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FY2022/23 REVIEW

9 MAY 2023

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OPERATIONAL REVIEW

Core Business

Line Maintenance

- 30 airports in 7 countries

Base Maintenance

- 6 hangars in Singapore
- 3 hangars in Philippines

Component Services

- 109 aircraft from 10 airlines under Inventory Technical Management

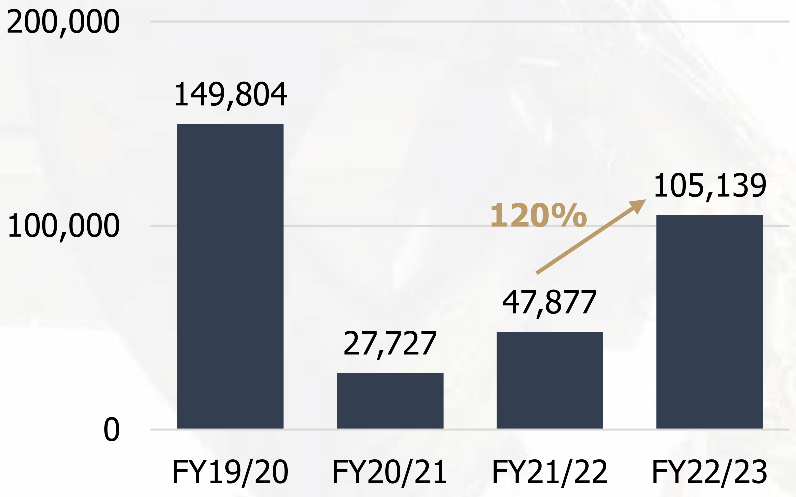
Engine Services

- CFM LEAP Quick Turn (QT) Facility

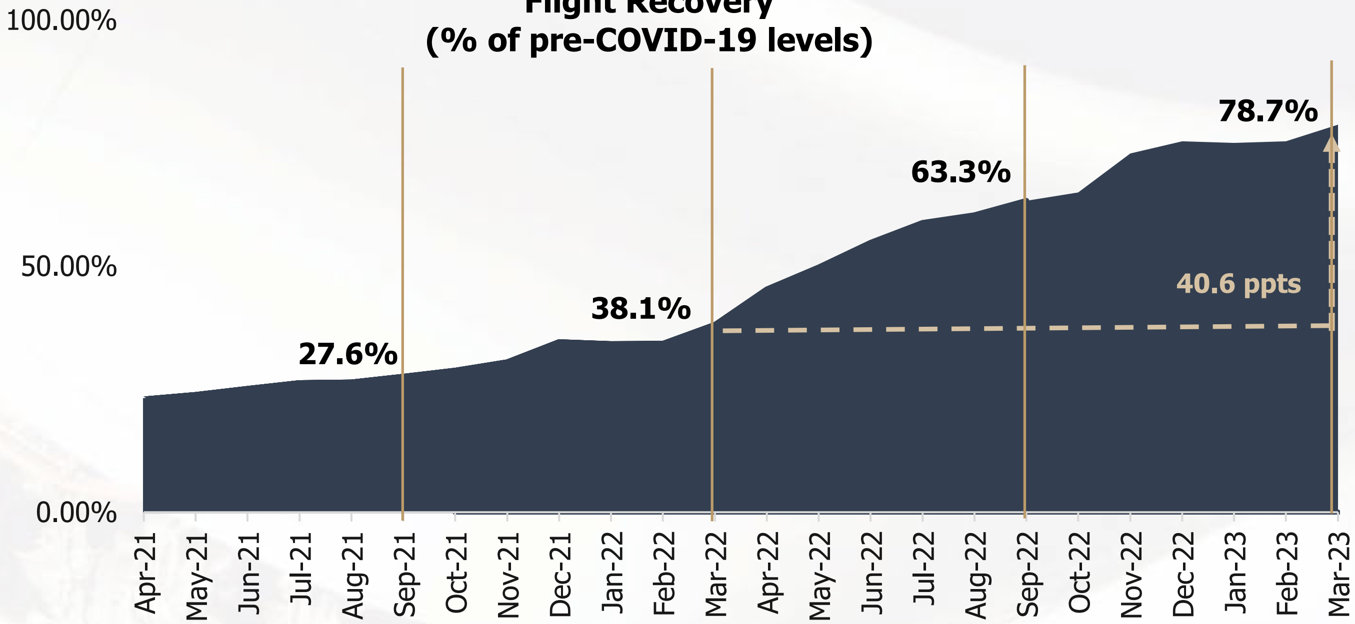
Line Maintenance

- Number of flights handled in FY22/23 more than doubled year-on-year
- Flight recovery at end of FY22/23 was at 78.7%, an improvement of 40.6 percentage points from a year ago
- Transformation initiatives delivered improved productivity, and new third-party customers secured
- Continued recruitment efforts in anticipation of sustained recovery

Flights Handled at Changi Airport (Number)



Flight Recovery (% of pre-COVID-19 levels)



Base Maintenance

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Maintenance Checks at Singapore Base

	FY21/22	FY22/23
Light Checks*	348	**568**
Heavy Checks	93	**94**

- Demand remains strong as there are capacity challenges within the industry
- Increase in number of checks with heavier work content
- Additional capacity to meet increased demand achieved through reduced turnaround time and technology enablers
- Secured new contracts including a five-year agreement in October 2022 with Hawaiian Airlines for its A330-200 fleet
- Signed non-binding MOU to potentially lease two hangars in Subang, Malaysia

Maintenance Checks at Clark Base

	FY21/22	FY22/23
Heavy Checks	24	**32**

- Gradual recovery of check volumes at Clark Base, as travel restrictions previously implemented in the Philippines have been lifted

* Including 'A' checks performed by Line Maintenance at the apron

Component Services

- Increase in work volume at component shops as flight activities continue to ramp up
- Oct 2022: Signed 10-year contract with MYAirline to provide component pooling and repair support programme for its A320 fleet
- Additional MRO capability being added to facilities through new agreements such as 10-year licensing of repair for Honeywell 737NG, 737MAX and 787 Air Data Inertial Reference Unit component, to be established at component joint venture Asia Pacific Aircraft Component Services (APACS)

Component MRO Services

- Broaden component repair and overhaul capabilities through network of workshops and component MRO JVs, such as APACS with capabilities for more than 750 part numbers for A320/A330 and 737 parts

