



**GROWING
SUSTAINABLY**



**ANNUAL GENERAL MEETING
Presentation by CEO
21 July 2022**

Airline Economics MRO of the year (Asia-Pacific) for 2021 and 2022



FY21/22 At a Glance

On the path to recovery



- **Slow but steady recovery of flights**

- Gradual pace of recovery of flights, with stronger pick up in the second half

- **Group recorded a net profit**

- Underpinned by government wage support

- **Prudent cost management**

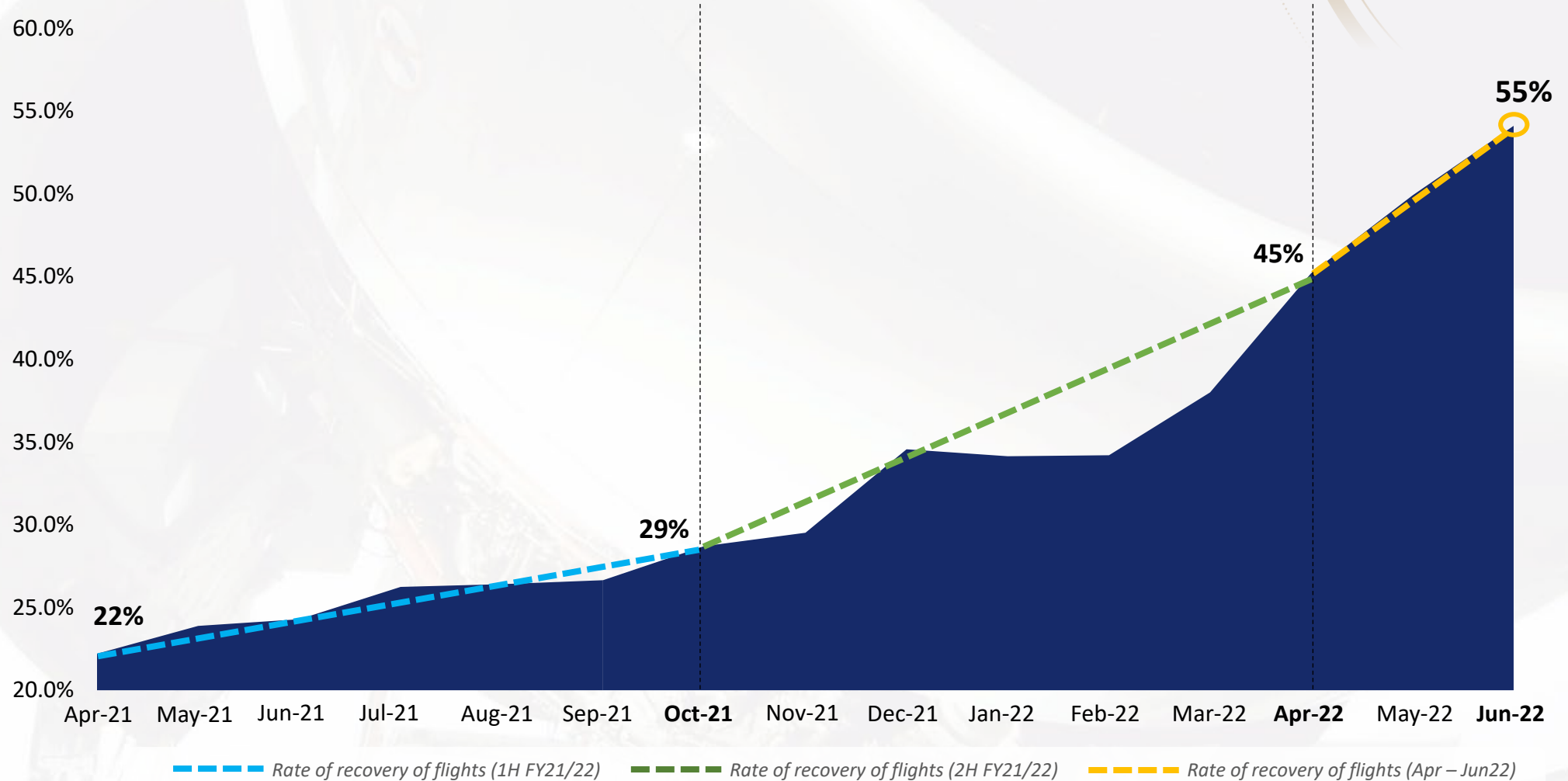
- Ramped up manpower recruitment to manage the projected rise in business recovery, while prudently managing the increase in costs

