Total non-financial liabilities					131,270
Total liabilities					288,615

* Excluding contingent consideration

(b) Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

36. FINANCIAL INSTRUMENTS (IN THOUSANDS OF $) (continued)

(b) Fair values (continued)

Financial instruments carried at fair value

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	The Group and Company 31 March 2024			
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs, other than quoted price (Level 2)	Significant unobservable inputs (Level 3)	Total
Recurring fair value measurements				
Financial Asset				
Currency hedging contracts	**–**	**–**	**–**	**–**
Financial liability				
Contingent consideration	**–**	**–**	**(967)**	**(967)**
Currency hedging contracts	**–**	**(437)**	**–**	**(437)**
	–	**(437)**	**(967)**	**(1,404)**

	The Group and Company 31 March 2023			
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs, other than quoted price (Level 2)	Significant unobservable inputs (Level 3)	Total
Recurring fair value measurements				
Financial Asset				
Currency hedging contracts	–	803	–	803
Financial liability				
Contingent consideration	–	–	(967)	(967)
	–	803	(967)	(164)

Level 2 fair value measurements

The Group and Company have carried all derivative instruments at their fair values.

The fair value of forward currency contracts is determined by reference to current forward exchange rates for contracts with similar maturity profiles.

36. FINANCIAL INSTRUMENTS (IN THOUSANDS OF $) (continued)

(b) Fair values (continued)

Financial instruments whose carrying amounts are reasonable approximation of fair value

The carrying amounts of the following financial assets and financial liabilities are reasonable approximations of their fair values due to their short-term nature: cash and bank balances, short-term deposits, amounts owing by/to related parties, immediate holding company, loans, contract assets and liabilities, trade and other debtors and creditors.

The carrying amount of the loan to a subsidiary company is reasonable approximation of fair value as the loan is a floating rate loan that re-price to market interest rate quarterly.

Level 3 fair value measurements

The fair value of the contingent consideration is determined by reference to specific debts provisioning and insurance claims to be settled post-acquisition.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $)

The Group operates principally in Singapore and generates revenue mainly in Singapore dollars. The Group also has investments in subsidiaries, associated and joint venture companies that operate in various countries. The Group's operations carry certain financial risks, including the effects of changes in foreign exchange rates and interest rates. The Group's risk management approach is to moderate the effects of such volatility on its financial performance. The Group's policy permits the use of derivatives to hedge specific exposures.

As derivatives are used for the purpose of risk management, they do not expose the Group to market risk because gains and losses on the derivatives offset losses and gains on the matching asset, liability, and expected future cash flows being hedged. Moreover, counterparty credit risk is generally restricted to any hedging gain from time to time, and not the principal amount hedged. Therefore the possibility of material loss arising in the event of non-performance by a counterparty is considered to be unlikely.

The Audit Committee provides oversight to the work of the Group Risk Management Committee in respect of financial risks.

(a) Foreign currency risk

The Group has transactional currency exposures arising from operating revenues and expenses that are denominated in a currency other than the respective functional currencies of Group entities, primarily, Singapore dollars ("SGD"), Philippine Pesos ("PHP"), Japanese Yen ("JPY"), Malaysian Ringgit ("MYR") and United States dollars ("USD"). The foreign currencies in which these transactions are denominated are mainly United States dollars. For the financial year ended 31 March 2024, these accounted for 18% of total revenue (2022/23: 21%) and 7% of total operating expenses (2022/23: 9%). The Group's trade receivable and trade payable balances at the balance sheet date have similar exposures.

The Group and Company also hold cash and cash equivalents in foreign currencies other than ,the functional currencies of the Group, denominated mainly in USD, for working capital purposes. At the end of the reporting period, such USD balances amounted to approximately $87,708,000 (2023: $123,671,000) and $86,636,000 (2023: $122,701,000) for the Group and the Company respectively.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(a) Foreign currency risk (continued)

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for Singapore dollars. The Group also uses forward foreign currency contracts to hedge a portion of its future foreign exchange exposure. Such contracts provide for the Group to sell United States dollars at predetermined forward rates, depending on forecast requirements, with settlement dates that range up to one year for the Company and up to 3 years for a joint venture. The Group uses forward contracts purely as a hedging tool. It does not take positions in currencies with a view to make speculative gains from currency movements.

Cash flow hedges

The Company enters into forward currency contracts to hedge against foreign currency risk for a portion of the forecast net cash generation of USD in the next 12 months. The Company also sets aside USD in short-term deposits (non-derivative instrument) to hedge against foreign currency risk on highly probable forecast transactions. These transactions pertain to USD capital injections in an associated company.

During the year, the Company re-designated certain USD set aside in short-term deposits (non-derivative instrument) for one of the forecast transactions for working capital, following assessment that the transaction is no longer highly probable. Accordingly, the unrealised exchange gain of $473,000 in fair value reserve was reversed and recognised as realised exchange gain in profit or loss.

The remaining cash flow hedges of the expected inflows and outflows in USD in the next 12 months and the highly probable USD capital injections in an associated company were assessed to be highly effective and at 31 March 2024, a net fair value loss before tax of $310,000 (2022/23: $619,000) with a related deferred tax liability $52,000 (2023: deferred tax asset of $105,000), were included in fair value reserve in respect of these contracts.

Foreign currency sensitivity analysis

The foreign currency risk sensitivity analysis is based on the assumption that all cash flow hedges are highly effective; hence there will be no impact on profit before taxation from the cash flow hedges.

The following table details the sensitivity to a 1% weakening or strengthening of SGD exchange rate against the USD with all other variables held constant. The sensitivity analysis includes only the USD currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rate.

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Effect of weakening of SGD against USD				
Profit before taxation [R1]	**923**	1,203	**972**	1,209
Equity [R2]	**(672)**	(199)	**(672)**	(199)
Effect of strengthening of SGD against USD				
Profit before taxation [R1]	**(923)**	(1,203)	**(972)**	(1,209)
Equity [R2]	**672**	199	**672**	199

R1 Sensitivity analysis on significant outstanding USD denominated monetary items.
R2 Sensitivity analysis on outstanding USD hedging contracts.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(a) Foreign currency risk (continued)

Foreign currency hedging effectiveness

The effectiveness of the foreign currency hedges has been determined based on forecast foreign currency receipts using projections approved by Management covering a 12-month period, and forecast timing of capital injections in an associated company. All hedges were effective in FY2023/24.

The calculation of foreign currency hedging effectiveness is sensitive to and is derived from forecasted foreign currency receipts and capital investments that have high probability to occur.

(b) Interest rate risk

The Group's exposure to market risk for changes in the interest rates relates primarily to the Group's short-term deposits with the immediate holding company and banks and other interest-bearing financial assets and financial liabilities.

As at 31 March 2024, other than those short-term deposits and borrowings, the Group has a floating rate long-term bank loan.

Interest rate sensitivity analysis

At the end of the reporting period, if the floating rates had been 100 basis points (2022/23: 100 basis points) lower/higher with all other variables held constant, the Group's profit before tax would have been approximately $46,000 (2022/23: $5,000) higher/lower, arising mainly as a result of lower/higher interest expense on the floating rate loan.

(c) Credit and counterparty risk

The Group's and Company's maximum exposure to credit risk in the event that counterparties fail to perform their contractual obligations as at 31 March 2024 in relation to each class of recognised financial assets are as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Loan to a subsidiary company	**-**	-	**23,346**	13,294
Trade debtors	**70,879**	34,151	**51,825**	23,785
Contract assets	**151,132**	160,304	**142,805**	149,100
Other debtors	**14,991**	6,709	**12,975**	4,799
Amount due from immediate holding company	**30,920**	43,715	**30,494**	43,271
Amounts owing by related parties	**19,415**	18,442	**26,999**	24,760
Short-term deposits	**604,869**	603,539	**579,770**	589,128
Cash and bank balances	**41,081**	29,450	**12,909**	12,271
	933,287	896,310	**881,123**	860,408

Surplus funds are invested in interest-bearing bank deposits and deposits with immediate holding company. The risks are managed by limiting aggregated exposure on all outstanding financial instruments to any individual counterparty, taking into account its credit rating. Such counterparty exposures are regularly reviewed and adjusted as necessary. This mitigates the risk of material loss arising in the event of non-performance by counterparties.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(c) Credit and counterparty risk (continued)

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors. Concentrations of credit risk with respect to trade debtors are limited to the entities comprising the Group's customer base. The Group carefully assesses the financial strength of its customers and where appropriate, obtains collaterals, including bank guarantees and letters of credit, from customers. In addition, the Group monitors the receivable balances on an ongoing basis, providing for doubtful accounts whenever risks are identified. At 31 March 2024, the only trade debtor exceeding 23% (2023: 42%) of the Group's trade debtors was an amount of approximately $30,920,000 (2023: $43,715,000) due from its immediate holding company.

The Group's credit risk assessment is based on circumstances and information available as of the reporting date. The Group has provided for the necessary impairments on the recoverability of receivables and amounts owing by related parties from these airline customers. Such assessment extends to airline customers that are credit-impaired. For non-credit impaired customers, Management applied its best estimate on the expected credit loss allowances.

Expected credit loss assessment for trade receivables, contract assets and amounts owing by related parties

The Group and Company use an allowance matrix by age bracket to measure the ECLs of trade receivables, contract assets and amounts owing by related parties.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the common credit risk characteristics.

The following table provides information about the exposure to credit risk and ECLs for trade receivables, contract assets and amounts owing by related parties as at 31 March 2024 and 31 March 2023:

	The Group 31 March 2024		
	Weighted average loss rate	Gross carrying amount	Impairment loss allowance
Less than 30 days	**0.49%**	**212,865**	**(1,053)**
30 days to 60 days	**1.02%**	**9,790**	**(100)**
61 days to 90 days	**4.38%**	**5,273**	**(231)**
More than 90 days	**24.42%**	**19,690**	**(4,808)**
		247,618	**(6,192)**

	The Group 31 March 2023		
	Weighted average loss rate	Gross carrying amount	Impairment loss allowance
Less than 30 days	0.31%	198,545	(607)
30 days to 60 days	0.04%	6,786	(3)
61 days to 90 days	6.18%	2,588	(160)
More than 90 days	20.70%	7,248	(1,500)
		215,167	(2,270)

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(c) Credit and counterparty risk (continued)

Expected credit loss assessment for trade receivables, contract assets and amounts owing by related parties (continued)

	The Company 31 March 2024		
	Weighted average loss rate	Gross carrying amount	Impairment loss allowance
Less than 30 days	**0.49%**	**190,285**	**(928)**
30 days to 60 days	**0.65%**	**8,591**	**(56)**
61 days to 90 days	**5.36%**	**4,306**	**(231)**
More than 90 days	**18.67%**	**24,176**	**(4,514)**
		227,358	**(5,729)**

	The Company 31 March 2023		
	Weighted average loss rate	Gross carrying amount	Impairment loss allowance
Less than 30 days	0.28%	183,123	(514)
30 days to 60 days	0.08%	2,617	(2)
61 days to 90 days	6.79%	2,357	(160)
More than 90 days	8.11%	11,126	(902)
		199,223	(1,578)