Inventory Technical Management

A320	737	747	A330
71 aircraft	25 aircraft	7 aircraft	6 aircraft

Engine Services

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- Additional Rolls Royce Trent On-Wing Services engine repair capabilities to include
  - Boroblending and Fan Blade Reprofiling
- Continued ramp up at Aircraft Engine Services facility
  - Delivered first LEAP-1A and LEAP-1B quick turn
  - Working with partners to expand and increase capacity and capability
- Expanded Engine Test Facility capabilities to include LEAP-1A engine test

Redelivery of 1st LEAP-1A Quick Turn Engine from Aircraft Engine Services Facility Dec '22

Redelivery of 1st LEAP-1B Quick Turn Engine from Aircraft Engine Services Facility Jul '22

Successful completion of Correlation of LEAP 1A Nov '22

Staff performing fan blade reprofiling

FY22/23 Key Customer Contracts

– Growth in Third-party Customers

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Line Maintenance

New

Renewed

Line Maintenance International

New

Component Services

New

Fleet Management

New

Base Maintenance

New

Renewed

Strategic Partnerships – JV Portfolio

22 JVs across 8 Countries with Total Revenue of S$6B in FY22/23

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- May 2022: Completed the acquisition of 75% stake in SR Technics Malaysia Sdn Bhd
- August 2022: Cessation of Boeing Asia Pacific Aviation Services (BAPAS) operations

Airframe and Line Maintenance

SIA Engineering (USA) (SEUS)
United States 100%

SIA Engineering Japan (SIAEJ)
Japan 100%

PT JAS Aero-Engineering Services (PT JAES)
Indonesia 49%

Pan Asia Pacific Aviation Services (PAPAS)
Hong Kong 40%

Southern Airports Aircraft Maintenance Services (SAAM)
Vietnam 49%

Pos Aviation Engineering Services (PAES)
Malaysia 49%

Line Maintenance Partnership (Korea)
Korea 51%

SIA Engineering (Philippines) (SIAEP)
Philippines 100%

Singapore Aero Support Services (SASS)
Singapore 100%

Engine and Component

Singapore Aero Engine Services (SAESL)
Singapore 50%

Eagle Services Asia (ESA)
Singapore 49%

Component Aerospace Singapore (CAS)
Singapore 46.4%

GE Aviation, Overhaul Services – Singapore (GEAOSS)
Singapore 49%

JAMCO Aero Design & Engineering (JADE)
Singapore 45%

Turbine Coating Services (TCS)
Singapore 24.5%

Goodrich Aerostructures Service Center-Asia (GASCA)
Singapore 40%

Fuel Accessory Service Technologies (FAST)
Singapore 49%

Panasonic Avionics Services Singapore (PACSS)
Singapore 42.5%

Safran Landing Systems Services Singapore (SLSSS)
Singapore 40%

Safran Electronics & Defense Services Asia (SEA)
Singapore 40%

Additive Flight Solutions (AFS)
Singapore 60%

Moog Aircraft Services Asia (MASA)
Singapore 49%

Aerospace Component Engineering Services (ACES)
Singapore 51%

Asia Pacific Aircraft Component Services
(formerly known as SR Technics Malaysia)
Malaysia 75%

JV Partners: Pratt & Whitney | Rolls-Royce | GE | Jamco | Safran | Collins | Line Maintenance International (LMI) | LMI (Pending) | Others

Transformation Phase 2

– FY20/21 to FY22/23

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Key business & operational outcomes

Boost competitiveness

- 20% improvement in aircraft check turnaround time
- Increase in long-term third-party customers
- Recognition and awards

Create value for key stakeholders

For Customers

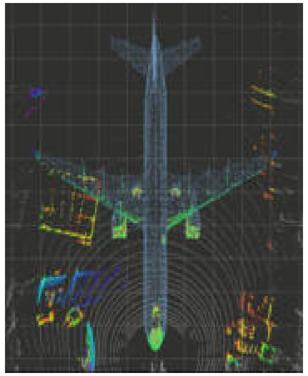
- Increased aircraft availability for airlines
- Time saved for customer through digital collaboration
- Broadened MRO solution by expanding technical capabilities

For Staff

- Safer & less strenuous work enabled by automation & assistive tooling
- Upskilling and career development opportunities from job content and role changes

Strengthen ecosystem & improve culture

- Enhanced Lean and digital competencies
- Infrastructure setup and emphasis on data-driven decision making
- Active innovation within the organisation via ground-up initiatives, experimentation in AI/machine vision and optimisation tools



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FINANCIAL REVIEW

Key Highlights

- Group recorded a net profit of $66.4 million for FY22/23, a slight decrease from net profit of $67.6 million for FY21/22 despite the reduction in wage support.

- Operating losses tapering as business activities progressively increases; flights handled during the year represented about 65% of pre-pandemic volume.

- Operating performance improved $55.6 million excluding the impact of the reduction in wage support.

- Higher share of profits, excluding the one-time writeback of tax provision in the prior year, as work inputs increased with further recovery of flight activities.

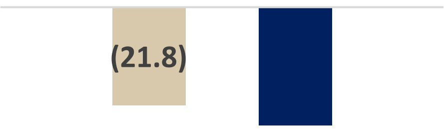
- Proposed final dividend of 5.5 cents for FY22/23, the first since the onset of COVID pandemic.

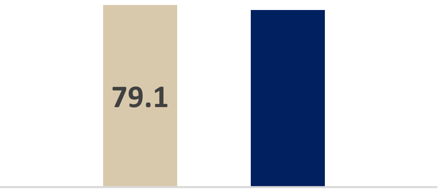
Summary of Group Results FY22/23

■ FY21/22 ■ FY22/23

S$'M

	Group Operating Loss	Share of profits of JV & Assoc	Group Profit after tax
FY22/23	-26.3	77.8	66.4

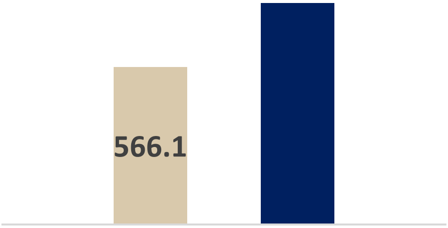




Change y-o-y	-4.5 ▼ 20.6% y-o-y	-1.3 ▼ 1.6% y-o-y	-1.2 ▼ 1.8% y-o-y

Group Revenue

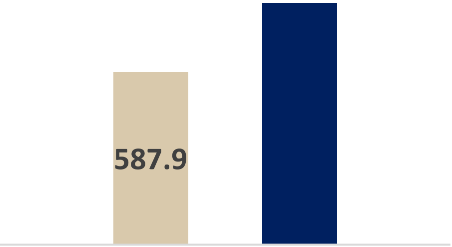
796.0



+229.9
▲ 40.6% y-o-y

Group Expenditure

822.3



+234.4
▲ 39.9% y-o-y
▲ *26.4% y-o-y excluding wage support*

- Driven by increased in flight activities, revenue grew 41% year-on-year.
- Expenditure also increased, mainly due to increase in manpower, lower wage support and higher material costs.
- Excluding impact of lower wage support and last year' one-time writeback of tax provisions, share of profits increased $42.7 million.