Outlook

Promising pace of recovery



Flights handled by SIAEC Line Maintenance (% of pre-Covid levels)

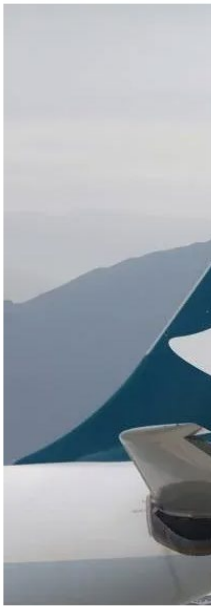


Outlook

Airlines increasing flights and restoring aircraft for return to service

Cathay Pacific bringing back more planes to restore Hong Kong hub

PUBLISHED JUN 21, 2022



Cathay Pacific has 45 passenger aircraft on order.

Air New Zealand ramping up capacity as travel demand recovers

PUBLISHED JUN 20, 2022



The New Zealand national carrier is operating at 50 per cent of international and nearly 100 per cent of pandemic domestic capacity, CEO Foran said. PHOTO: REUTERS

Singapore Airlines Pulls Another Airbus A380 Out Of Desert Storage

The A380 continues its modest 2022 comeback with another reactivation.

BY CHRIS LOH

PUBLISHED JUL 03, 2022



Photo: Kevin Hackert via Flickr



Jetstar Asia to add 11 weekly regional flights from Singapore in June

PUBLISHED JUN 02, 2022



popular nearby destinations of Bali, Da Nang, Manila, Penang, Phuket and Phnom Penh. PHOTO: ST FILE

Outlook

Challenges remain



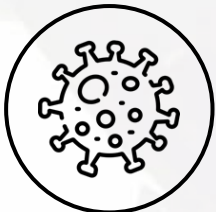
Tapering off of government wage support

- Recognition of wage support will end in July 2022



Macroeconomic factors

- Economic fallout arising from the Russia-Ukraine conflict, leading to inflation in global markets and rising operating costs
- High risk of recession
- Supply chain woes



Potential new variants or unexpected surge in infections

- New variants, if stronger and resistant to existing vaccines, could affect border restrictions
- Slow recovery in North Asian region over uncertainty with China, showing little signs of relaxing its zero-COVID strategy

Transformation Phase 2

Gaining Momentum

Scaling Up **Lean**



Increased
Productivity



Job
enrichment

Advancing **Digitalisation** and **Technology**



Improved aircraft
availability



Time saved for
customers

Sustaining an **Innovation Culture**



Greater value
to stakeholders



Strengthened
partnerships

Sustainability



Environment



Net Zero by 2050

Commitment to achieve net zero carbon emissions by 2050. Interim targets for 2030 will be set after review.



Sustainable Aviation Fuel

Successful trial conducted on engine tests at test cell facility, with 32% lower carbon emissions compared to conventional fossil fuels



Electrification

Trial of electric vehicles in operational environment completed. Plan underway to scale up adoption of electric tractors in FY22/23



Facilities

Two of our hangars have been Certified Green Mark (**Platinum, Super Low Energy Building**) and PUB **Water Efficient Building**



Recycling

Subsidiary in Philippines signed an agreement with an aircraft part-out specialist, to provide **sustainable, end-to-end aircraft recycling solutions**

Sustainability

Social



Training

In our focus to upskill our employees despite the downturn, we have continued to exceed our training hours per employee



Engagement

Continual engagement with adopted charity organisations to create positive impact to community and raise environmental awareness

❖ *Community projects, upcycling workshops, beach clean-ups*



Safety

Signatory of the Civil Aviation Authority of Singapore's Charter for a Strong and Positive Safety Culture



SIAEC ranked in the **top 200 of Singapore's Best Employers 2022** by The Straits Times and global data firm Statista

Governance



Establishment of the **Board Sustainability Committee**



Appointment of Chief Sustainability Officer to focus and advance Sustainability agenda within the organisation



Improvement in ESG scores of sustainability ratings agencies

Growth Plans and Achievements

Expand breadth and depth of services



Engine Services



- Growth in engine services business with new contracts and investments in **new capabilities and facilities**
- Opened our engine Quick Turn facility on 18 Feb 2022, with first LEAP-1B engine induction in May