The table below shows the movement in lifetime ECL that has been recognised for trade receivables, contract assets and amounts owing by related parties in accordance with the simplified life-time approach set out in IFRS 9:

Lifetime ECL	The Group Not credit-impaired Collectively assessed	Credit-impaired Individually assessed	Total
Balance at 1 April 2022	3,309	3,764	7,073
Reversed during the year	(1,689)	(417)	(2,106)
Provision utilised during the year	(54)	(2,643)	(2,697)
Balance at 31 March 2023	1,566	704	2,270
Charged during the year	782	3,010	3,792
Acquisition of subsidiary	101	–	101
Provision utilised during the year	(18)	–	(18)
Exchange difference	149	(102)	47
Balance at 31 March 2024	**2,580**	**3,612**	**6,192**

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(c) Credit and counterparty risk (continued)

Expected credit loss assessment for trade receivables, contract assets and amounts owing by related parties (continued)

Lifetime ECL	The Company		
	Not credit-impaired Collectively assessed	Credit-impaired Individually assessed	Total
Balance at 1 April 2022	2,488	1,592	4,080
Reversed during the year	(1,337)	(419)	(1,756)
Provision utilised during the year	–	(746)	(746)
Balance at 31 March 2023	1,151	427	1,578
Charged during the year	1,176	2,975	4,151
Balance at 31 March 2024	**2,327**	**3,402**	**5,729**

Loss rates are based on actual credit loss experience over the past three years adjusted for current conditions and the Group's view of economic conditions over the expected lives of the receivables when these factors have a significant impact to the credit loss. No scalar factor has been applied for the financial year ended 31 March 2023 and 31 March 2024.

Immediate holding company

The Group and Company performed an individual assessment of the expected credit risk on the outstanding receivables and contract assets owing from the immediate holding company. The liquidity of the immediate holding company was evaluated by the Company, considering its financial position and other external credit-default risk factors appraised by credit-rating agencies. Through such assessments, the ECL for immediate holding company has been assessed to be insignificant.

Other financial assets

Other financial assets comprise other debtors, amounts owing by immediate holding company, short-term deposits and cash and bank balances. The Group considers its other financial assets to have low credit risk and the amount of allowance is insignificant.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(c) Credit and counterparty risk (continued)

Exposures to credit risk

The Group determines concentrations of credit risk by monitoring the industry, country and credit rating of its counterparties. The table below shows an analysis of credit risk exposure of balances that exceed 5% of the financial assets of the Group and the Company as at 31 March:

	The Group				The Company			
	Outstanding balance 31 March		Percentage of total financial assets 31 March		Outstanding balance 31 March		Percentage of total financial assets 31 March	
	2024	2023	2024	2023	2024	2023	2024	2023
Counterparty profiles								
By industry:								
Airlines	**628,310**	631,295	**80%**	86%	**610,992**	630,851	**82%**	89%
Financial institutions	**75,224**	15,960	**10%**	2%	**1,592**	1,548	**0%**	0%
Others	**19,309**	–	**2%**	–	**19,011**	–	**3%**	–
	722,843	647,255	**92%**	88%	**631,595**	632,399	**85%**	89%
By region:								
East Asia	**669,255**	643,267	**85%**	87%	**598,296**	632,399	**80%**	89%
Europe	**15,843**	–	**2%**	–	**13,837**	–	**2%**	–
South West Pacific	**5,802**	–	**1%**	–	**4,088**	–	**1%**	–
Americas	**22,652**	3,988	**3%**	1%	**6,967**	–	**1%**	–
West Asia and Africa	**9,291**	–	**1%**	–	**8,407**	–	**1%**	–
	722,843	647,255	**92%**	88%	**631,595**	632,399	**85%**	89%
By Moody's credit ratings:								
Investment grade (A to Aaa)	**68,053**	15,960	**9%**	2%	**1,592**	1,548	**0%**	0%
Investment grade (Baa)	**5,733**	–	**1%**	–	**-**	–	**-**	–
Non-rated	**649,057**	631,295	**82%**	86%	**630,003**	630,851	**85%**	89%
	722,843	647,255	**92%**	88%	**631,595**	632,399	**85%**	89%

(d) Liquidity risk

The Group monitors its net operating cash flows and maintains an adequate level of cash and cash equivalents and credit facilities from financial institutions. As at 31 March 2024, the Group had at its disposal, cash and short-term deposits amounting to approximately $645,950,000 (2023: $632,989,000).

In response to possible future liquidity constraints arising from the uncertain recovery trajectory, the Group also maintains available undrawn short-term credit facilities amounting to $10,257,000 (2023: $11,557,000) that are unsecured and can be drawn down to meet short-term financing needs.

In the prior year, the Group has also established a Euro Medium Term Note Programme under which it may issue notes up to $1.0 billion. As of 31 March 2024, the programme remained unutilised.

The Group's holding of cash and short-term deposits, together with credit facilities and net cash flow from operations, are expected to be sufficient for working capital purposes as well as future capital commitments.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (IN THOUSANDS OF $) (continued)

(d) Liquidity risk (continued)

The maturity profile of the financial liabilities of the Group and the Company is set out below. The amounts disclosed in the table are the contractual undiscounted cash flows, including estimated interest payments.

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
The Group							
2024							
Financial liabilities							
Trade and other creditors	**220,104**	**-**	**-**	**-**	**-**	**-**	**220,104**
Contract liabilities	**46,237**	**-**	**-**	**-**	**-**	**-**	**46,237**
Amounts owing to related parties	**334**	**-**	**-**	**-**	**-**	**-**	**334**
Lease liabilities	**30,063**	**25,667**	**22,739**	**5,555**	**5,492**	**29,032**	**118,548**
Bank loans	**2,753**	**-**	**-**	**-**	**-**	**-**	**2,753**
Long-term bank loan	**181**	**1,733**	**882**	**-**	**-**	**-**	**2,796**
Total undiscounted financial and lease liabilities	**299,672**	**27,400**	**23,621**	**5,555**	**5,492**	**29,032**	**390,772**
2023							
Financial liabilities							
Trade and other creditors	162,025	-	-	-	-	-	162,025
Contract liabilities	21,510	-	-	-	-	-	21,510
Amounts owing to related parties	1,239	-	-	-	-	-	1,239
Lease liabilities	26,674	22,730	22,170	21,601	4,663	29,763	127,601
Bank loans	2,029	-	-	-	-	-	2,029
Long-term bank loan	16	-	154	154	154	-	478
Total undiscounted financial and lease liabilities	213,493	22,730	22,324	21,755	4,817	29,763	314,882
The Company							
2024							
Financial liabilities							
Trade and other creditors	**195,986**	**-**	**-**	**-**	**-**	**-**	**195,986**
Contract liabilities	**31,255**	**-**	**-**	**-**	**-**	**-**	**31,255**
Amounts owing to related parties	**10,464**	**-**	**-**	**-**	**-**	**-**	**10,464**
Lease liabilities	**28,011**	**24,212**	**22,168**	**5,130**	**5,171**	**22,909**	**107,601**
Total undiscounted financial and lease liabilities	**265,716**	**24,212**	**22,168**	**5,130**	**5,171**	**22,909**	**345,306**
2023							
Financial liabilities							
Trade and other creditors	140,175	-	-	-	-	-	140,175
Contract liabilities	20,760	-	-	-	-	-	20,760
Amounts owing to related parties	17,170	-	-	-	-	-	17,170
Lease liabilities	24,261	21,255	21,092	21,121	4,387	23,543	115,659
Total undiscounted financial and lease liabilities	202,366	21,255	21,092	21,121	4,387	23,543	293,764

38. SEGMENT INFORMATION (IN THOUSANDS OF $)

For management purposes, the Group is organised into business units based on the nature of the services provided and has the reportable operating segments as follows:

- The airframe and line maintenance segment provides airframe maintenance, line maintenance, and inventory technical management. These services include scheduled routine maintenance and overhaul, specialised and non-routine maintenance, modification and refurbishment programmes. Line maintenance provides aircraft certification and technical ground handling services such as push-back and towing, and the provision of aircraft ground support equipment and rectification work. Inventory technical management encompasses fleet technical management and inventory technical management services, which include the provision of comprehensive engineering and MRO solutions that can be customised to provide maintenance support to airlines.

- The engine and component segment provides component overhaul and engine repair and overhaul services.

Associated and joint venture companies contribute significantly to the performance of the Group. Management has organised the presentation of the segment results and revenue to better reflect the contribution of the associated and joint venture companies towards the Group's performance. The businesses operated by these equity-accounted investees form part of the Group's reportable segments.

All other unallocated items will be disclosed in the consolidated financial statements.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Segment liabilities are not available as the information is not used by Management to make operating decisions.

Transfer prices between operating segments are on agreed terms between the operating segments.

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.

38. SEGMENT INFORMATION (IN THOUSANDS OF $) (continued)

Operating Segments

	Notes	Airframe and line maintenance	Engine and component	Total segments	Elimination and adjustments	Per consolidated financial statements
2023/24						
SEGMENT REVENUE						
External revenue						
Company and subsidiaries		**836,250**	**257,967**	**1,094,217**	**–**	**1,094,217**
Associated companies	(a)	**53,390**	**2,737,201**	**2,790,591**	**(2,790,591)**	**–**
Joint venture company	(a)	**–**	**4,032,173**	**4,032,173**	**(4,032,173)**	**–**
Inter-segment revenue	(b)	**2,398**	**1,707**	**4,105**	**(4,105)**	**–**
		892,038	**7,029,048**	**7,921,086**	**(6,826,869)**	**1,094,217**
SEGMENT RESULTS						
Segment results						
Company and subsidiaries		**32,965**	**(30,609)**	**2,356**	**–**	**2,356**
Associated companies	(a)	**8,359**	**168,912**	**177,271**	**(177,271)**	**–**
Joint venture company	(a)	**–**	**55,566**	**55,566**	**(55,566)**	**–**
		41,324	**193,869**	**235,193**	**(232,837)**	**2,356**
Interest income						**24,433**
Impairment loss allowance of financial and non-financial assets						**(26,844)**
Surplus on disposal of associated companies						**2,307**
Surplus on disposal of subsidiaries						**390**
Share of profits of associated companies, net of tax					**70,656**	**70,656**
Share of profits of a joint venture company, net of tax					**30,338**	**30,338**
Other unallocated amounts						**(4,291)**
Profit before taxation	(c)					**99,345**
Taxation						**(2,216)**
Profit for the financial year						**97,129**
Other segment items						
Depreciation		**41,194**	**16,411**	**57,605**	**–**	**57,605**
Amortisation of intangible assets		**3,163**	**2,311**	**5,474**	**–**	**5,474**
Segment assets						
Property, plant and equipment		**92,874**	**92,341**	**185,215**	**–**	**185,215**
Right-of-use assets		**95,815**	**7,570**	**103,385**	**–**	**103,385**
Intangible assets		**29,702**	**2,292**	**31,994**	**–**	**31,994**
Investment in associated/joint venture companies		**12,850**	**736,227**	**749,077**	**–**	**749,077**
Other unallocated assets	(d)					**1,018,678**
Total assets		**231,241**	**838,430**	**1,069,671**	**–**	**2,088,349**