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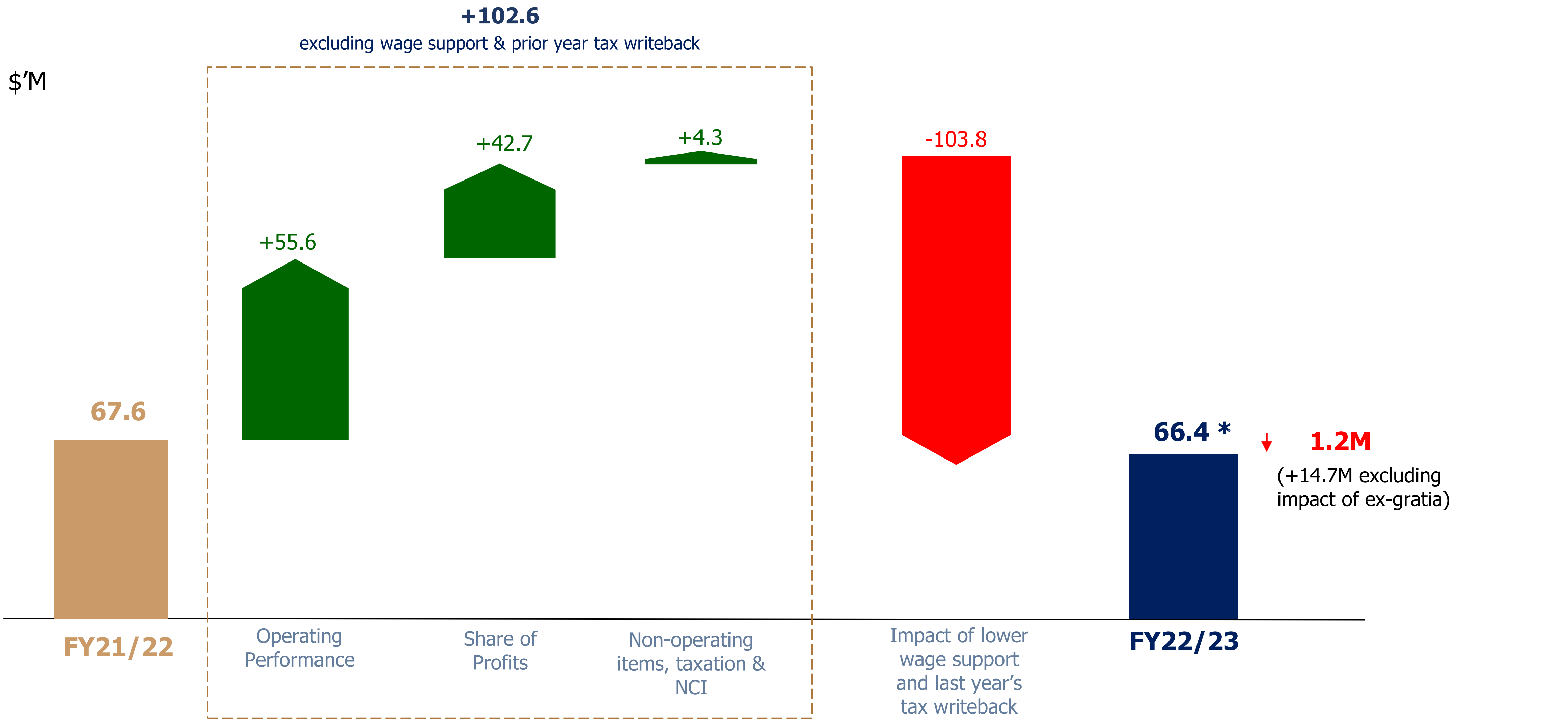
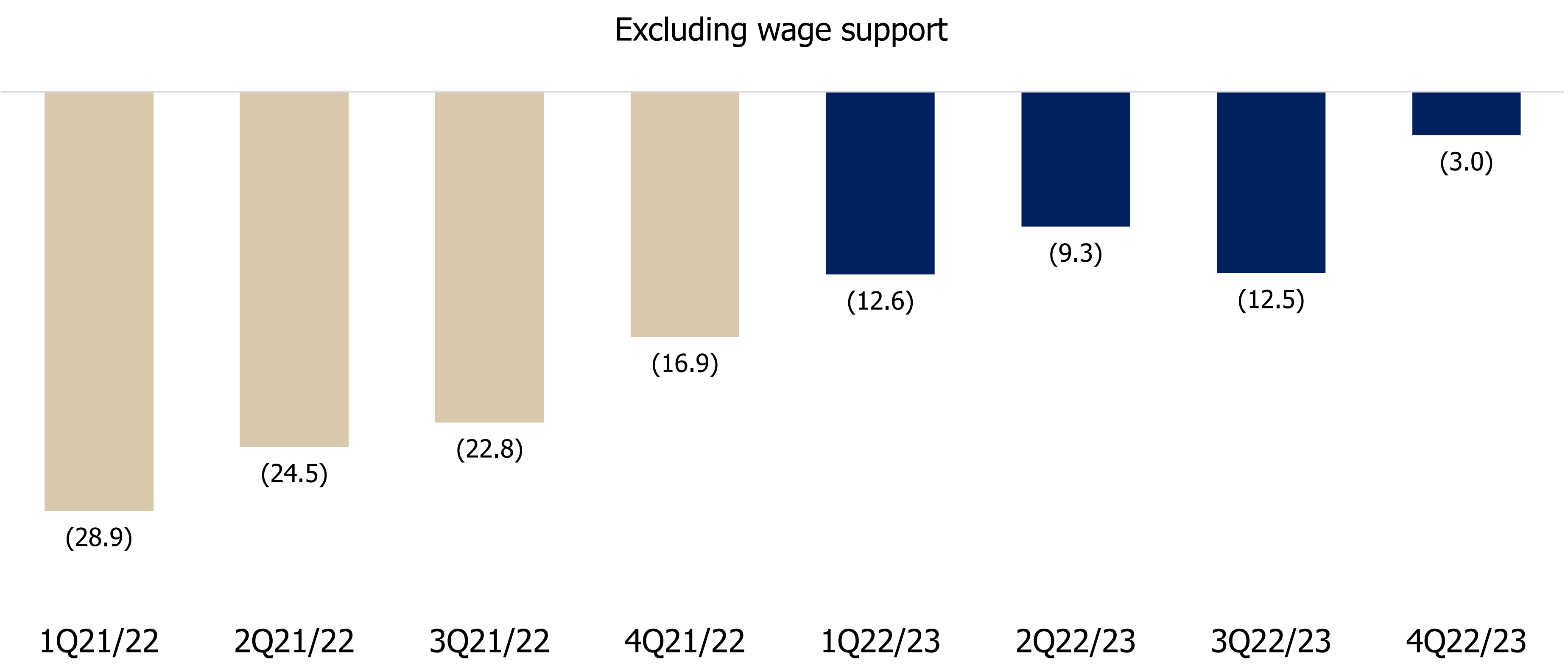
Analysis of Group Profit – FY22/23