Component Services



- Formation of Component Services Division to grow component MRO business and **broaden repair capabilities** for new generation aircraft
 - Acquired 75% stake in SR Technics Malaysia to form an MRO Joint Venture (JV)
 - Signed a Memorandum of Agreement (MOA) with Honeywell for the licensing of repair capability for the Air Data Inertial Reference Unit (ADIRU) on Boeing 737 and 787 aircraft

Line Maintenance



- Expansion of Line Maintenance International (LMI) network
 - Korea: JV with Air Innovation Korea
 - Malaysia: JV with Pos Aviation Engineering Services

Base Maintenance



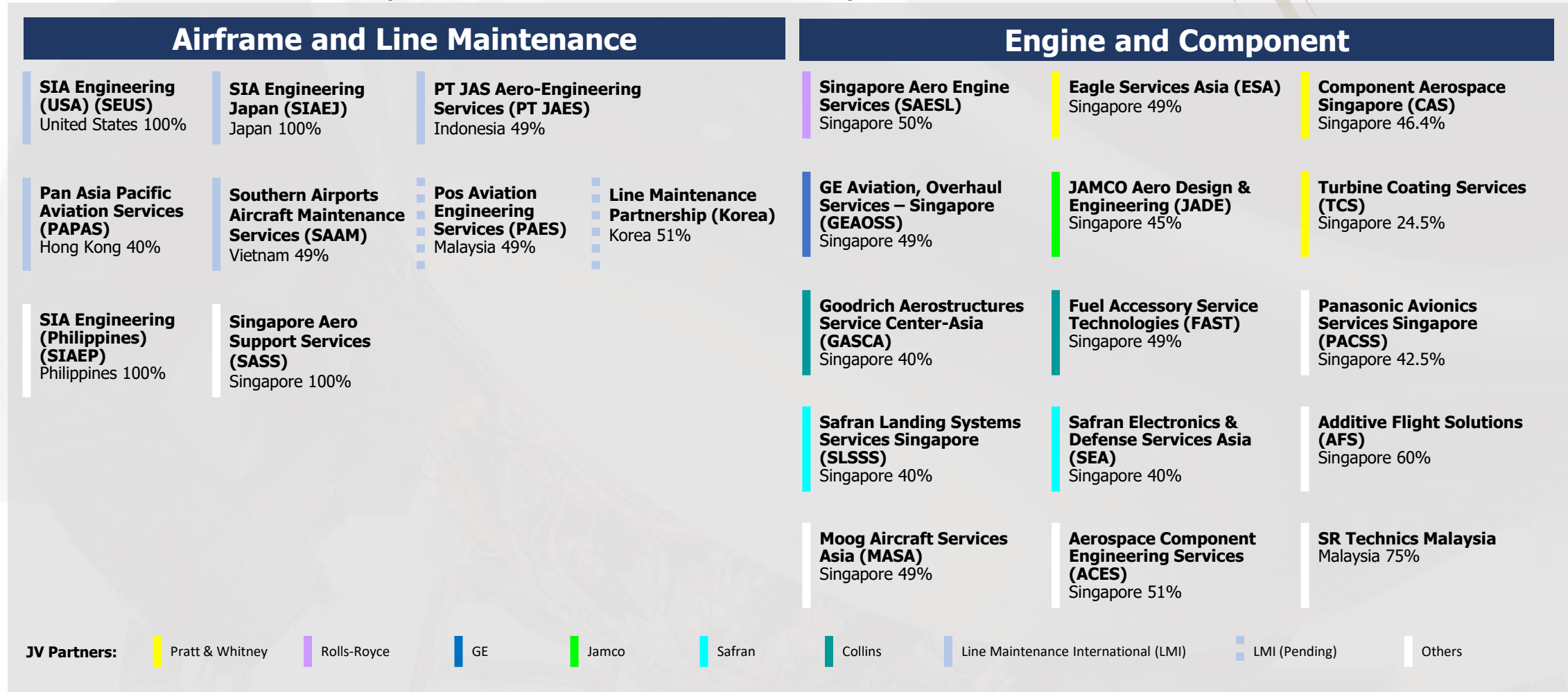
- Signed a non-binding Memorandum of Understanding with Impeccable Vintage Properties (a wholly-owned subsidiary of Malaysia's sovereign wealth fund Khazanah Nasional Bhd) to potentially lease two hangars in Subang, Malaysia
- **Expansion of our regional base maintenance network**, complementing other acquisitions in the region

Strategic Partnerships – JV Portfolio

Reshaping and strengthening portfolio in alignment with strategic goals



22 JVs Across 8 Countries (Total Revenue in FY21/22: S\$4.8B)





Thank you

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