

**SIA ENGINEERING COMPANY LIMITED**

(the "Company" or "SIAEC")  
(Incorporated in the Republic of Singapore)  
(Company Registration No.: 198201025C)

**MINUTES OF THE 40<sup>TH</sup> ANNUAL GENERAL MEETING  
HELD BY ELECTRONIC MEANS ON THURSDAY, 21 JULY 2022 AT 11.00 A.M.**

**Present:**

Board of Directors

*In attendance:*

Mr Tang Kin Fei (Chairman)  
Mr Ng Chin Hwee (Chief Executive Officer or CEO)  
Ms Chua Bin Hwee  
Mr Lim Kong Puay  
Dr Raj Thampuran  
Mr Goh Choon Phong  
Mr Mak Swee Wah  
Mr Chin Yau Seng

*Via video conference:*

Mrs Christina Ong  
Mr Wee Siew Kim

Shareholders who attended via live webcast or audio conference:

As set out in the attendance records maintained by the Company

*In attendance:*

Ms Lu Ling Ling (Company Secretary)  
Ms Ng Lay Pheng (Chief Financial Officer or CFO)

*Via live webcast:*

Mr Kenny Tan Choon Wah (Auditor, Messrs KMPG LLP or KPMG)  
Mr Lee Wei Hsiung (Scrutineers, Tricor Singapore Pte Ltd)  
Ms Yap Lune Teng (Legal Adviser, Messrs Allen & Gledhill LLP)

Management

Mr Foo Kean Shuh  
Mr Wong Yue Jeen  
Mr Philip Quek Cher Heong  
Mr Ng Jan Lin Wilin  
Mr David So Man Fung  
Mr Chua Hock Hai  
Mr Stefan Franz Heinrich Schmuck  
Mr Jeremy Yew

## **1 WELCOME ADDRESS**

- 1.1 A quorum being present, Chairman Mr Tang Kin Fei called the Company's 40<sup>th</sup> Annual General Meeting ("**AGM**") to order at 11.00 a.m. Due to the Covid-19 situation in Singapore, the AGM was convened by electronic means in accordance with relevant regulations. Chairman welcomed all who had joined the AGM by live webcast and audio feed. Shareholders who attended the Meeting electronically were treated as present and their names included in the attendance list of the Meeting. The Notice of the AGM, which was made available on SGXNet and the Company's website on 22 June 2022, was taken as read.
- 1.2 Chairman encouraged shareholders to raise questions related to the resolutions via text on the portal, and informed that the panel would endeavor to address all questions received. If any questions were not addressed by the panel due to time constraints, relevant responses will be published on SGXNET and on the Company's website after the AGM.
- 1.3 Chairman highlighted that all resolutions tabled at the AGM would be voted by poll. All proxy votes received by the 72-hours deadline prior to the AGM were checked and verified by the scrutineers, Tricor Singapore Pte Ltd. He further informed that he was appointed as proxy for some shareholders and will vote on their behalf in accordance with their instructions. At this point, Chairman shared that the portal has been opened for shareholders to raise questions and submit their votes. Voting will end 3 minutes after all resolutions have been fully read and the results will be announced shortly thereafter.
- 1.4 An instructional video was played to guide shareholders on how to submit questions and how to cast their votes via the webcast portal.
- 1.5 Chairman next introduced his fellow Board members as well as CEO and CFO, who were in attendance at the AGM. He also introduced the Company Secretary and the Company's auditors, Messrs KPMG LLP. He then invited CEO, Mr Ng Chin Hwee, to deliver his presentation. The said presentation was posted on SGXNet and the Company's website in the morning before the AGM.

## **2 PRESENTATION BY CEO**

- 2.1 Mr Ng began his presentation with the year in review which saw the Company recording a net profit, as flight activities in Asia, particularly at Changi, made a slow but steady recovery. Government wage support and prudent cost management also aided the financial recovery. Mr Ng reported that following the easing of travel restrictions in late March this year, flights handled by the Company increased to 55% of pre Covid-19 levels in June. The Company's efforts at retaining staff during the crisis paid off as we were able to respond quickly to the strong rebound with no operational disruption. In anticipation of a sustained recovery, the Company's immediate operational focus is to step up on its manpower recruitment and recapture its market share.

