SIA ENGINEERING COMPANY LAUNCHES TRANSFORMATION PHASE 2 PROGRAMME TO ENHANCE COMPETITIVENESS AND RESILIENCE POST-COVID-19

- Builds on success of Transformation Phase 1 Programme
- Investments of over S$40 million planned over the next three years in Digitalisation, Automation and Lean
- Strengthen culture of continuous improvement through Lean methodology and capability development

Singapore, 20 January 2021 - SIA Engineering Company Limited ("SIAEC" or the "Company") today announced the official launch of Phase 2 of its Transformation Programme, with guest of honour, Minister for Transport Mr Ong Ye Kung, officiating the launch ceremony.

Transformation Phase 2, with the tagline "Power Up and Break Through", rides on the momentum of the ongoing transformation journey which SIAEC started in 2017. More than 100 initiatives were implemented under Transformation Phase 1, resulting in significant improvements in the Company's operating performance, measured by increased productivity and throughput, improved turnaround time and reduced operating costs.

In this Phase 2, SIAEC aims to build on the success of its Phase 1 efforts to boost its competitiveness to emerge stronger in the post-COVID-19 MRO (Maintenance, Repair and Overhaul services) landscape. With planned investments of S$40 million over the next three years, the Company is deepening and broadening the scope of its Transformation efforts in Phase 2 across the key technology areas of Digitalisation and Automation, as well as adoption of Lean methodology.

Through the transformation efforts, the Company seeks to create value for its customers and support the aviation community's recovery from the COVID-19 crisis. This involves optimising its operations processes through Lean methodology and digital tools, and developing new technology enabled products and services. At the same time, it aims to improve staff expertise through continual re-skilling and upskilling, and promote a culture of continuous improvement.

Some of the transformation initiatives undertaken by SIAEC in Phase 2 include, amongst others:

- Line Maintenance Lean Pilot Project on Boeing 787 A checks, which improved the turnaround time for the check by 25%.

- Investment and development of an engine lifter for aircraft engine change, which will automate the lifting and lowering of engines, and help workers who have less physical strength. It is expected to reduce required manpower and turnaround time by 50% for changing the engines of wide body aircraft.
- Introduction of SMART MX, a one-stop mobile app for engineers to access information on-the-go, update aircraft serviceability statuses, and enable decision support to efficiently carry out operational tasks at Line Maintenance.
- Continual re-skilling and upskilling of staff at the SIAEC Training Academy to enhance their agility and adaptability for cross deployment, and equipping them with Lean and digital skillsets.

"The unprecedented impact of the COVID-19 pandemic and the resultant severe disruptions to the aviation industry have made it even more imperative that we press on with the next phase of SIAEC's Transformation journey to strengthen our resilience and agility, while positioning us to be first off the blocks when the upturn comes around. With the launch of Transformation Phase 2, we will strive to be more productive and innovative and emerge from this crisis with enhanced competitiveness. We will support our staff through digital training and equip ourselves with digital tools that enable real-time sharing of information and data-driven decisions," said SIAEC Chief Executive Officer, Mr Ng Chin Hwee.

"As a member of the Changi aviation community, we are cognizant of the strategic importance of Changi's air hub to Singapore's people and economy. Through our transformation efforts, we can, as a member of the aviation ecosystem, better tackle the challenges of the post-COVID-19 world and play an integral role in restoring and preserving Changi's air hub status."

* * * * *

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 29 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 23 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.

For more information, please contact:
Ms Tan May Lyn
Manager Corporate
SIA Engineering Company Limited
Tel: (65) 6548 1157
E-mail: maylyn_tan@singaporeair.com.sg