* Without wage support, Group profit would be $55.2M.

Group Operating Performance Trend



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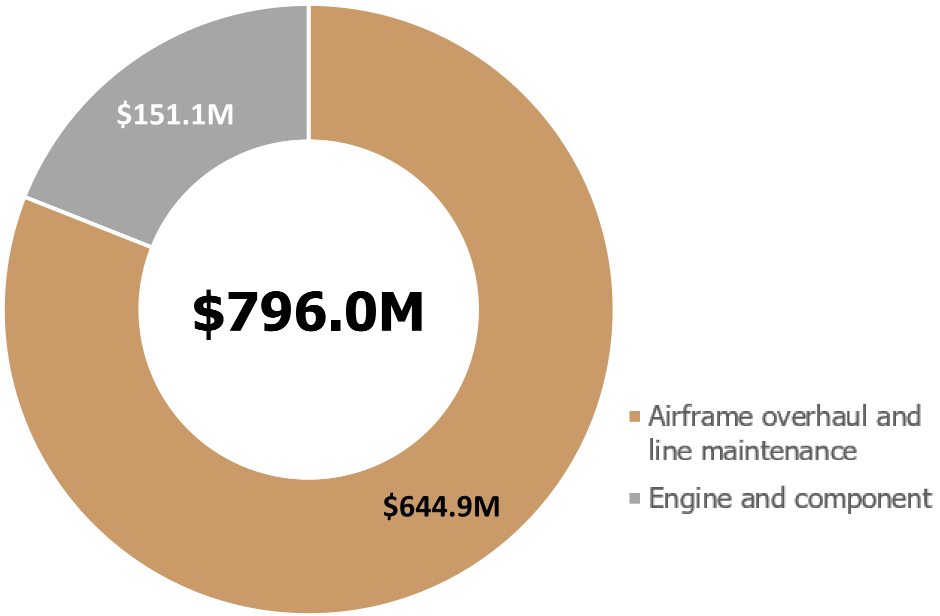
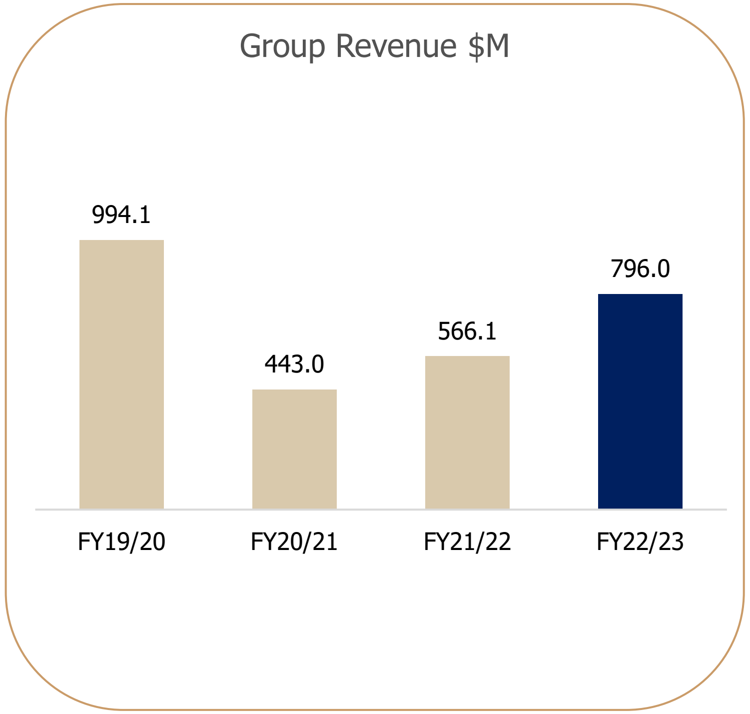
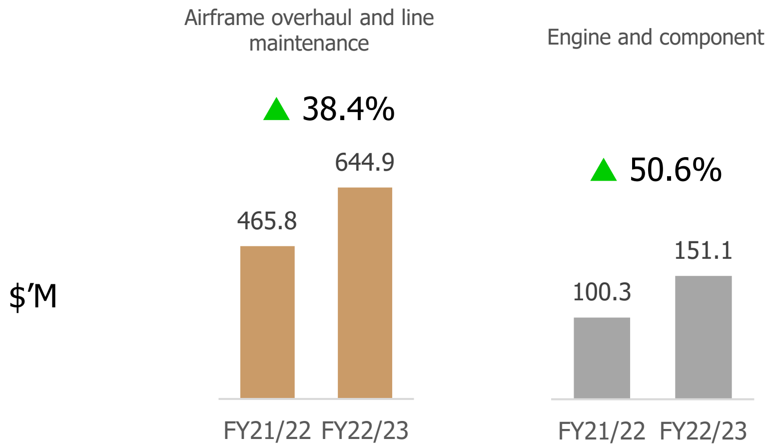
Analysis of Group Revenue FY22/23