- 2.2 Mr Ng noted that the path to recovery is not without headwinds. While the government wage support has helped tremendously during the crisis, it will taper off by July 2022 and therefore, the current growth trends need to continue in order to outpace the loss of wage support. In addition, the economic fallout of rising fuel prices and spiraling inflation from the Russian-Ukraine conflict continue to play out in the global economy and with rising interest rates to contain inflation, the risk of recession and, even worse, deflation remain elevated. These macroeconomic risks, if not adequately managed for a prolonged period, will have an adverse impact on the aviation industry. Mr Ng also noted that the war against Covid-19 is not over and highlighted that North Asian countries have yet to fully re-open their borders. He assured shareholders that the Company is closely monitoring these developments and will adjust its operations plans accordingly.
- 2.3 Mr Ng reported that the Company's \$40 million investment in Phase 2 Transformation has delivered good outcomes. Lean and digitalization initiatives have gained traction and given the Company a strong foundation for continuous improvement. At the heart of this Transformation journey is the innovative spirit of every staff. Staff have unlocked opportunities to raise productivity, enhance process efficiency and better staff and customer experience.
- 2.4 Mr Ng informed the meeting that the Company will set an interim target for 2030 and commit to achieve net zero carbon emission by 2050 in support of a sustainable future for the MRO industry. Several initiatives have already been rolled out to lower the Company's carbon emissions and more will be implemented. We have successfully trialed the use of sustainable aviation fuel in our test cell facility, opening the path for customers to use sustainable fuel for engine tests. Following the pilot use of electric tractors, plans are underway to scale up the adoption. Two of the Company's hangars have been certified green mark and the goal is to achieve this accreditation for all the Company's hangars. Finally, the Company's subsidiary in Philippines will work with partners to provide sustainable aircraft recycling solutions.
- 2.5 Mr Ng said that safety remains the Company's core value and to demonstrate our focus and commitment to safety, SIAEC is a proud signatory of the Charter for a Strong and Positive Safety Culture initiated by the Civil Aviation Authority of Singapore. On the social front, the Company took advantage of the downtime to upskill and train our employees. He shared that the Company was ranked amongst the top 200 of Singapore's Best Employers 2022 in a survey conducted by The Straits Times. He also said that the Company will continue to support its adopted charities in fund raising activities.
- 2.6 To drive and advance the sustainability agenda and improve our ESG performance, the Board Sustainability Committee was established in April 2022. Our Executive Vice President Operations, Mr Foo Kean Shuh, was also appointed as the Company's Chief Sustainability Officer. The core strategy of the Company is to ensure long-term business sustainability and to grow profitably.
- 2.7 Mr Ng added that the Company formed the Engine Services Division to grow our engine business. We have enhanced our capabilities and expanded our capacity with the opening of our Aircraft Engine Services facility, dedicated to performing Quick Turn services. The facility inducted its first LEAP engine in May 2022.
- 2.8 The Company also formed the Component Services Division to capitalise on opportunities for component repair and broaden our inhouse capabilities. The recent acquisition of a 75% stake in SR Technics Malaysia will provide the platform for this growth as well.

- 2.9 Mr Ng reported that the plans for the expansion of the Line Maintenance international network to South Korea and Malaysia are on track. We are also looking to expand our regional Base Maintenance presence, with the signing of a non-binding MOU to potentially lease two hangars in Subang, Malaysia. These strategies to strengthen the Company's core competencies and to broaden capabilities for new-generation aircraft have made us stronger and resilient and will position us for sustainable growth post recovery.
- 2.10 Mr Ng went on to report that the Company's joint venture portfolio now comprises 22 companies in eight countries, and we will continue to expand and/or reshape the portfolio as the industry recovers.
- 2.11 Lastly, Mr Ng thanked the Company's staff and the union leaders for their support, sacrifices, teamwork, and commitment to the success of the SIAEC Group, demonstrating resilience by pulling through the toughest challenge faced by the Company and the aviation industry. Mr Ng is confident that the Company would emerge stronger and achieve sustainable growth for the future and thanked the shareholders and all stakeholders for their continued support and their faith in the Company.

### **3 LIVE QUESTIONS AND ANSWERS**

- 3.1 As there were no questions from shareholders, Chairman proceeded with the business to be transacted at the Meeting.

### **4 ORDINARY BUSINESS**

#### **4.1 RESOLUTION 1: TO RECEIVE AND ADOPT THE DIRECTORS' STATEMENT, THE AUDITED FINANCIAL STATEMENTS AND THE AUDITORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

- 4.1.1 Chairman highlighted that all the resolutions set out in the Notice of AGM were ordinary resolutions. He proceeded to introduce the motions tabled for approval at the AGM.
- 4.1.2 Resolution 1 sought shareholders' approval to receive and adopt the Directors' Statement, the Audited Financial Statements and the Auditors' Report, for the financial year ended 31 March 2022.

#### **4.2 RESOLUTION 2: TO RE-ELECT DIRECTORS WHO ARE RETIRING BY ROTATION PURSUANT TO ARTICLE 90 OF THE CONSTITUTION OF THE COMPANY (THE "CONSTITUTION")**

- 4.2.1 Chairman informed that Dr Raj Thampuran, Mr Chin Yau Seng and Mr Goh Choon Phong were retiring pursuant to Article 90 of the Constitution. Dr Thampuran, Mr Chin and Mr Goh, being eligible for re-election, offered themselves for re-election, pursuant to Article 91 of the Constitution.
- 4.2.2 **Re-election of Dr Raj Thampuran under Resolution 2.1:** Chairman informed that upon re-election, Dr Thampuran, an Independent Director, would continue to serve as the Chairman of the Technology Advisory Committee, a member of the Audit Committee and a member of the Board Safety & Risk Committee.
- 4.2.3 **Re-election of Mr Chin Yau Seng under Resolution 2.2:** Chairman informed that upon re-election, Mr Chin, a Non-Independent Director, would continue to serve as a member of the Audit Committee and a member of the Board Risk & Safety Committee.

- 4.2.4 **Re-election of Mr Goh Choon Phong under Resolution 2.3:** Chairman informed that upon re-election, Mr Goh, a Non-Independent Director, would continue to serve as a member of the Compensation & HR Committee and a member of the Executive Committee.

4.3 **RESOLUTION 3: TO RE-ELECT A DIRECTOR WHO IS RETIRING PURSUANT TO ARTICLE 96 OF THE CONSTITUTION**

- 4.3.1 Chairman informed that Mr Lim Kong Puay was retiring pursuant to Article 96 of the Constitution and, being eligible, has offered himself for re-election as a Director. Upon re-election, Mr Lim, an Independent Director, would continue to serve as the Chairman of the Board Safety & Risk Committee, a member of the Audit Committee and a member of the Board Sustainability Committee.

4.4 **RESOLUTION 4: TO APPROVE THE PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 MARCH 2023**

- 4.4.1 Chairman informed shareholders that the quantum of fees recommended (up to \$1,500,000) had remained unchanged since the last AGM and the fees were for services rendered by the Non-Executive Directors on the Board and on the various Board Committees in the current financial year. Non-Executive Directors do not receive any other remuneration nor are they granted any share awards or options. Chairman further explained that the fees due to Mr Goh Choon Phong, Mr Mak Swee Wah and Mr Chin Yau Seng, who hold executive positions in Singapore Airlines Limited ("**SIA**"), would be paid to and retained by SIA. Fees due to Dr Raj Thampuran would be paid to and retained by Surbana Jurong Private Limited. As CEO of the Company, Mr Ng Chin Hwee does not receive any Director's fees.

- 4.4.2 Chairman added that in view of the ongoing COVID-19 situation, in solidarity with Management, staff and all stakeholders, the Directors had unanimously agreed to waive 25% of their fees accruing from 1 April 2022. However, approval is being sought for the full amount of \$1.5 million so that the Directors' fees could be restored if the situation improves or when business recovers during FY2022/23. Until restoration, each Director would receive fees less the amount waived.

4.5 **RESOLUTION 5: TO RE-APPOINT KPMG AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

- 4.5.1 Chairman said that KPMG, who are the Auditors of the Company, have expressed their willingness to continue in office. Resolution 5 sought shareholders' approval to re-appoint KPMG as the Auditors of the Company and to authorise the Directors to fix their remuneration.

## **5. SPECIAL BUSINESS**

### **5.1 RESOLUTION 6.1: TO AUTHORISE DIRECTORS TO ISSUE SHARES AND/OR MAKE OR GRANT OFFERS, AGREEMENTS OR OPTIONS THAT MIGHT OR WOULD REQUIRE SHARES TO BE ISSUED PURSUANT TO SECTION 161 OF THE COMPANIES ACT 1967 (THE "COMPANIES ACT")**

- 5.1.1 Resolution 6.1 sought shareholders' approval to authorise Directors to issue shares and/or make or grant offers, agreements or options that might or would require shares to be issued pursuant to Section 161 of the Companies Act. The number of shares under this Resolution will not exceed 50% of the total number of issued shares of the Company, excluding the treasury shares. Chairman said that the full text of Resolution 6.1 is set out in the Notice of AGM and notes explaining this Resolution 6.1 are also set out in the Notice. He shall take this Resolution as read.

### **5.2 RESOLUTION 6.2: TO AUTHORISE DIRECTORS TO GRANT AWARDS AND ALLOT AND ISSUE SHARES IN ACCORDANCE WITH THE PROVISIONS OF THE SIAEC PERFORMANCE SHARE PLAN 2014 AND/OR THE SIAEC RESTRICTED SHARE PLAN 2014**

- 5.2.1 Resolution 6.2 authorised the grant of awards under the Company's Performance and Restricted Share Plans 2014, and the allotment and issue of such number of fully paid ordinary shares as may be required on the vesting of the awards under these Share Plans. Awards under the Performance Share Plan are made to senior management and under the Restricted Share Plan to senior executives. Awards under both Share Plans are subject to the achievement of specific performance targets and are intended to serve as an effective tool to incentivize high performance. The Company seeks to enhance value for shareholders by aligning key interests of senior management and senior executives with the interests of shareholders. The overall number of shares awarded under both the Share Plans cannot exceed 5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) over a period of 10 years. Annually, the number of share awards under the Share Plans will not exceed 0.5%. All employees who are eligible for share awards under the two Share Plans had abstained from voting on this Resolution. Chairman said that the whole text of Resolution 6.2 is set out in the AGM Notice. Notes explaining this Resolution 6.2 are also set out in the Notice.