38. SEGMENT INFORMATION (IN THOUSANDS OF $) (continued)

Operating Segments (continued)

	Notes	Airframe and line maintenance	Engine and component	Total segments	Elimination and adjustments	Per consolidated financial statements
2022/23						
SEGMENT REVENUE						
External revenue						
Company and subsidiaries		644,898	151,072	795,970	–	795,970
Associated companies	(a)	40,991	2,148,898	2,189,889	(2,189,889)	–
Joint venture company	(a)	–	3,742,708	3,742,708	(3,742,708)	–
Inter-segment revenue	(b)	–	1,958	1,958	(1,958)	–
		685,889	6,044,636	6,730,525	(5,934,555)	795,970
SEGMENT RESULTS						
Segment results						
Company and subsidiaries		(1,955)	(24,296)	(26,251)	–	(26,251)
Associated companies	(a)	(4,888)	113,996	109,108	(109,108)	–
Joint venture company	(a)	–	63,286	63,286	(63,286)	–
		(6,843)	152,986	146,143	(172,394)	(26,251)
Interest income						12,271
Reversal of impairment of financial and non-financial assets						1,678
Reversal of impairment of an associated company						2,005
Share of profits of associated companies, net of tax					48,545	48,545
Share of profits of a joint venture company, net of tax					29,269	29,269
Other unallocated amounts						(1,968)
Profit before taxation	(c)					65,549
Taxation						996
Profit for the financial year						66,545
Other segment items						
Depreciation		44,673	14,597	59,270	–	59,270
Amortisation of intangible assets		2,513	2,169	4,682	–	4,682
Segment assets						
Property, plant and equipment		102,567	72,576	175,143	–	175,143
Right-of-use assets		104,159	8,223	112,382	–	112,382
Intangible assets		18,164	22,614	40,778	–	40,778
Investment in associated/joint venture companies		22,082	663,222	685,304	–	685,304
Other unallocated assets	(d)					969,771
Total assets		246,972	766,635	1,013,607	–	1,983,378

38. SEGMENT INFORMATION (IN THOUSANDS OF $) (continued)

Operating Segments (continued)

Notes:

(a) Full information of the associated and joint venture companies (total revenue, total profit or loss) are reported in Operating Segments Revenue and Results, but eliminated to reconcile to the Group consolidated results with these equity-accounted investees included under the equity method.

(b) Inter-segment revenues are eliminated on consolidation.

(c) The following items are deducted from segment results to arrive at "profit before taxation" presented in the consolidated income statement:

	31 March 2024	2023
Finance charges	**(4,386)**	(1,949)
Surplus/(Loss) on disposal of property, plant and equipment and intangible assets	**95**	(19)
	(4,291)	(1,968)

(d) The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	31 March 2024	2023
Deferred tax assets	**17,781**	17,539
Current assets	**1,000,897**	952,232
	1,018,678	969,771

Geographical segments

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

	Revenue *		Non-current assets 31 March	
	2023/24	2022/23	2024	2023
East Asia	**813,540**	592,629	**1,085,227**	1,010,564
Europe	**156,189**	89,268	**-**	-
South West Pacific	**31,879**	18,556	**-**	-
Americas	**64,246**	62,587	**2,225**	20,582
West Asia and Africa	**28,363**	32,930	**-**	-
Total	**1,094,217**	795,970	**1,087,452**	1,031,146

* Revenue from Company and subsidiary companies.

For the year ended 31 March 2024, revenue of approximately $718,261,000 (2022/23: $514,009,000) and $139,206,000 (2022/23: $63,295,000) were from customers located in Singapore and France respectively. The remaining revenue from customers in other countries were individually insignificant.

38. SEGMENT INFORMATION (IN THOUSANDS OF $) (continued)

Geographical segments (continued)

As at 31 March 2024, non-current assets of approximately $1,033,407,000 (2023: $963,544,000) were located in Singapore. The remaining non-current assets located in other countries were individually insignificant.

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.

Major customers

Revenue from one major customer amounted to approximately $569,133,000 (2022/23: $426,372,000), arising from services provided by airframe and line maintenance segment.

39. CAPITAL MANAGEMENT (IN THOUSANDS OF $)

The primary objective of the management of the Company's capital structure is to maintain an appropriate capital base while retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Capital comprises share capital and accumulated profits.

The Directors regularly review the Company's capital structure and make adjustments to reflect economic conditions, business strategies and future commitments.

No significant changes were made in the objectives, policies or processes relating to the Management of the Company's capital structure. The Company continues to maintain the need to conserve cash to sustain the business through the uncertain recovery path and retain financial flexibility to pursue business opportunities.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Capital for the Group and Company is tabulated below:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Total debt:				
Lease liabilities	**105,299**	112,704	**97,206**	103,825
Bank loans	**5,138**	2,491	**-**	-
	110,437	115,195	**97,206**	103,825
Total capital:				
Share capital	**420,044**	420,044	**420,044**	420,044
Reserves	**1,266,990**	1,246,115	**748,037**	831,586
	1,687,034	1,666,159	**1,168,081**	1,251,630
Capital and total debt	**1,797,471**	1,781,354	**1,265,287**	1,355,455

40. RELATED PARTY TRANSACTIONS (IN THOUSANDS OF $)

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Group considers the Directors, Chief Executive Officer, Chief Financial Officer, Executive Vice President and Senior Vice Presidents of the Company to be key management personnel of the Company.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

Sale and purchase of goods and services

	The Group	
	2023/24	2022/23
Income		
Sales of services and related materials to:		
- the immediate holding company and related corporations	**645,145**	484,719
- associated companies	**3,749**	10,019
- a joint venture company	**353**	4,448
- others	**1,475**	10
Interest income from the immediate holding company	**22,905**	11,638
Equipment fee charged to the immediate holding company	**128**	129
Rental of office space charged to the immediate holding company	**-**	81
Expense		
Management fees charged by the immediate holding company for corporate, general and administrative, technical and insurance services and equipment leases	**15,273**	12,814
Rental of hangars, workshops and office space charged by the immediate holding company	**18,157**	18,657
Purchases of materials from the immediate holding company and fellow subsidiaries	**88,807**	59,670
Purchases of goods from:		
- associated companies	**7,007**	5,410
- a joint venture company	**98**	750
- others	**11,782**	20,170
Services rendered by:		
- the immediate holding company	**9,445**	7,319

40. RELATED PARTY TRANSACTIONS (IN THOUSANDS OF $) (continued)

Compensation of key management personnel

Directors' and key executives' remuneration of the Company

	The Company	
	2023/24	2022/23
Directors		
Directors' fees	**1,371**	1,283
Key executives		
Salary, bonuses and other costs	**8,786**	4,381
CPF and other defined contributions	**166**	118
Share-based compensation expense	**4,688**	3,325

The details of RSP, PSP and DSA granted to key executives of the Company are as follows:

(a) RSP Base Awards

Name of participant	Balance as at 1 April 2023 (a)	Base Awards granted during the financial year (b)	Base Awards vested during the financial year (c)	Balance as at 31 March 2024/ cessation of employment = (a)+(b)−(c)	Aggregate Base Awards granted since commencement of RSP to end of financial year under review
Ng Chin Hwee*	143,300	167,100	143,300	167,100	628,000
Wong Yue Jeen	24,000	27,900	24,000	27,900	277,105
Philip Quek Cher Heong	24,200	228,300	222,000	30,500	447,895
Foo Kean Shuh	44,800	57,600	44,800	57,600	217,350
Schmuck Stefan	22,200	26,700	22,200	26,700	59,900
Ng Lay Pheng	24,500	25,900	24,500	25,900	138,400
Ng Jan Lin Wilin	22,300	25,000	22,300	25,000	265,790
Chua Hock Hai	22,200	21,400	22,200	21,400	77,600
So Man Fung	25,500	28,000	25,500	28,000	201,393
Bernd Riggers	4,700	21,400	4,700	21,400	26,100
Chin Yau Seng	–	74,600	–	74,600	74,600

* Mr Ng Chin Hwee retired from his role as Chief Executive Officer ("CEO") on 30 September 2023.

40. RELATED PARTY TRANSACTIONS (IN THOUSANDS OF $) (continued)

Compensation of key management personnel (continued)

Directors' and key executives' remuneration of the Company (continued)

(b) RSP Final Awards (Pending Release)

Name of participant	Balance as at 1 April 2023 (a)	Final Awards granted during the financial year ^ (b)	Final Awards released during the financial year (c)	Balance as at 31 March 2024/ cessation of employment = (a)+(b)−(c)	Aggregate ordinary shares released to participant since commencement of RSP to end of financial year under review
Ng Chin Hwee*	159,940	143,300	155,460	147,780	318,660
Wong Yue Jeen	27,040	24,000	25,680	25,360	191,529
Philip Quek Cher Heong	26,590	222,000	65,490	183,100	225,020
Foo Kean Shuh	30,075	44,800	34,385	40,490	129,820
Schmuck Stefan	8,100	22,200	11,400	18,900	15,400
Ng Lay Pheng	28,345	24,500	26,645	26,200	85,539
Ng Jan Lin Wilin	26,845	22,300	25,055	24,090	197,270
Chua Hock Hai	21,615	22,200	19,505	24,310	34,105
So Man Fung	28,682	25,500	27,562	26,620	132,649
Bernd Riggers	–	4,700	1,600	3,100	1,600
Chin Yau Seng	–	–	–	–	–

(c) PSP Base Awards

Name of participant	Balance as at 1 April 2023 (a)	Base Awards granted during the financial year (b)	Base Awards vested during the financial year (c)	Balance as at 31 March 2024/ cessation of employment = (a)+(b)−(c)	Aggregate Base Awards granted since commencement of PSP to end of financial year under review	Aggregate ordinary shares released to participant since commencement of PSP to end of financial year under review
Ng Chin Hwee*	530,000	204,300	218,800	515,500	734,300	–
Wong Yue Jeen	66,700	24,300	23,500	67,500	158,538	27,249
Philip Quek Cher Heong	67,000	21,000	25,100	62,900	164,494	18,067
Foo Kean Shuh	89,100	49,900	25,200	113,800	191,319	19,037
Schmuck Stefan	29,000	23,200	–	52,200	52,200	–
Ng Lay Pheng	68,900	22,600	24,100	67,400	112,300	6,864
Ng Jan Lin Wilin	65,200	21,700	24,000	62,900	103,600	5,511
Chua Hock Hai	49,100	18,600	–	67,700	67,700	–
So Man Fung	45,000	24,300	–	69,300	69,300	–
Bernd Riggers	4,000	18,600	–	22,600	22,600	–
Chin Yau Seng	–	91,600	–	91,600	91,600	–

^ Final Awards granted during the financial year are determined by applying the achievement factor to the Base Awards that have vested during the financial year.

* Mr Ng Chin Hwee retired from his role as CEO on 30 September 2023.

40. RELATED PARTY TRANSACTIONS (IN THOUSANDS OF $) (continued)

Compensation of key management personnel (continued)

Directors' and key executives' remuneration of the Company (continued)

(d) DSA Base Awards

Name of participant	Balance as at 1 April 2023 (a)	Base Awards granted during the financial year (b)	Base Awards vested during the financial year (c)	Balance as at 31 March 2024/ cessation of employment = (a)+(b)-(c)	Aggregate ordinary shares released to participant since commencement of DSA to end of financial year under review
Ng Chin Hwee*	236,132	297,446	155,700	377,878	212,300
Wong Yue Jeen	86,292	68,845	67,365	87,772	106,782
Philip Quek Cher Heong	85,646	75,000	69,084	91,562	106,838
Foo Kean Shuh	83,625	78,555	69,834	92,346	108,209
Schmuck Stefan	14,488	64,858	28,800	50,546	36,000
Ng Lay Pheng	85,423	66,766	65,993	86,196	100,311
Ng Jan Lin Wilin	85,568	72,864	68,202	90,230	87,922
Chua Hock Hai	40,347	57,228	36,500	61,075	53,900
So Man Fung	43,268	67,389	41,600	69,057	60,700
Bernd Riggers	-	12,864	4,300	8,564	4,300
Chin Yau Seng	-	-	-	-	-

* Mr Ng Chin Hwee retired from his role as CEO on 30 September 2023.

ADDITIONAL INFORMATION

Required By The Singapore Exchange Securities Trading Limited

1. INTERESTED PERSON TRANSACTIONS (IN THOUSANDS OF $)

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

		FY2023/24	
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)
Singapore Airlines Group			
Singapore Airlines Limited	Controlling shareholder of SIAEC	–	885,758 *
Scoot TigerAir Pte Ltd	Wholly-owned subsidiaries of SIAEC's controlling shareholder	–	89,664
Singapore Aviation and General Insurance Company (Pte) Ltd		–	497
Tata SIA Airlines Limited	Associate of SIAEC's controlling shareholder	–	910
Singtel Group			
Hope Technik Pte Ltd	Associate of Temasek Holdings (Private) Limited ("Temasek")	–	316
NCS Communications Engineering Pte Ltd	Associate of Temasek	–	205
Non-listed Associates of Temasek Holdings (Private) Limited ("Temasek")			
Aetos Integrated Solutions Pte Ltd	Associate of Temasek	–	199
T-Search Global Pte Ltd	Associate of Temasek	–	242
Boardroom Corporate and Advisory Services Pte Ltd	Associate of Temasek	–	138
SATS Group			
SATS Ltd	Associate of Temasek	–	10,064
ST Engineering Group			
ST Engineering Aerospace Services Company Pte Ltd	Associate of Temasek	–	508
ST Engineering Aerospace Systems Pte Ltd	Associate of Temasek	–	539
ST Engineering Aerospace Engines Pte Ltd	Associate of Temasek	–	143
Total		–	**989,183**

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

ADDITIONAL INFORMATION

1. INTERESTED PERSON TRANSACTIONS (IN THOUSANDS OF $) (continued)

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.

2. MATERIAL CONTRACTS

Except as disclosed above and in the financial statements for the financial year ended 31 March 2024, there were no material contracts entered into by the Company and its subsidiary companies involving the interests of the Chief Executive Officer, Directors or controlling shareholders, which are either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

QUARTERLY RESULTS OF THE GROUP

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Revenue					
2023/24 ($ million)	**261.9**	**252.1**	**291.7**	**288.5**	**1,094.2**
2022/23 ($ million)	171.5	190.7	208.1	225.7	796.0
Expenditure					
2023/24 ($ million)	**261.5**	**252.4**	**295.2**	**282.8**	**1,091.9**
2022/23 ($ million)	175.5	197.5	220.6	228.7	822.3
Operating profit/(loss)					
2023/24 ($ million)	**0.4**	**(0.3)**	**(3.5)**	**5.7**	**2.3**
2022/23 ($ million)	(4.0)	(6.8)	(12.5)	(3.0)	(26.3)
Profit before taxation					
2023/24 ($ million)	**27.5**	**33.0**	**27.8**	**11.0**	**99.3**
2022/23 ($ million)	12.8	19.9	12.3	20.5	65.5
Profit attributable to owners of the parent					
2023/24 ($ million)	**27.0**	**32.3**	**26.9**	**10.9**	**97.1**
2022/23 ($ million)	12.8	19.7	12.9	21.0	66.4
Earnings (after tax) per share – basic					
2023/24 (cents)	**2.41**	**2.87**	**2.40**	**0.97**	**8.65**
2022/23 (cents)	1.14	1.75	1.14	1.88	5.91

FIVE-YEAR FINANCIAL SUMMARY OF THE GROUP

	2023/24	2022/23	2021/22	2020/21	2019/20
Income statement ($ million)					
Revenue	**1,094.2**	796.0	566.1	443.0	994.1
Expenditure	**1,091.9**	822.3	587.9	468.0	926.4
Operating profit/(loss)	**2.3**	(26.3)	(21.8)	(25.0)	67.7
Other non-operating items	**(4.0)**	14.0	(8.1)	(50.5)	8.9
Share of profits of associated and joint venture companies, net of tax	**101.0**	77.8	79.1	39.9	127.9
Profit/(loss) before tax	**99.3**	65.5	49.2	(35.6)	204.5
Profit/(loss) attributable to owners of the parent	**97.1**	66.4	67.6	(11.2)	193.8
Balance sheet ($ million)					
Share capital	**420.0**	420.0	420.0	420.0	420.0
Treasury shares	**(4.5)**	(5.0)	(5.8)	(9.8)	(13.7)
Capital reserve	**(0.4)**	(0.5)	1.5	2.7	2.8
Share-based compensation reserve	**7.5**	5.8	5.1	4.8	5.4
Foreign currency translation reserve	**(24.1)**	(35.3)	(19.8)	(23.8)	16.0
Fair value reserve	**(1.3)**	4.4	0.1	(2.2)	(8.7)
Equity transaction reserve	**(2.2)**	(2.2)	(2.2)	(2.2)	(4.5)
General reserve	**1,292.1**	1,278.9	1,211.8	1,144.1	1,211.5
Equity attributable to owners of the parent	**1,687.1**	1,666.1	1,610.7	1,533.6	1,628.8
Non-controlling interests	**16.2**	10.6	10.6	10.6	32.2
Total equity	**1,703.3**	1,676.7	1,621.3	1,544.2	1,661.0
Property, plant and equipment	**185.2**	175.1	156.9	170.1	231.3
Intangibles	**32.0**	40.8	32.8	31.7	51.9
Right-of-use assets	**103.4**	112.4	63.0	71.3	97.0
Associated companies	**487.4**	452.7	448.5	431.8	457.4
Joint venture companies	**261.6**	232.6	202.8	170.2	159.2
Deferred tax assets	**17.8**	17.5	17.6	-	-
Prepayments	**-**	-	3.9	8.7	10.6
Current assets	**1,000.9**	952.1	912.7	926.0	998.1
Total assets	**2,088.3**	1,983.2	1,838.2	1,809.8	2,005.5
Non-current liabilities	**83.2**	91.1	39.0	56.5	103.7
Current liabilities	**301.8**	215.4	177.9	209.1	240.8
Total liabilities	**385.0**	306.5	216.9	265.6	344.5
Net assets	**1,703.3**	1,676.7	1,621.3	1,544.2	1,661.0
Cash flow statement ($ million)					
Cash flow from operations	**101.2**	61.6	33.9	178.5	109.2
Internally generated cash flow [R1]	**129.2**	98.9	67.4	210.6	199.5
Capital expenditure	**39.2**	48.6	18.4	15.2	36.8

Notes:

R1 Internally generated cash flow comprises cash generated from operations, dividends from associated and joint venture companies, and proceeds from the disposal of property, plant and equipment. Additonally, wage support grant contributed significantly in FY21/22 and FY20/21.

FIVE-YEAR FINANCIAL SUMMARY OF THE GROUP

	2023/24	2022/23	2021/22	2020/21	2019/20
Profitability ratios (%)					
Return on equity holders' funds [R2]	**5.8**	4.1	4.3	(0.7)	12.3
Return on total assets	**4.6**	3.3	3.7	(0.6)	9.7
Return on turnover	**8.9**	8.3	11.9	(2.5)	19.5
Productivity and employee data					
Value added ($ million)	**743.1**	557.9	397.2	247.5	770.1
Value added per employee ($)	**123,558**	101,156	72,548	39,583	113,904
Revenue per employee ($)	**181,942**	144,328	103,376	70,845	147,041
Average number of employees	**6,014**	5,515	5,476	6,253	6,761
Per share data (cents)					
Earnings/(Loss) – basic [R3]	**8.65**	5.91	6.02	(1.00)	17.30
Earnings/(Loss) – diluted [R4]	**8.61**	5.89	6.00	(1.00)	17.26
Net asset value [R5]	**150.3**	148.5	143.5	136.8	145.2
Gross dividends (cents per share)					
Interim dividend	**2.0**	–	–	–	3.0
Final dividend – ordinary	**6.0** #	5.5	–	–	5.0
Total dividends	**8.0**	5.5	–	–	8.0

Proposed

Notes:

R2 Return on equity holders' funds is the profit attributable to owners of the parent expressed as a percentage of the average equity attributable to owners of the parent.

R3 Earnings/(Loss) per share (basic) is computed by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue excluding treasury shares.

R4 Earnings/(Loss) per share (diluted) is computed by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue excluding treasury shares, after adjusting for the dilutive effect on the exercise of all outstanding performance shares, restricted shares and deferred shares granted to employees. For FY20/21, the potential ordinary shares from the Company's share-based incentive plans were excluded from the diluted weighted average number of ordinary shares calculation as the conversion to ordinary shares would decrease loss per share. As such, the effect was considered anti-dilutive.

R5 Net asset value per share is computed by dividing the equity attributable to owners of the parent by the number of ordinary shares in issue excluding treasury shares at 31 March.

GROUP CORPORATE STRUCTURE

as at 31 March 2024

SIA Engineering Company Limited

Airframe and line maintenance		Engine and component	
Subsidiary Companies			
100%	SIA Engineering Japan Corporation	**100%**	NexGen Network (2) Holding Pte. Ltd.
100%	SIA Engineering (USA), Inc.	**51%**	Aerospace Component Engineering Services Pte. Limited
100%	SIAEC Global Private Limited	**75%**	Asia Pacific Aircraft Component Services Sdn. Bhd. (f.k.a. SR Technics Malaysia Sdn. Bhd.)
100%	Singapore Aero Support Services Pte. Ltd.		
100%	SIA Engineering (Philippines) Corporation		
100%	Heavy Maintenance Singapore Services Pte. Ltd.		
100%	Base Maintenance Malaysia Sdn. Bhd.		
55%	JADE Engineering Pte. Ltd. (f.k.a. JAMCO Aero Design & Engineering Private Limited)		
Joint Venture Companies			
		50%	Singapore Aero Engine Services Private Limited
Associated Companies			
49%	PT Jas Aero-Engineering Services	**49%**	Eagle Services Asia Private Limited
49%	Southern Airports Aircraft Maintenance Services Company Limited	**49%**	Fuel Accessory Service Technologies Pte. Ltd.
40%	Pan Asia Pacific Aviation Services Limited	**49%**	GE Aviation, Overhaul Services – Singapore Pte. Ltd.
49%	POS Aviation Engineering Services Sdn. Bhd.	**49%**	Moog Aircraft Services Asia Pte. Ltd.
		46.4%	Component Aerospace Singapore Pte. Ltd.
		42.5%	Panasonic Avionics Services Singapore Pte. Ltd.
		40%	Safran Electronics & Defense Services Asia Pte. Ltd.
		40%	Goodrich Aerostructures Service Center – Asia Pte. Ltd.
		40%	Safran Landing Systems Services Singapore Pte. Ltd.
		24.5%	Turbine Coating Services Pte. Ltd.

SHAREHOLDING STATISTICS

As at 27 May 2024

No. of Issued Shares	:	1,124,116,360
No. of Issued Shares (Excluding Treasury Shares)	:	1,121,888,846
No. / Percentage of Treasury Shares	:	2,227,514 (0.20%)
No. / Percentage of Subsidiary Holdings [1]	:	0 (0%)
Class of Shares	:	Ordinary shares
Voting Rights (Excluding Treasury Shares)	:	1 vote per share

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	46	0.23	1,089	0.00
100 - 1,000	6,083	30.91	5,662,524	0.50
1,001 - 10,000	10,712	54.42	47,291,861	4.22
10,001 - 1,000,000	2,827	14.36	99,602,847	8.88
1,000,001 AND ABOVE	15	0.08	969,330,525	86.40
Total	19,683	100.00	1,121,888,846	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	% [2]
1	Singapore Airlines Limited	870,000,000	77.54
2	Citibank Nominees Singapore Pte Ltd	33,918,665	3.02
3	DBS Nominees (Private) Limited	21,128,032	1.88
4	DBSN Services Pte. Ltd.	9,625,677	0.85
5	Raffles Nominees (Pte.) Limited	8,730,224	0.77
6	HSBC (Singapore) Nominees Pte Ltd	6,755,875	0.60
7	United Overseas Bank Nominees (Private) Limited	3,983,000	0.35
8	OCBC Nominees Singapore Private Limited	3,589,502	0.31
9	Phillip Securities Pte Ltd	2,976,950	0.26
10	OCBC Securities Private Limited	1,734,800	0.15
11	UOB Kay Hian Private Limited	1,517,800	0.13
12	Wong Ket Seong @ Wong Ket Yin	1,500,000	0.13
13	Yongsheng (S) Holdings Pte Ltd	1,390,000	0.12
14	Ng Hian Chow	1,368,000	0.12
15	Yim Chee Chong	1,112,000	0.09
16	IFAST Financial Pte. Ltd.	988,075	0.08
17	Heng Siew Eng	966,800	0.08
18	CGS International Securities Singapore Pte. Ltd.	953,302	0.08
19	Maybank Securities Pte. Ltd.	935,010	0.08
20	BPSS Nominees Singapore (Pte.) Ltd.	902,782	0.08
	Total	974,076,494	86.72

Note:

(1) "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, 1967.

(2) Based on 1,121,888,846 ordinary shares issued as at 27 May 2024 (this is based on 1,124,116,360 shares issued as at 27 May 2024, excluding the 2,227,514 shares held in treasury as at 27 May 2024), rounded down to the nearest 0.01%.

SHAREHOLDING STATISTICS

As at 27 May 2024

SUBSTANTIAL SHAREHOLDERS

	Number of Shares					
Substantial Shareholder	Direct Interest	% [1]	Deemed Interest	% [1]	Total Interest	% [1]
Singapore Airlines Limited	870,000,000	77.54	–	–	870,000,000	77.54
Napier Investments Pte. Ltd.	–	–	870,000,000 [2]	77.54	870,000,000	77.54
Tembusu Capital Pte. Ltd.	–	–	870,000,000 [3]	77.54	870,000,000	77.54
Temasek Holdings (Private) Limited	–	–	870,000,000 [4]	77.54	870,000,000	77.54

Notes:

(1) Based on 1,121,888,846 ordinary shares issued as at 27 May 2024 (this is based on 1,124,116,360 shares issued as at 27 May 2024, excluding the 2,227,514 shares held in treasury as at 27 May 2024), rounded down to the nearest 0.01%.

(2) Napier Investments Pte. Ltd. ("Napier") holds a direct interest of 33.31% in Singapore Airlines Limited ("SIA"). Accordingly, Napier is deemed to have an interest in 870,000,000 shares held by SIA by virtue of Section 4 of the Securities and Futures Act 2001 ("SFA").

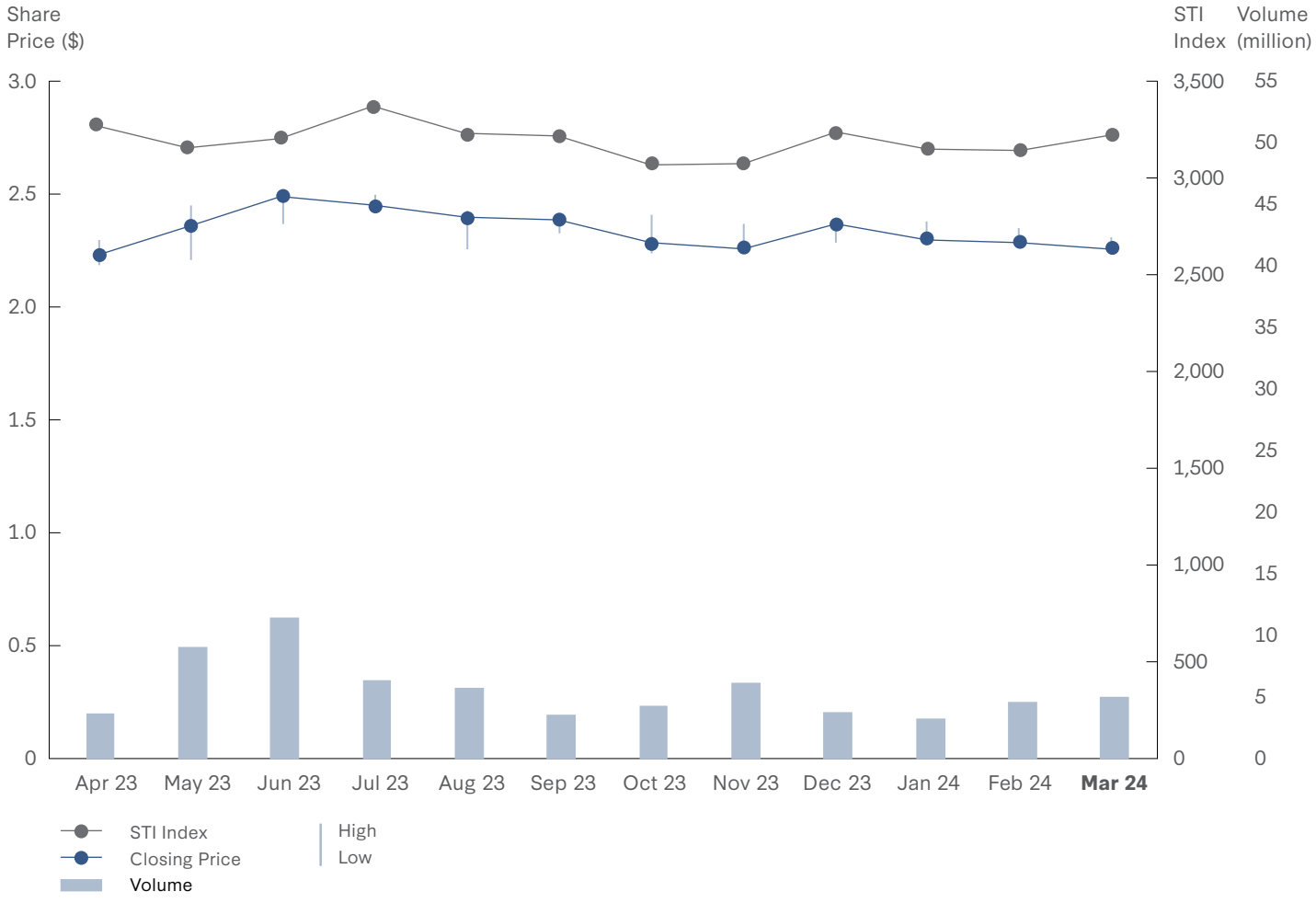
(3) Tembusu Capital Pte. Ltd. ("Tembusu") holds 100% of the equity interest in Napier and is therefore deemed to have an interest in the shares that Napier is deemed to have an interest in by virtue of Section 4 of the SFA. Tembusu is a subsidiary of Temasek Holdings (Private) Limited ("Temasek").

(4) Temasek has a direct and deemed interest of more than 20% of the equity interest in SIA and is deemed to be interested in 870,000,000 shares held by SIA pursuant to Section 4 of the SFA.

SHAREHOLDING HELD BY THE PUBLIC

Based on the information available to the Company as of 27 May 2024, 22.44% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual issued by the SGX-ST is complied with.

SHARE PRICE AND TURNOVER



	FY2023/24	FY2022/23
Share Price (S$)		
Highest closing price	**2.5**	2.71
Lowest closing price	**2.21**	2.02
31 March closing price	**2.26**	2.25
Market Value Ratios*		
Price/Earnings	**26.1**	38.1
Price/Book Value	**1.5**	1.5
Price/Cash Earnings**	**13.6**	19.9

Notes:
* Based on closing price on 31 March and Group numbers.
** Cash earnings is defined as (loss)/profit attributable to owners of the Parent plus depreciation, amortisation and impairment.

NOTICE OF ANNUAL GENERAL MEETING

SIA ENGINEERING COMPANY LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 198201025C

NOTICE IS HEREBY GIVEN that the 42nd Annual General Meeting of SIA Engineering Company Limited (the "**Company**") will be held at Garden Ballroom, Level 1, Parkroyal Collection Marina Bay Singapore, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 July 2024 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2024 and the Auditors' Report thereon.

2. To declare a final dividend of 6.0 cents per ordinary share for the financial year ended 31 March 2024.

3. To re-elect the following Directors who are retiring by rotation pursuant to Article 90 of the Constitution of the Company and who, being eligible, offer themselves for re-election as Directors pursuant to Article 91 of the Constitution of the Company:

   3.1 Ms Chua Bin Hwee
   3.2 Mr Goh Choon Phong
   3.3 Mr Chin Yau Seng

   The profiles of Ms Chua, Mr Goh and Mr Chin can be found in the Board of Directors and Additional Information on Directors Seeking Re-Election sections of the Annual Report FY2023/24.

4. To re-elect Mr Tan Kai Ping who is retiring pursuant to Article 96 of the Constitution of the Company and who, being eligible, offers himself for re-election as a Director.

   The profile of Mr Tan can be found in the Board of Directors and Additional Information on Directors Seeking Re-Election sections of the Annual Report FY2023/24.

5. To approve Directors' fees of up to $1,500,000 for the financial year ending 31 March 2025 (FY2023/24: up to $1,500,000).

6. To re-appoint KPMG LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS

7. To consider and if thought fit, to pass, with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:

   7.1 That pursuant to Section 161 of the Companies Act 1967, authority be and is hereby given to the Directors of the Company (the "**Directors**") to:

   (a) (i) issue shares of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue or consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

7.2 That:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Chapter 9**"), for the Company, its subsidiaries and associated companies that are "entities at risk" (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Letter to Shareholders dated 20 June 2024 (the "**Letter**") with any party who is of the class of interested persons described in the Appendix to the Letter, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;

(b) the approval given in paragraph (a) above (the "**IPT Mandate**") shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and

(c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT Mandate and/or this Resolution.

7.3 That:

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "**Companies Act**"), the exercise by the Directors of the Company (the "**Directors**") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"); and/or

(ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy Back Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held;

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and

(iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy Back Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"**Average Closing Price**" means the average of the last dealt prices of a Share for the five consecutive trading days on which the Shares are transacted on the SGX-ST immediately preceding the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase;

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the basis set out herein) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

"**Maximum Limit**" means that number of issued Shares representing 2% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)); and

"**Maximum Price**", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed, whether pursuant to a market purchase or an off-market purchase, 105% of the Average Closing Price of the Shares; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

7.4 That:

(a) the SIAEC Performance Share Plan 2014 and the SIAEC Restricted Share Plan 2014 (together, the "**Existing Share Plans**") be and are hereby terminated, provided that such termination shall be without prejudice to the rights of holders of awards outstanding under the Existing Share Plans as at the date of such termination;

(b) a new performance share plan to be known as the "SIAEC Performance Share Plan 2024" (the "**SIAEC PSP 2024**"), the rules of which, for the purpose of identification, have been subscribed to by the Chairman of the Meeting, under which awards ("**PSP Awards**") of fully paid-up ordinary shares, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees (including executive directors) of the Company and/or its subsidiaries, details of which are set out in the Letter to Shareholders dated 20 June 2024, be and is hereby approved;

(c) the Directors of the Company be and are hereby authorised:

(i) to establish and administer the SIAEC PSP 2024; and

(ii) to modify and/or alter the SIAEC PSP 2024 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the SIAEC PSP 2024, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the SIAEC PSP 2024; and

(d) the Directors of the Company be and are hereby authorised to grant PSP Awards in accordance with the provisions of the SIAEC PSP 2024 and to allot and issue from time to time such number of fully paid-up ordinary shares as may be required to be delivered pursuant to the vesting of PSP Awards under the SIAEC PSP 2024, provided that:

(i) the aggregate number of (1) new ordinary shares allotted and issued and/or to be allotted and issued, (2) existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, and (3) ordinary shares released and/or to be released in the form of cash in lieu of ordinary shares, pursuant to the SIAEC PSP 2024 and the SIAEC RSP 2024 (as defined in Resolution 7.5 below), shall not exceed 5% of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) from time to time;

(ii) the aggregate number of ordinary shares under PSP Awards and RSP Awards (as defined in Resolution 7.5 below) to be granted pursuant to the SIAEC PSP 2024 and the SIAEC RSP 2024 respectively during the period (the "**Relevant Year**") commencing from this Annual General Meeting and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 0.5% of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) from time to time (the "**Yearly Limit**"); and

(iii) if the Yearly Limit is not fully utilised during the Relevant Year, any unutilised portion of the Yearly Limit may be used for the grant of PSP Awards and RSP Awards in subsequent years for the duration of the SIAEC PSP 2024 and the SIAEC RSP 2024 respectively,

and in this Resolution, "subsidiary holdings" has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited.

7.5 That:

(a) a new restricted share plan to be known as the "SIAEC Restricted Share Plan 2024" (the "**SIAEC RSP 2024**"), the rules of which, for the purpose of identification, have been subscribed to by the Chairman of the Meeting, under which awards ("**RSP Awards**") of fully paid-up ordinary shares, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees (including executive directors) of the Company and/or its subsidiaries and non-executive directors of the Company, details of which are set out in the Letter to Shareholders dated 20 June 2024, be and is hereby approved;

(b) the Directors of the Company be and are hereby authorised:

(i) to establish and administer the SIAEC RSP 2024; and

(ii) to modify and/or alter the SIAEC RSP 2024 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the SIAEC RSP 2024, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the SIAEC RSP 2024; and

(c) the Directors of the Company be and are hereby authorised to grant RSP Awards in accordance with the provisions of the SIAEC RSP 2024 and to allot and issue from time to time such number of fully paid-up ordinary shares as may be required to be delivered pursuant to the vesting of RSP Awards under the SIAEC RSP 2024, provided that:

(i) the aggregate number of (1) new ordinary shares allotted and issued and/or to be allotted and issued, (2) existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, and (3) ordinary shares released and/or to be released in the form of cash in lieu of ordinary shares, pursuant to the SIAEC RSP 2024 and the SIAEC PSP 2024 (as defined in Resolution 7.4 above), shall not exceed 5% of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) from time to time;

(ii) the aggregate number of ordinary shares under PSP Awards (as defined in Resolution 7.4 above) and RSP Awards to be granted pursuant to the SIAEC PSP 2024 and the SIAEC RSP 2024 respectively during the Relevant Year (as defined in Resolution 7.4 above) shall not exceed the Yearly Limit (as defined in Resolution 7.4 above); and

(iii) if the Yearly Limit is not fully utilised during the Relevant Year, any unutilised portion of the Yearly Limit may be used for the grant of PSP Awards and RSP Awards in subsequent years for the duration of the SIAEC PSP 2024 and the SIAEC RSP 2024 respectively,

and in this Resolution, "subsidiary holdings" has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited.

By Order of the Board

LU LING LING
Company Secretary

20 June 2024
Singapore

NOTICE OF ANNUAL GENERAL MEETING

CLOSURE OF BOOKS

NOTICE IS HEREBY GIVEN that, subject to the approval of shareholders being obtained at the 42nd Annual General Meeting of the Company for the payment of the final dividend (the "**Proposed Dividend**"), 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.

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, #14-07 Keppel Bay Tower, Singapore 098632, up to 5.00 p.m. on 26 July 2024 will be registered to determine shareholders' entitlements to the Proposed Dividend. Subject as aforesaid, shareholders whose Securities Accounts with The Central Depository (Pte) Limited ("**CDP**") are credited with ordinary shares of the Company as at 5.00 p.m. on 26 July 2024 will be entitled to the Proposed Dividend. The Company will pay the Proposed Dividend to CDP, which will, in turn, distribute the entitlements to the Proposed Dividend to CDP account-holders in accordance with its normal practice.

The Proposed Dividend, if approved by shareholders, will be paid on 14 August 2024.

EXPLANATORY NOTES:

1. In relation to Ordinary Resolution Nos. 3.1, 3.2 and 3.3, Ms Chua Bin Hwee, Mr Goh Choon Phong and Mr Chin Yau Seng will be retiring from office at the Annual General Meeting pursuant to Article 90 of the Constitution of the Company and will be standing for re-election at the Annual General Meeting. Ms Chua will, upon re-election, continue to serve as the Chairman of the Audit Committee, a member of the Executive Committee and a member of the Board Sustainability Committee. Mr Goh will, upon re-election, continue to serve as a member of the Compensation & HR Committee and a member of the Executive Committee. Mr Chin will, upon re-election, continue to serve as the Chief Executive Officer and a member of the Executive Committee, a member of the Technology Advisory Committee and a member of the Board Sustainability Committee. Ms Chua is considered an independent Director, and Mr Goh and Mr Chin are considered non-independent Directors.

2. In relation to Ordinary Resolution No. 4, Article 96 of the Constitution of the Company permits the Directors to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election. Mr Tan Kai Ping was appointed on 10 September 2023, and he is therefore seeking re-election at the Annual General Meeting pursuant to Article 96. Mr Tan will, upon re-election, continue to serve as a member of the Board Safety & Risk Committee, a member of the Nominating Committee and a member of the Board Working Group. Mr Tan is considered a non-independent Director.

3. Ordinary Resolution No. 5, if passed, will facilitate the payment of Directors' fees during the financial year in which the fees are incurred, that is, during FY2024/25. The amount of Directors' fees is computed based on the fee structure for non-executive Directors for FY2024/25 and takes into account, amongst others, the anticipated number of Board meetings for FY2024/25, assuming full attendance by all Directors, for which attendance fees (ranging from $1,000 to $5,000 depending on whether the Board meeting is held locally or overseas, and whether attendance is in-person or via remote means) are payable. The amount also includes an additional 4% to cater for unforeseen circumstances, for example, the appointment of additional Directors, additional unscheduled Board meetings, additional appointments to Board Committees and/or the formation of additional Board Committees. In the event that the amount proposed is insufficient, approval will be sought at the next Annual General Meeting in year 2025 for payments to meet the shortfall.

   Directors' fees due to Mr Goh Choon Phong and Mr Tan Kai Ping, who hold executive positions in Singapore Airlines Limited ("**SIA**"), the holding company of the Company, will be paid to and retained by SIA. Mr Chin Yau Seng is the Chief Executive Officer of the Company and does not receive any Directors' fees.

4. Ordinary Resolution No. 7.1, if passed, will empower the Directors to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments up to a number not exceeding 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) with a sub-limit of 10% for issues other than on a *pro rata* basis. The 10% sub-limit for non-*pro rata* issues is lower than the 20% sub-limit

allowed under the Listing Manual of the Singapore Exchange Securities Trading Limited. The Directors believe that the lower sub-limit of 10% would sufficiently address the Company's present need to maintain flexibility while taking into account shareholders' concerns against dilution. For the purpose of determining the aggregate number of shares which may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Ordinary Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible instruments or share options or vesting of share awards which were issued and are outstanding at the time this Ordinary Resolution is passed; and (b) any subsequent bonus issue or consolidation or subdivision of shares. For the avoidance of doubt, shareholders' approval will be required for any consolidation or subdivision of shares. As at 27 May 2024, the Company had 2,227,514[1] treasury shares and no subsidiary holdings.

5. Ordinary Resolution No. 7.2, if passed, will renew the mandate to allow the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited) or any of them, to enter into certain interested person transactions with certain classes of interested persons as described in the Appendix to the Letter to Shareholders dated 20 June 2024 (the "**Letter**"). The authority will, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company. Please refer to the Letter for more details.

6. Ordinary Resolution No. 7.3, if passed, will renew the mandate to allow the Company to purchase or otherwise acquire its issued ordinary shares, on the terms and subject to the conditions set out in the Resolution.

   The Company may use internal or external sources of funds to finance the purchase or acquisition of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of ordinary shares purchased or acquired, the price at which such ordinary shares were purchased or acquired and whether the ordinary shares purchased or acquired are held in treasury or cancelled.

   The financial effects of the purchase or acquisition of such ordinary shares by the Company pursuant to the proposed Share Buy Back Mandate on the audited financial statements of the Company and the Company and its subsidiaries for the financial year ended 31 March 2024, based on certain assumptions, are set out in paragraph 3.7 of the Letter. Please refer to the Letter for more details.

7. Ordinary Resolution Nos. 7.4 and 7.5 are to adopt the new SIAEC Performance Share Plan 2024 (the "**SIAEC PSP 2024**") and the new SIAEC Restricted Share Plan 2024 (the "**SIAEC RSP 2024**").

   The SIAEC PSP 2024 and the SIAEC RSP 2024 are intended to replace the SIAEC Performance Share Plan 2014 and the SIAEC Restricted Share Plan 2014 respectively, both of which are due to expire on 20 July 2024. Summaries of the principal rules of, and other information relating to, the SIAEC PSP 2024 and the SIAEC RSP 2024 are set out in the Letter. Please refer to the Letter for more details.

   If passed, Ordinary Resolution Nos. 7.4 and 7.5 will also empower the Directors to grant awards, and allot and issue ordinary shares of the Company, pursuant to the SIAEC PSP 2024 and the SIAEC RSP 2024. The total number of ordinary shares which may be delivered pursuant to awards granted under the SIAEC PSP 2024 and the SIAEC RSP 2024 (whether in the form of ordinary shares or in the form of cash in lieu of ordinary shares) shall not exceed 5% of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) from time to time. In addition, Ordinary Resolution Nos. 7.4 and 7.5 will also provide that the total number of ordinary shares under awards to be granted pursuant to the SIAEC PSP 2024 and the SIAEC RSP 2024 from this Annual General Meeting to the next Annual General Meeting (the "**Relevant Year**") shall not exceed 0.5% of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) from time to time (the "**Yearly Limit**"), provided that if the Yearly Limit is not fully utilised during the Relevant Year, any unutilised portion of the Yearly Limit may be used by the Directors to make grants of awards under the SIAEC PSP 2024 and the SIAEC RSP 2024 in subsequent years, for the duration of the SIAEC PSP 2024 and the SIAEC RSP 2024 respectively.

1 Excludes 13,100 shares and 22,000 shares purchased by the Company on 24 May 2024 and 27 May 2024 respectively by way of on-market share buy backs on the Singapore Exchange Securities Trading Limited which had not been credited into the Company's securities account with The Central Depository (Pte) Limited as at the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

Format of Meeting

1. The Annual General Meeting will be held, in a wholly physical format, at Garden Ballroom, Level 1, Parkroyal Collection Marina Bay Singapore, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 July 2024 at 10.00 a.m.. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the Annual General Meeting by attending the Annual General Meeting in person. **There will be no option for shareholders to participate virtually.**

Access to Documents

2. Printed copies of this Notice and the accompanying proxy form will be sent by post to members. These documents will also be published on the Company's website at the URL https://www.siaec.com.sg/shareholder_meetings.html and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

   The Annual Report FY2023/24 and the Letter to Shareholders dated 20 June 2024 (the "**Letter**") (in relation to the proposed renewal of the mandate for interested person transactions, the proposed renewal of the share buy back mandate and the proposed adoption of the SIAEC Performance Share Plan 2024 and the SIAEC Restricted Share Plan 2024) are available for inspection at the registered office of the Company at Airline House, 31 Airline Road, Singapore 819831 during normal business hours from the date of this Notice up to the date of the Annual General Meeting, and have also been published and may be accessed at the Company's website as follows:

   (a) the Annual Report FY2023/24 may be accessed at the URL https://www.siaec.com.sg/annual_report.html by clicking on the hyperlink for "FY2023/24 Annual Report"; and

   (b) the Letter may be accessed at the URL https://www.siaec.com.sg/shareholder_meetings.html by clicking on the hyperlink for "Letter to Shareholders" under "2024".

   The above documents may also be accessed at the SGX website at the URL https://www.sgx.com/securities/company-announcements. Members may request for printed copies of these documents by completing and submitting the request slip (sent to them by post together with printed copies of this Notice and the accompanying proxy form) by 1 July 2024.

Submission of Questions

3. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the Annual General Meeting in advance of the Annual General Meeting:

   (a) via email to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.proxy@boardroomlimited.com, or to the Company at siaec_agm@singaporeair.com.sg; or

   (b) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

   When submitting questions via email or by post, shareholders should also provide the following details: (i) the shareholder's full name; (ii) the shareholder's email address; and (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes.

   All questions submitted in advance must be received by 5.00 p.m. on 1 July 2024.

4. The Company will address all substantial and relevant questions received from shareholders by the 1 July 2024 deadline by publishing its responses to such questions on its corporate website at the URL https://www.siaec.com.sg/shareholder_meetings.html and the SGX website at the URL https://www.sgx.com/securities/company-announcements at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy(ies). The Company will respond to questions or follow-up questions submitted after the 1 July 2024 deadline either within a reasonable timeframe before the Annual General Meeting, or at the Annual General Meeting itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently, not all questions may be individually addressed.

5. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the Annual General Meeting, at the Annual General Meeting itself.

Appointment of Proxy(ies)

6. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

7. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

8. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

(a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.proxy@boardroomlimited.com,

and in each case, must be lodged or received (as the case may be) not less than 72 hours before the time appointed for holding the Annual General Meeting.

9. CPF and SRS investors:

(a) may vote at the Annual General Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 9 July 2024.

NOTICE OF ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

ANNOUNCEMENT OF APPOINTMENT

(Appendix 7.4.1, cross-referenced from Rule 210(5)(d) and Rule 704(7) of the SGX Listing Manual)

Name of person	Ms Chua Bin Hwee
Announcement Details	**Announcement of Appointment of Non-Executive / Independent Director**
Date of Appointment	1 April 2021
Age	67
Country of principal residence	Singapore
Date of last re-appointment (if applicable)	23 July 2021
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board had considered the Nominating Committee's recommendation and assessment on Ms Chua's experience, expertise, competence, commitment and independence (where applicable) as well as taking into consideration the size, composition and diversity of skillsets of the Board, and is satisfied that Ms Chua will continue to contribute to the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Independent Director Chairman, Audit Committee Member, Board Sustainability Committee Member, Executive Committee
Professional qualifications	• Bachelor of Accountancy (Honours), University of Singapore • Chartered Accountant, Institute of Singapore Chartered Accountants
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Mr Goh Choon Phong	Mr Chin Yau Seng	Mr Tan Kai Ping
Announcement of Appointment of Non-Executive / Non-Independent Director	**Announcement of Appointment of Non-Independent Director and Chief Executive Officer**	**Announcement of Appointment of Non-Executive / Non-Independent Director**
1 January 2011	8 October 2018	10 September 2023
60	52	51
Singapore	Singapore	Singapore
21 July 2022	21 July 2022	N.A.
The Board had considered the Nominating Committee's recommendation and assessment on Mr Goh's experience, expertise, competence, commitment and independence (where applicable) as well as taking into consideration the size, composition and diversity of skillsets of the Board, and is satisfied that Mr Goh will continue to contribute to the Board.	The Board had considered the Nominating Committee's recommendation and assessment on Mr Chin's experience, expertise, competence, commitment in the discharge of his duties as a Director and the Chief Executive Officer of SIA Engineering Company Limited, as well as taking into consideration the size, composition and diversity of skillsets of the Board, and is satisfied that Mr Chin will continue to contribute to the Board.	The Board had considered the Nominating Committee's recommendation and assessment on Mr Tan's experience, expertise, competence, commitment and independence (where applicable) as well as taking into consideration the size, composition and diversity of skillsets of the Board, and is satisfied that Mr Tan will continue to contribute to the Board.
Non-Executive	Executive. As Chief Executive Officer of SIA Engineering Company Limited, Mr Chin is responsible for the overall management of SIA Engineering Company Limited and its Group Companies.	Non-Executive
Non-Executive and Non-Independent Director Member, Compensation & HR Committee Member, Executive Committee	Non-Independent Director and Chief Executive Officer Member, Board Sustainability Committee Member, Executive Committee Member, Technology Advisory Committee	Non-Executive and Non-Independent Director Member, Board Safety and Risk Committee Member, Board Working Group Member, Nominating Committee
• Master of Science in Electrical Engineering and Computer Science • Bachelor of Science in Computer Science and Engineering • Bachelor of Science in Management Science • Bachelor of Science in Cognitive Science Massachusetts Institute of Technology, USA	• Master of Science (Distinction) in Operational Research • Bachelor of Science in Economics (Accounting and Finance) The London School of Economics and Political Science, University of London, UK	• Master of Engineering in Electrical and Electronic Engineering with Management, Imperial College London, UK.
Mr Goh is the Chief Executive Officer of Singapore Airlines Limited, which is a substantial shareholder of the Company.	Nil	Mr Tan is the Executive Vice President Operations and Chief Operations Officer of Singapore Airlines Limited, which is a substantial shareholder of the Company.
Nil	Nil	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Name of person	Ms Chua Bin Hwee
Working experience and occupation(s) during the past 10 years	1. PricewaterhouseCoopers ("PwC") Asia Pacific and Americas, Deputy Markets Leader, 2016 to 2017 2. PwC Singapore, Vice Chairman, Market and Industries, 2013 to 2017 3. PwC Asia Leadership Team, 2012 to 2016 4. PwC Asia Pacific, Client and Markets Leader, 2012 to 2016 5. PwC Singapore Leadership Team, 2010 to 2016 6. PwC Singapore, Audit Partner, 2009 to 2017
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 704(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries	Nil
Other Principal Commitments* including Directorships# * "**Principal commitments**" has the same meaning as defined in the Code (Code of Corporate Governance 2018). These include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9) or Catalist Rule 704(8).	
Past (for the last five years)	1. CapitaLand Commercial Trust Management Limited, Director 2. Duke-NUS Medical School, Director 3. Health Promotion Board, Director 4. Maritime and Port Authority of Singapore, Director 5. Singapore Anti-Narcotics Association, President 6. The Hong Kong and Shanghai Banking Corporation Limited, Director 7. Mapletree Oakwood Holdings Pte Ltd, Director
Present	1. CapitaLand Integrated Commercial Trust Management Limited, Director 2. Certis Cisco Security Pte. Ltd., Director 3. Gardens by the Bay, Director 4. Marelli Holdings Co., Ltd., Director 5. National Heritage Board, Director

