



SIA ENGINEERING GROUP BUSINESS UPDATES FOR 1st QUARTER FY2025-26

BUSINESS UPDATES

The Group continued to see higher demand for its Maintenance Repair and Overhaul (“MRO”) services for the first quarter of FY2025-26. Flight volumes across our Line Maintenance network grew year-on-year, with 3.5% more flights handled in Singapore during the quarter compared to the same period last year.

At Base Maintenance in Singapore, aircraft maintenance check volumes remained healthy. Startup activities are progressing well at Base Maintenance Malaysia and the first of the two hangars in Subang is on track to come onstream by the end of this calendar year.

Operations at our new line maintenance joint venture in Cambodia are expected to commence in the second half of 2025.

The Group will continue to incur start-up and development costs as we ramp up capacity and capabilities, which will better position us to meet growing demand and tap new opportunities.

During the quarter, we renewed the Comprehensive Services Agreements with Singapore Airlines and Scoot to provide a broad spectrum of MRO services. These agreements, which took effect on 1 April 2025, are valued at an estimated \$1.3 billion and cover a term of two years, with an option to extend by an additional year. At the same time, our 55%-owned subsidiary, JADE Engineering, secured a contract for Boeing 777 cabin retrofit services.

During this period, we continued to implement our new Enterprise Operating System across more business units, complemented by the integration of digital solutions to enhance productivity and efficiency.

OUTLOOK

The sustained growth in passenger traffic, especially in Asia-Pacific, is expected to continue to drive MRO demand. However, we remain vigilant to the challenges arising from the broader macroeconomic environment, such as heightened geopolitical tensions, tariff and trade policy developments, and ongoing supply chain issues.

We remain focused on our strategic priorities of expanding our presence in Asia-Pacific, expanding capacity and capabilities for next-generation aircraft, and enhancing our core services to deliver greater value to our customers.

GROUP FINANCIAL PERFORMANCE

Group revenue for the first quarter of FY2025-26 grew 33.4% year-on-year to \$358.4 million. Group expenditure rose at a slightly slower rate of 32.0% to \$353.3 million, mainly due to higher material and manpower costs.

As revenue grew at a faster pace than expenditure, the Group recorded an operating profit of \$5.1 million, an improvement of \$4.1 million year-on-year.

Share of profits from associated and joint venture companies for the quarter was \$37.8 million, an improvement of \$9.8 million (+35.0%) year-on-year. The Engine and Component segment and the Airframe and Line Maintenance segment contributed to the improvement by \$9.5 million and \$0.3 million, respectively.

The Group recorded a net profit after tax of \$42.9 million for the quarter ended 30 June 2025, \$9.7 million (+29.2%) higher year-on-year.

As of 30 June 2025, equity attributable to owners of the parent was \$1,726.1 million, an increase of \$5.7 million (+0.3%) from 31 March 2025, mainly due to profits earned during the period, partially offset by a decrease in the foreign currency translation reserve.

Total assets as of 30 June 2025 stood at \$2,147.7 million, \$6.3 million (+0.3%) higher than 31 March 2025.

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GROUP FINANCIAL STATISTICS

	1Q25/26 (\$'M)	1Q24/25 (\$'M)
Financial Results		
Revenue	358.4	268.7
Operating profit	5.1	1.0
Share of profits of associated and joint venture companies, net of tax	37.8	28.0
Net profit	42.9	33.2
Per Share Data		
Earnings after tax (cents) - basic ^{R1}	3.84	2.96
- diluted ^{R2}	3.82	2.95
	As at 30 Jun 2025 (\$'M)	As at 31 Mar 2025 (\$'M)
Financial Position		
Share capital	420.0	420.0
Treasury shares	(14.8)	(14.9)
Capital reserve	(0.1)	(0.1)
Share-based compensation reserve	8.1	6.9
Foreign currency translation reserve	(74.2)	(29.2)
Fair value reserve	4.5	(2.0)
Equity transaction reserve	(2.2)	(2.2)
General reserve	1,384.8	1,341.9
Equity attributable to owners of the parent	1,726.1	1,720.4
Cash and bank balances	674.3	663.4
Receivables ^{R3}	228.3	227.9
Total assets	2,147.7	2,141.4
Total liabilities	400.5	399.9
Net asset value per share (cents) ^{R4}	154.4	153.9
Return on equity holders' funds (%) ^{R5}	8.7	8.2

COMPANY OPERATING STATISTICS AT SINGAPORE BASE

	1Q25/26	1Q24/25
Flights handled at Changi Airport by line maintenance	39,458	38,119
Number of heavy checks performed at Singapore base	23	18
Number of light checks performed at Singapore base	147	171
Fleet size managed by inventory technical management business	166	187

R1 Earnings after tax per share (basic) is computed by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares in issue less treasury shares.

R2 Earnings after tax per share (diluted) is computed by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares in issue less treasury shares, after adjusting for the dilutive effect on the vesting of all outstanding performance shares, restricted shares and deferred shares granted to employees.

R3 Receivables comprises trade receivables, contract assets, amounts owing by immediate holding company and amounts owing by related parties.

R4 Net asset value per share is computed by dividing equity attributable to owners of the parent by the number of ordinary shares in issue less treasury shares.

R5 Return of equity holders' funds is profit attributable to the Company expressed as a percentage of the average equity holders' funds.