



**PROFIT GUIDANCE FOR THE SECOND QUARTER AND
HALF YEAR ENDED 30 SEPTEMBER 2020**

SINGAPORE, 28 October 2020 - SIA Engineering Company Limited (“SIAEC”) wishes to provide the following updates and profit guidance for the unaudited consolidated financial results for the second quarter and the half year ended 30 September 2020 (“1H FY2020-21”).

The COVID-19 pandemic continues to have an unprecedented adverse impact on the aviation industry and consequently on the MRO business; all segments of the Group were impacted during the first half of the financial year as low flight activities resulted in low work volume.

The Group carries out periodic reviews to assess the recoverable amounts based on expected future cash flows of cash-generating units with indication of impairment. Due to significant decline in hangar revenue projections brought about by lower flight hours; large number of aircraft taken out of operations and parked; and the likelihood that some of the parked older generation aircraft will not return to operation, the Group will be recognising a non-cash impairment provision against its base maintenance unit’s assets and is working on finalising the quantum of impairment, which is expected to have a material impact on the Group’s financial results for 1H FY2020-21.

The Group is in the process of finalising its unaudited consolidated financial results for 1H FY2020-21 which will take into account the assessment mentioned above. SIAEC will closely monitor the situation and provide further update(s) as and when there are material developments in accordance with the listing rules of SGX. The Group expects to release its financial results in early November 2020.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

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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 34 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 25 subsidiaries and joint ventures with original equipment manufacturers and strategic partners in Singapore, Hong Kong, Indonesia, Japan, Philippines, United States and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 26 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States, Europe, China and other countries.

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