+$229.9M
▲ 40.6%

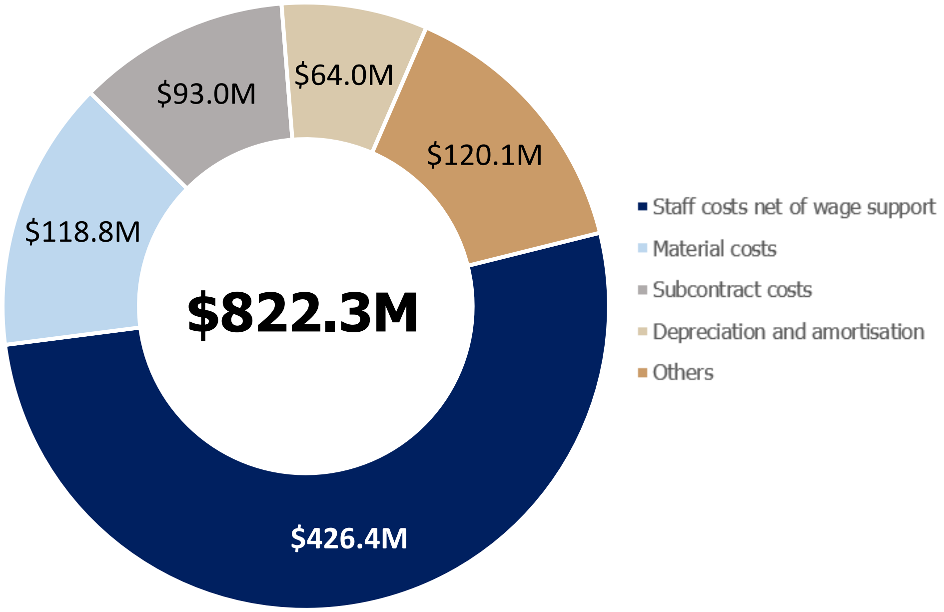




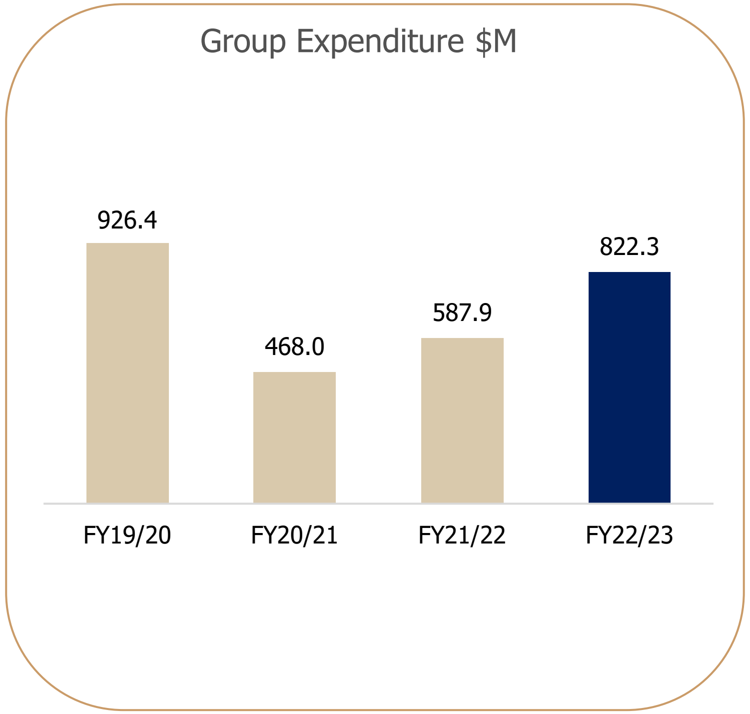


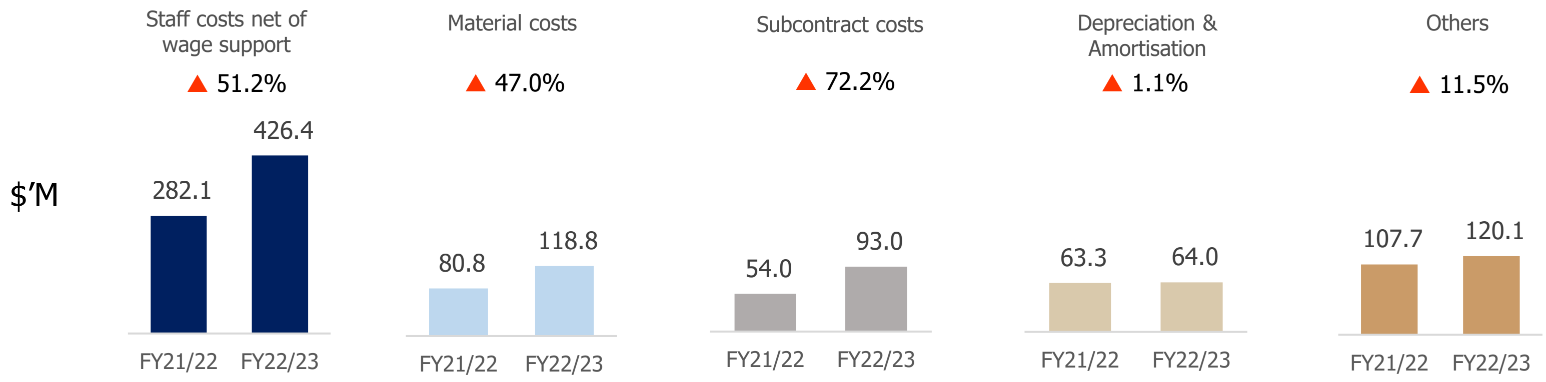
Revenue increase with recovery of flight activities. In FY22/23, revenue recovered to 80% of FY19/20.

