(Incorporated in the Republic of Singapore)

Annual General Meeting ("AGM") to be held on 23 July 2026
Responses to Questions from Securities Investors Association (Singapore) ("SIAS")

SIA Engineering Company Limited ("SIAEC" or "the Company") refers to the Company's Notice of AGM dated 24 June 2026 released on SGXNet and the Company's corporate website on 24 June 2026. The Company has not received any queries or questions from shareholders related to the resolutions to be tabled for approval at the AGM to be held on 23 July 2026, at 10.00 a.m.

SIAEC has, however, received questions from SIAS on SIAEC's Annual Report FY2025/26 sent in advance of the Company's AGM. SIAEC would like to thank SIAS for its questions. Please refer to the Appendix for our responses to the questions raised by SIAS.

SIA Engineering Company Limited 44th Annual General Meeting
Responses to Questions from SIAS

1. For the financial year ended 31 March 2026, revenue increased by 14.3% year on year to $1.42 billion, while net profit rose by 21.0% to $168.9 million. The stronger performance was driven by higher flight volumes, increased maintenance activities, rate increases, heavier aircraft check content, and higher engine and component deliveries.

   Despite the topline recovery, core operating profit, while improved to $29.4 million, remains significantly below pre-COVID levels.

   (i) Can management help shareholders understand whether this reflects structural changes in the Maintenance, Repair and Overhaul ("MRO") industry, changes in the group's business mix, pricing dynamics, labour costs, or other factors, and what initiatives are underway to restore profitability to historical levels?

   The Group's reported core operating profit of $29.4 million included significant one-time items, including investments made to support future growth, namely the gestation costs of two new subsidiaries (Base Maintenance Malaysia and TIA Engineering Services) and IT system implementation costs (migration of our legacy SAP Enterprise Resource Planning platform to the new SAP S/4HANA platform) that did not qualify for capitalisation under accounting standards, as well as a $4.0 million impairment provision for an underperforming long-term contract. Excluding these non-recurring costs, the Group's underlying core operating performance was comparable to pre-COVID years.

   We have also been building up our CFM LEAP ("LEAP") engine maintenance capabilities, beginning with our LEAP engine Quick Turn facility, i.e. Aircraft Engine Services, which involved investment costs in the early stages of the capability development curve. To further advance our LEAP capability, we recently announced the formation of a joint venture ("JV") with Safran Aircraft Engines to establish a full-fledged LEAP engine MRO shop in Singapore.

   These investments are in line with our continued focus to drive sustainable long-term growth and financial performance via three strategic priorities: (i) expanding our presence across Asia-Pacific; (ii) increasing capacity and enhancing MRO capabilities (particularly for next-generation aircraft and engines); and (iii) strengthening our core business to build operational resilience, agility and competitiveness.

   (ii) The group recognised a provision of $4.0 million for an onerous contract. **Can management provide greater context on the nature of this contract, the factors that led to the provision, and the specific operational or commercial actions being taken to improve profitability?**

   This multi-year aircraft component support contract had commenced in 2024. All long-term contracts are subject to regular internal performance reviews and contract profitability tests that are in accordance with applicable accounting standards. The contract's performance had fallen below original projections and was in a loss position. Although the Company had implemented measures to improve the contract's financial performance, these initiatives were expected to take time to deliver results. Accordingly, in performing the contract profitability assessment, the Company adopted prudent assumptions regarding the timing and extent of the expected recovery, which resulted in the recognition of an impairment provision. Since making the provision in the first half of FY2025/26, the contract has performed in line with the projections and no additional impairment provision has been required.

(iii) The group entered the China MRO market by taking a 30% equity stake in Arport Aircraft Maintenance and Engineering (Fujian) and forming a new joint venture. **Can management provide greater clarity on the group's China market entry strategy? What is the long-term strategic roadmap for the world's second-largest aviation market and what capabilities or competitive advantages give management confidence that the group can build a meaningful and profitable presence in China?**

As presented at our last AGM in July 2025, one of our strategic growth pillars is to expand our geographical footprint across Asia-Pacific, including China. This is our first direct investment in China. