



SIA ENGINEERING COMPANY'S SENIOR MANAGEMENT TAKE FURTHER SALARY CUTS

SINGAPORE, 13 AUGUST 2020 – The severe impact of the COVID-19 pandemic on the aviation industry has continued unabated. The global lifting of border controls and travel restrictions has been slower than anticipated, and many parked aircraft are unlikely to return to service soon. In the absence of a material uptick in flight activities across the world in the near term, the pace and extent of recovery for the aerospace maintenance, repair and overhaul business is uncertain.

Given the difficult business environment and continued challenging outlook, the Senior Management of SIA Engineering Company has decided to take a further pay cut of 5% accruing with effect from 1 August 2020 to proactively manage costs. This is in addition to the pay cuts announced previously and on top of cost management measures implemented in previous months. The pay cuts affecting Senior Vice Presidents, the Executive Vice President and the Chief Executive Officer will increase from the current 15%-25% to 20%-30%.

We will stay nimble to adjust our response to the evolving situation and maintain adequate liquidity. Notwithstanding the current challenges, we are positioning ourselves for the eventual recovery of the aviation industry as we continue with the next phase of our Transformation. Our investments in adopting Lean methodology and digitalisation to improve productivity and enable a culture of innovation and continuous process improvement will further strengthen the Group's capabilities and enhance operating efficiencies for the long term.

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About SIA Engineering Company

(Company Registration No. 198201025C)

www.siaec.com.sg

SIA Engineering Company (SIAEC) is a major provider of aircraft maintenance, repair and overhaul (MRO) services in Asia-Pacific. SIAEC has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at 35 airports in 7 countries, as well as airframe and component services on some of the most advanced and widely used commercial aircraft in the world. Apart from MRO services, SIAEC also offers a comprehensive and integrated suite of solutions under its fleet management services.

The 26 subsidiaries and joint ventures with original equipment manufacturers and strategic partners in Singapore, Hong Kong, Indonesia, Japan, Philippines, United States, Vietnam and Thailand increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 25 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States, Europe, China and other countries.

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