Analysis of Group Expenditure FY22/23



+$234.4M
▲ 39.9%



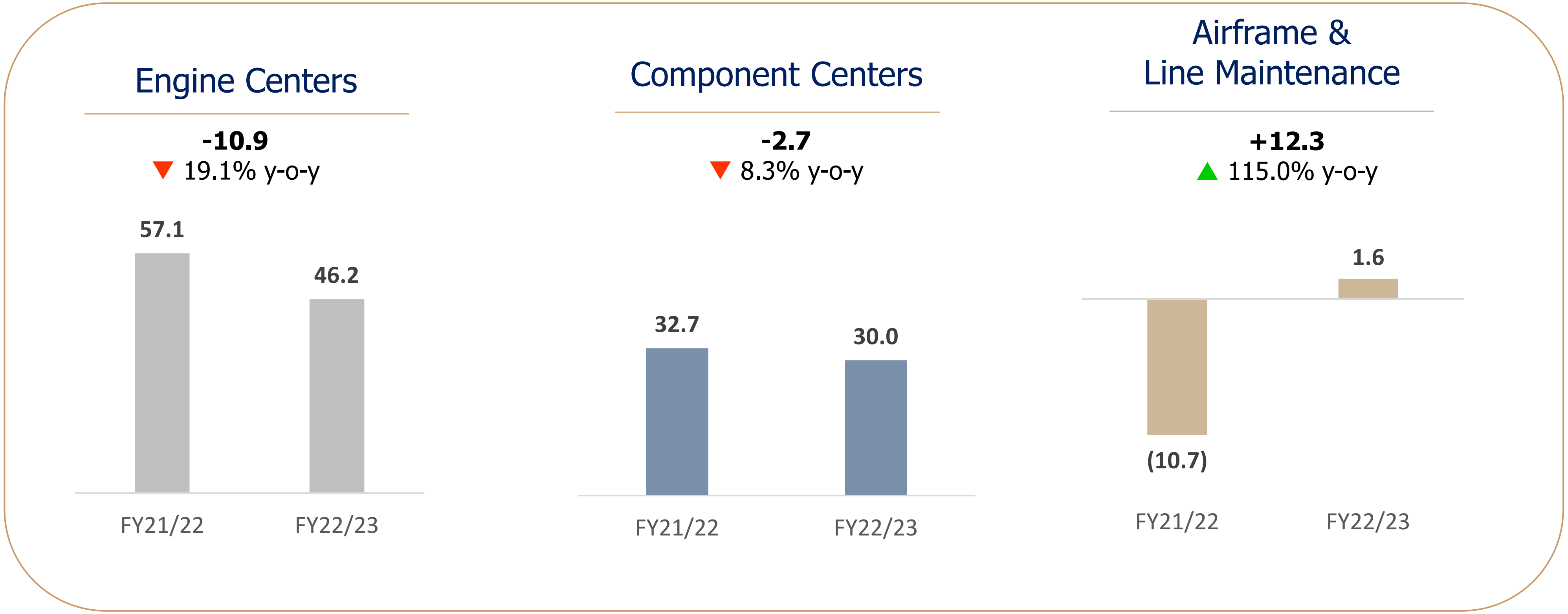


- Expenditure increase mainly due to higher manpower costs (staff costs and subcontract labour costs) incurred to support increase in business activities.
- Excluding wage support, staff costs was 23.8% higher year-on-year.

Share of Profits after tax FY22/23

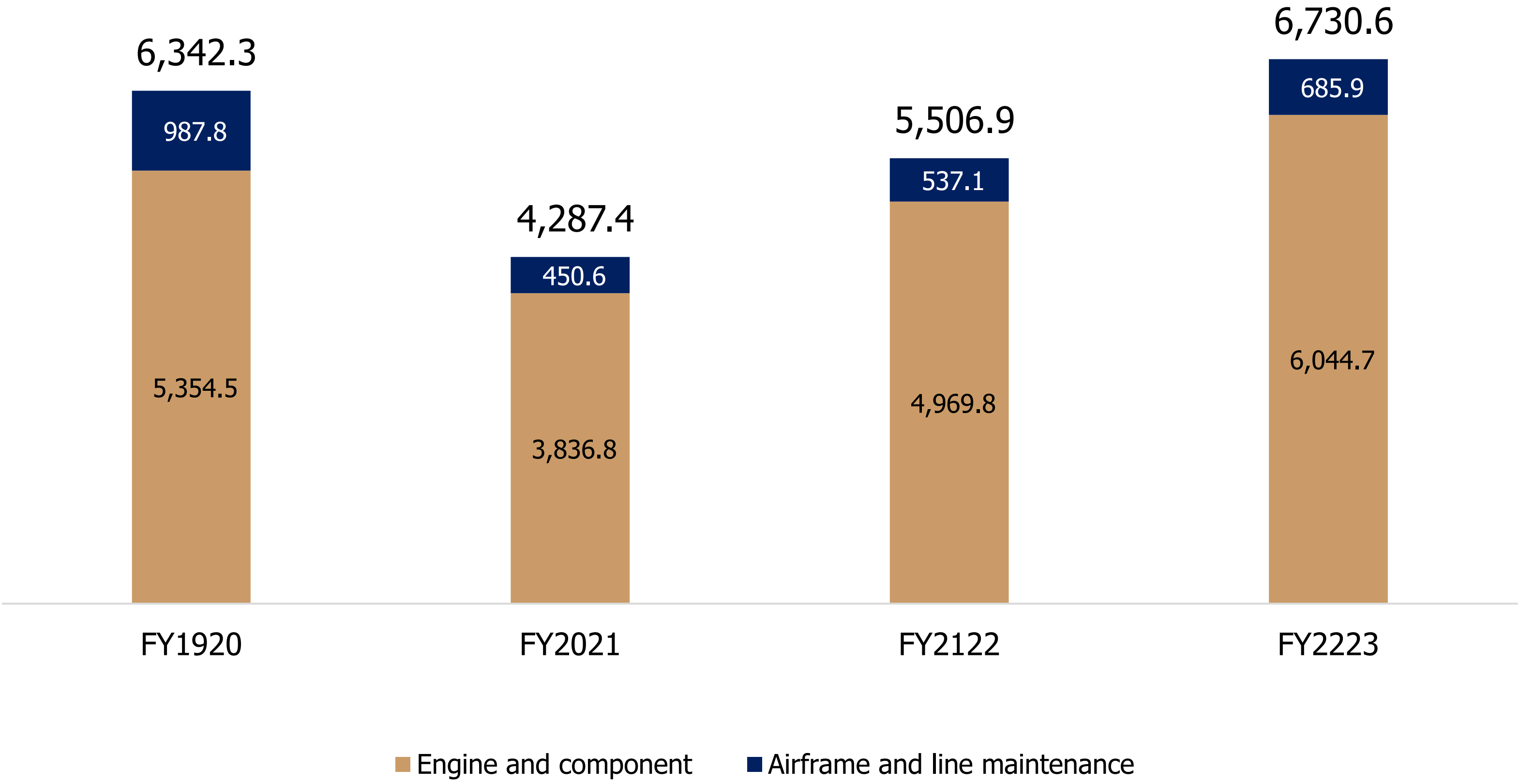
Joint Venture and Associated Companies

$'M



Excluding wage support and prior year's tax writeback, share of profits from all segments registered improvement.