### **5.3 RESOLUTION 6.3: TO APPROVE THE PROPOSED RENEWAL OF THE MANDATE FOR INTERESTED PERSON TRANSACTIONS ("IPT MANDATE")**

- 5.3.1 Resolution 6.3 sought shareholders' approval for the renewal of the IPT Mandate. The IPT Mandate was first adopted in 2000 and last renewed with the approval of shareholders at last year's AGM. The current IPT Mandate was effective till the conclusion of the 2022 AGM. Details of the proposed IPT Mandate were set out in the Letter to shareholders dated 22 June 2022. Chairman explained the rationale for the IPT Mandate and informed that Temasek Holdings (Private) Limited, its subsidiaries and associated companies, including SIA Group companies, which are regarded as Interested Persons, had abstained from voting on this Resolution. Mr Goh Choon Phong, Mr Mak Swee Wah and Mr Chin Yau Seng, being employees of SIA, and Mr Ng Chin Hwee, being a Director and an employee of the Company, had also abstained from voting on this Resolution.

## 5.4 RESOLUTION 6.4: TO APPROVE THE RENEWAL OF THE SHARE BUY BACK MANDATE

- 5.4.1 Resolution 6.4 sought shareholders' approval for the renewal of the Share Buy Back Mandate. This proposed mandate would enable the Company to purchase or acquire its issued shares. The total number of shares which may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate will be limited to 2% of the issued shares (excluding treasury shares and subsidiary holdings) as at the date of this Meeting. The authority conferred by the Share Buy Back Mandate will continue in force until the next AGM of the Company. The rationale and details of the proposed Share Buy Back Mandate are set out in the Letter to Shareholders. Chairman said full text of this Resolution 6.4 and notes explaining this Resolution are set out in the AGM Notice.

## 6 VOTING

- 6.1 Chairman proceeded to propose a motion for all the resolutions which have been tabled at the Meeting and put these resolutions to the vote by poll. Chairman informed the Meeting that shareholders have 3 minutes to vote. At the end of the voting period, Chairman declared the voting closed.
- 6.2 Chairman informed that the percentage of the voting results received for each resolution had been rounded up to two decimal places and presented the results of the voting by poll for the resolutions tabled at the Meeting. The results of the poll were as follows:

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
<b><u>Ordinary Business</u></b>					
<b>Ordinary Resolution 1</b> Adoption of the Directors’ Statement, Audited Financial Statements and the Auditors’ Report	906,983,790	906,901,290	99.99	82,500	0.01
<b>Ordinary Resolution 2.1</b> Re-election of Dr Raj Thampuran	906,315,712	905,982,393	99.96	333,319	0.04
<b>Ordinary Resolution 2.2</b> Re-election of Mr Chin Yau Seng	906,315,712	903,075,124	99.64	3,240,588	0.36
<b>Ordinary Resolution 2.3</b> Re-election of Mr Goh Choon Phong	906,315,712	903,147,776	99.65	3,167,936	0.35
<b>Ordinary Resolution 3</b> Re-election of Mr Lim Kong Puay	906,315,712	905,982,393	99.96	333,319	0.04
<b>Ordinary Resolution 4</b> Approval of Directors’ fees for financial year ending 31 March 2023	906,313,712	906,225,212	99.99	88,500	0.01

<b>Ordinary Resolution 5</b> Re-appointment and remuneration of Auditors	906,530,685	906,343,292	99.98	187,393	0.02
<b><u>Special Business</u></b>					
<b>Ordinary Resolution 6.1</b> Approval for the proposed renewal of the Share Issue Mandate	906,214,851	905,242,542	99.89	972,309	0.11
<b>Ordinary Resolution 6.2</b> Approval for the proposed renewal of the Share Plan Mandate	905,847,848	903,893,209	99.78	1,954,639	0.22
<b>Ordinary Resolution 6.3</b> Approval for the proposed renewal of the Mandate for Interested Person Transactions	36,242,407	36,153,907	99.76	88,500	0.24
<b>Ordinary Resolution 6.4</b> Approval for the proposed renewal of the Share Buy Back Mandate	906,215,751	906,133,251	99.99	82,500	0.01

6.3 Based on the results of the poll, Chairman declared all Resolutions carried.

## **7 CLOSE OF MEETING**

7.1 There being no further business to transact, Chairman closed the 40<sup>th</sup> AGM at 11.45 a.m. and thanked everyone for their attendance and participation.