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

	Mr Goh Choon Phong	Mr Chin Yau Seng	Mr Tan Kai Ping
	1. Singapore Airlines Limited, Chief Executive Officer, 1 January 2011 to present 2. Singapore Airlines Limited, Director, 1 October 2010 to present	1. SIA Engineering Company Limited, CEO, 1 October 2023 to present 2. SIA Engineering Company Limited, CEO-Designate, 1 June 2023 to 30 September 2023 3. Singapore Airlines Limited, Senior Vice President Cargo, 1 April 2018 to 31 May 2023 4. Singapore Airlines Cargo Pte Ltd, President, 2014 to 2018 5. Singapore Airlines Limited, Senior Vice President Sales & Marketing, 2012 to 2014	1. Singapore Airlines Limited, Executive Vice President Operations and Chief Operations Officer, 10 September 2023 to present 2. Singapore Airlines Limited, Chief Financial Officer, 31 May 2021 to 9 September 2023 3. Singapore Airlines Limited, Executive Vice President Finance and Strategy, 1 April 2020 to 9 September 2023 4. Singapore Airlines Limited, Senior Vice President Marketing Planning, 15 August 2016 to 31 March 2020 5. Singapore Airlines Limited, Senior Vice President Corporate Planning, 1 August 2013 to 14 August 2016
	Yes	Yes	Yes
	Nil	• 74,600 conditional awards of fully-paid ordinary shares granted pursuant to the SIAEC Restricted Share Plan 2014 • 91,600 conditional awards of fully-paid ordinary shares granted pursuant to the SIAEC Performance Share Plan 2014	Nil
	1. International Air Transport Association, Member, Board of Governors 2. Association of Asia Pacific Airlines, Chairman, Board Executive Committee Member	1. Singapore Airlines Limited, Senior Vice President Cargo 2. Singapore Airlines Cargo Pte Ltd, Director 3. KrisShop Pte. Ltd. (formerly known as Singapore Airport Duty-Free Emporium (Private) Limited), Director 4. International Air Transport Association, Member, Cargo Advisory Council	1. Singapore International Foundation, Member, Board of Governors
	1. Singapore Airlines Limited, Director and Chief Executive Officer 2. Mastercard Incorporated, Director 3. Budget Aviation Holdings Pte Ltd, Chairman 4. National University of Singapore, Member, Board of Trustees 5. Massachusetts Institute of Technology, Member, Presidential CEO Advisory Board 6. Association of Asia Pacific Airlines, Member, Executive Committee	1. Singapore Aero Engine Services Pte Ltd, Deputy Chairman	1. Singapore Airlines Limited, Executive Vice President Operations and Chief Operations Officer 2. SilkAir (Singapore) Private Limited, Chairman and Director 3. Budget Aviation Holdings Pte Ltd, Director 4. Encounters Pte. Ltd., Chairman and Director 5. Singaporean-German Chamber of Industry and Commerce (SGC), Member, SGC Advisory Council

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Name of person		Ms Chua Bin Hwee
INFORMATION REQUIRED PURSUANT TO LISTING RULE 704 (7) OR CATALIST RULE 704(6) Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. **If the answer to any question is "yes", full details must be given.**		
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	~~Yes~~ / No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	~~Yes~~ / No
(c)	Whether there is any unsatisfied judgment against him?	~~Yes~~ / No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	~~Yes~~ / No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	~~Yes~~ / No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	~~Yes~~ / No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	~~Yes~~ / No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	~~Yes~~ / No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	~~Yes~~ / No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	
	(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	~~Yes~~ / No
	(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	~~Yes~~ / No
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	~~Yes~~ / No
	(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	~~Yes~~ / No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	~~Yes~~ / No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Mr Goh Choon Phong	Mr Chin Yau Seng	Mr Tan Kai Ping
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No
~~Yes~~ / No	~~Yes~~ / No	~~Yes~~ / No

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SIA ENGINEERING COMPANY LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 198201025C

PROXY FORM

IMPORTANT:

1. The Annual General Meeting will be held, in a wholly physical format, at Garden Ballroom, Level 1, Parkroyal Collection Marina Bay Singapore, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 July 2024 at 10.00 a.m.. **There will be no option for shareholders to participate virtually.**
2. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF and SRS investors. CPF and SRS investors:
   (a) may vote at the Annual General Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 9 July 2024.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 20 June 2024.

*I/We _____(Name)

_____(*NRIC/Passport/Co. Reg. Number)

of _____(Address)

being *a member/members of SIA Engineering Company Limited (the "**Company**") hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

or failing him/her/them, the Chairman of the Meeting, as *my/our proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the Annual General Meeting of the Company to be held at Garden Ballroom, Level 1, Parkroyal Collection Marina Bay Singapore, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 July 2024 at 10.00 a.m. and at any adjournment thereof in the following manner:

No.	Resolution	For	Against	Abstain
	Ordinary Business			
1.	Adoption of the Directors' Statement, Audited Financial Statements and the Auditors' Report			
2.	Declaration of final dividend			
3.	Re-election of Directors who are retiring by rotation pursuant to Articles 90 and 91 of the Constitution of the Company:			
	3.1 Ms Chua Bin Hwee			
	3.2 Mr Goh Choon Phong			
	3.3 Mr Chin Yau Seng			
4.	Re-election of Mr Tan Kai Ping who is retiring pursuant to Article 96 of the Constitution of the Company			
5.	Approval of Directors' fees for financial year ending 31 March 2025			
6.	Re-appointment and remuneration of Auditors			
	Special Business			
7.1	Approval of the proposed renewal of the Share Issue Mandate			
7.2	Approval of the proposed renewal of the Mandate for Interested Person Transactions			
7.3	Approval of the proposed renewal of the Share Buy Back Mandate			
7.4	Approval of the proposed adoption of the SIAEC Performance Share Plan 2024			
7.5	Approval of the proposed adoption of the SIAEC Restricted Share Plan 2024			

* Delete accordingly

Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes **For** or **Against** a resolution, please indicate with a tick "√" in the **For** or **Against** box provided in respect of that resolution. Alternatively, please indicate the number of votes **For** or **Against** in the **For** or **Against** box provided in respect of that resolution. If you wish your proxy/proxies to **Abstain** from voting on a resolution, please indicate with a tick "√" in the **Abstain** box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/proxies is directed to **Abstain** from voting in the **Abstain** box provided in respect of that resolution. **In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the Annual General Meeting.**

Dated this _____ day of _____ 2024.

Total number of Ordinary Shares held:

_____
Signature(s) of Member(s) or Common Seal

_____
Contact Number/Email Address of Member(s) **(OPTIONAL)**

Important: Please read notes on the reverse side

1st fold here

NOTES:

1. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.
3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

   (a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at srs.proxy@boardroomlimited.com,

   and in each case, must be lodged or received (as the case may be) not less than 72 hours before the time appointed for holding the Annual General Meeting.

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SIA ENGINEERING COMPANY

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PERMIT NO. 09452

BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.
Share Registrar for
SIA Engineering Company Limited
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

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5. Completion and submission of the instrument appointing a proxy(ies) shall not preclude a member from attending, speaking and voting at the Annual General Meeting if he/she so wishes. The appointment of the proxy(ies) for the Annual General Meeting will be deemed to be revoked if the member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the Annual General Meeting.
6. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
7. A corporation which is a member may also authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Companies Act 1967.
8. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or received if such members are not shown to have shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Corporate Information

BOARD OF DIRECTORS
Chairman
Tang Kin Fei

DIRECTORS
Chua Bin Hwee
Lim Kong Puay
Raj Thampuran
Goh Choon Phong
Wee Siew Kim
Chin Yau Seng
Chong Chuan Neo
Tan Tze Gay
Tan Kai Ping *(from 10 Sep 2023)*
Mak Swee Wah *(until 9 Sep 2023)*
Ng Chin Hwee *(until 30 Sep 2023)*

COMPANY SECRETARY
Lu Ling Ling

AUDIT COMMITTEE
Chairman
Chua Bin Hwee

Members
Raj Thampuran
Lim Kong Puay
Chong Chuan Neo
Tan Tze Gay
Chin Yau Seng *(until 31 May 2023)*

NOMINATING COMMITTEE
Chairman
Tang Kin Fei

Members
Chong Chuan Neo
Tan Kai Ping *(from 10 Sep 2023)*
Mak Swee Wah *(until 9 Sep 2023)*

COMPENSATION & HR COMMITTEE
Chairman
Tang Kin Fei

Members
Goh Choon Phong
Wee Siew Kim

BOARD SAFETY & RISK COMMITTEE
Chairman
Lim Kong Puay

Members
Wee Siew Kim
Raj Thampuran
Tan Kai Ping *(from 10 Sep 2023)*
Chin Yau Seng *(until 31 May 2023)*
Mak Swee Wah *(until 9 Sep 2023)*

EXECUTIVE COMMITTEE
Chairman
Tang Kin Fei

Members
Goh Choon Phong
Chua Bin Hwee
Chin Yau Seng *(from 1 Jun 2023)*
Ng Chin Hwee *(until 30 Sep 2023)*

TECHNOLOGY ADVISORY COMMITTEE
Chairman
Raj Thampuran

Members
George Wang
Shirley Wong
Chong Chuan Neo
Chin Yau Seng *(from 1 Jun 2023)*
Dr Hamid G Mughal *(from 11 Jan 2024)*
Mark Schulz *(until 13 Nov 2023)*
Ng Chin Hwee *(until 30 Sep 2023)*
Alan H. Epstein *(until 10 Jan 2024)*
Peter Ho *(until 10 Jan 2024)*

BOARD SUSTAINABILITY COMMITTEE
Chairman
Lim Kong Puay

Members
Chua Bin Hwee
Tan Tze Gay
Foo Kean Shuh
Chin Yau Seng *(from 1 Jun 2023)*
Ng Chin Hwee *(until 30 Sep 2023)*

BOARD WORKING GROUP
(established on 2 Nov 2023)
Chairman
Tang Kin Fei

Members
Lim Kong Puay
Chong Chuan Neo
Tan Kai Ping

EXECUTIVE MANAGEMENT
Chief Executive Officer
Chin Yau Seng *(from 1 Oct 2023)*
Ng Chin Hwee *(until 30 Sep 2023)*

Executive Vice President Operations and Chief Sustainability Officer
Foo Kean Shuh

Chief Commercial Officer
Wong Yue Jeen *(from 1 Apr 2024)*

Senior Vice President Line Maintenance
Philip Quek Cher Heong

Senior Vice President Finance/ Chief Financial Officer
Ng Lay Pheng

Senior Vice President (India & Projects)
Ng Jan Lin Wilin *(from 1 Apr 2024)*

Senior Vice President Corporate Planning & Continuous Improvement
David So Man Fung

Senior Vice President Human Resources
Chua Hock Hai

Senior Vice President Engine Services
Stefan Franz Heinrich Schmuck

Senior Vice President Base Maintenance
Jeremy Yew

Senior Vice President Component Services
Bernd Riggers

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Fax: +65 6546 0679

SHARE REGISTRAR
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

AUDITORS
KPMG LLP
Public Accountants and Chartered Accountants
12 Marina View, #15-01
Asia Square Tower 2
Singapore 018961

AUDIT PARTNER
Ong Li Qin
(appointed 1 Apr 2022)

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