Group Revenue FY22/23
(SIAEC, Subsidiaries, JV and Associated Companies)



- +22.2% YoY
- 106% of FY19/20

* Revenue of associated and joint venture companies are not consolidated in the Group's Income Statement as they are equity accounted.

Group Balance Sheet and Financial Statistics

	Mar-23 $M	Mar-22 $M	Variance $M	Variance %
Total equity	1,676.7	1,621.3	+ 55.4	+ 3.4
Non-current liabilities	91.1	39.0	+ 52.1	+ 133.6
Current liabilities	215.4	177.9	+ 37.5	+ 21.1
Non-current assets	1,031.1	925.5	+ 105.6	+ 11.4
Cash	633.0	625.5	+ 7.5	+ 1.2
Other current assets	319.1	287.2	+ 31.9	+ 11.1
Net asset value per share (cents)	148.5	143.5	+ 3.5 %	

	FY22/23	FY21/22	Variance
Return on shareholders' funds (%)	4.1	4.3	- 0.2 ppts
Basic earnings per share (cents)	5.91	6.02	- 1.8 %

- Increase in equity was mainly due to profits earned during the year offset by loss in foreign currency translation reserve with the weakening of USD.
- Increase in non-current assets mainly due to increase in right-of-use assets, contract assets and carrying value of joint venture.

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Final Dividend FY22/23

	FY22/23	FY21/22	Variance %
Proposed Final Dividend (per share)	5.5 cents	-	n.m.
Dividend payout ratio	93%	-	n.m.
Dividend yield based on the closing share price of $2.25 on 31 March 2023	2.4%	-	n.m.

- In recommending the final dividend, the Board takes into consideration the profits earned during the year, cash position and investment needs.
- This is the first dividend proposal after two years of no payout.
- Total dividend payout of approximately $62 million, is subject to shareholders' approval at the Annual General Meeting on 20 July 2023. If approved, the dividend will be paid on 11 August 2023.

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OUTLOOK

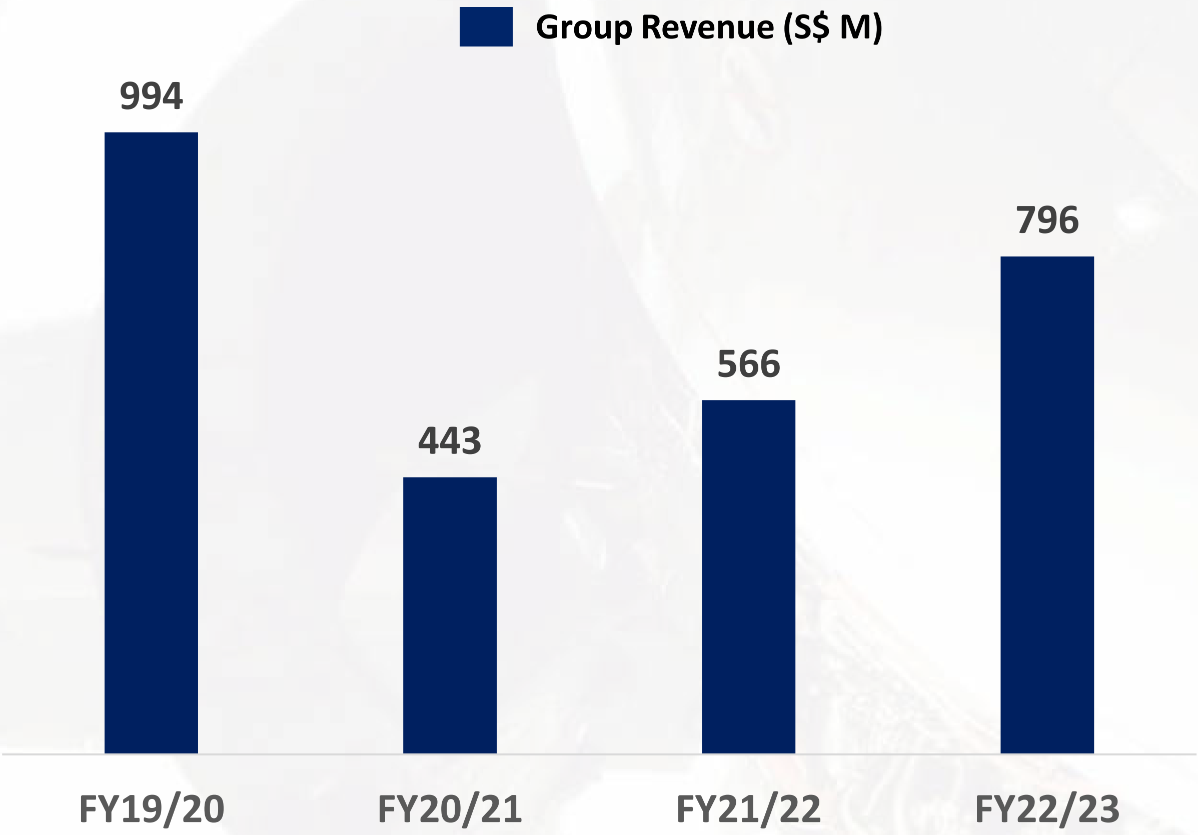
Strong Recovery

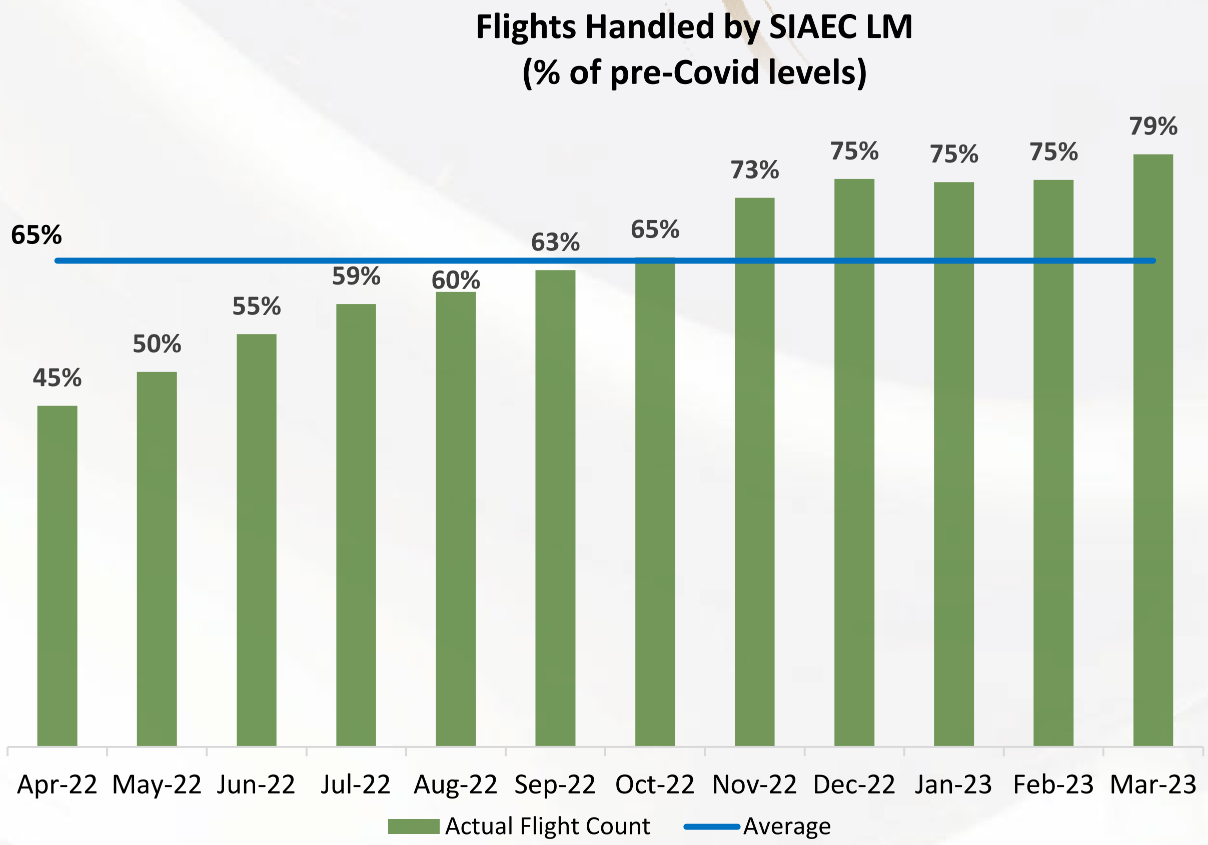
	FY21/22	FY22/23	Variance	
Revenue ($M)	566.1	**796**	229.9	**41%**

Excluding wage support and tax-writeback			
GPAT ($M)	-47.4	**55.2**	102.6
Profit Margin	-8.4%	**6.9%**	15.3 ppts
Return on Equity	-3.0%	**3.4%**	6.4 ppts

Approaching Full Recovery

Past 3 Years through the Pandemic





Increase in Flight Activities

Transformation Dividends

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Boost Competitiveness

- Improvement in aircraft check turnaround time
- Productivity improvement
- Increase in long-term customers
- Recognition at MRO awards

Create value for Customer & Staff

- Increased aircraft availability for airlines
- Broadened MRO solution by expanding capabilities
- Safer & less strenuous work enabled by automation & assistive tooling

Strengthen Organisational Capabilities

- Enhanced Lean & Digital operating system
- Active innovation from ground-up initiatives
- Experimentation in new technologies

Outlook

Challenges remain

Pace of recovery remains uncertain

- Reopening of China's borders is a positive development for a faster and full sector recovery
- But risks remain due to macroeconomic factors
- Constraints faced by airlines in returning to pre-pandemic flight levels

Macroeconomic factors

- Geopolitical tensions and supply chain disruptions
- High inflation and increased costs
- Rising interest rates
- Heightened risk of global recession

Wage pressures

- Increased cost of living and wage pressures

Priorities

Remaining vigilant and prudent in managing increase in costs

Stepping up from Transformation to Continuous Improvement

Seeking investment opportunities for growth development

Emerging Stronger

Strategies that have strengthened SIAEC

Transitioning to Continuous Improvement

Moving forward

We have reaped dividends from the 3-year Transformation Program.

With the enhanced operating system and organisational capabilities, we are well positioned to grow and make improvement continuously.

Going forward:

- Continue to **deepen Lean & Digital as the core of our operating system**
- **Leverage the potential from staff across the Company** to improve processes, systems and service offering through Ground-up Innovation

Restructuring of JV Portfolio

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Closed JVs		New Investments	
HMS SERVICES by SIAEC and AIRBUS	HMSS	APACS	Asia Pacific Aircraft Component Services (APACS)
BOEING ASIA PACIFIC AVIATION SERVICES PTE. LTD.	BAPAS	Subang Hangars [Ongoing Negotiation]	
AST	AST	Aviation (POS) Pos Aviation Engineering Services [Subject to approval from MAVCOM]	

Growth Opportunities

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Increase 3rd Party Customers

Seize business opportunities

- Grow 3rd party customers and fleet type
- Diverse customer portfolio strengthens revenue

Invest in New Capabilities

Invest in new-generation aircraft capabilities

- Engine Services Division to invest in new capabilities and facilities
- Component Services Division to grow component MRO business and repair capabilities

Establish Global Prescence

Spread our footprint globally

- LMI to increase its network
- BM to expand MRO business regionally

Sustainability

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Investing in energy-efficient equipment and cleaner vehicles

- Progressive upgrade of air compressors in hangars
- Scale up adoption of electric tractors

Expanding use of renewable energy

- Installation of additional solar panels will fulfil 20% of SIAEC's electricity needs (from 18% in FY22/23)

PUB Water Efficient Building (WEB) certification for Hangars 4, 5, 6 and Engine Test Facility

- All SIAEC-owned buildings are WEB certified

ESG focus

- Decarbonise operations, deepen engagement with stakeholder & Enhance Sustainability Disclosures

Improved Scores from Sustainability Rating Agencies

Rating Agency#	2021	2022
Sustainalytics	▲ Medium (20.9)	▲ **Low (17.9)**
S&P Global	▲ 37/100	▲ **45/100**

 # Sustainalytics rating improves with lower score; S&P rating improves with higher score

FY22/23 and Beyond

Strong Recovery

Growth achieved in all segments

Transformation Dividends

Enabled us to generate additional capacity to capture demand

Emerging Stronger

Enhanced capabilities and JVs poised for growth along with recovery

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Thank you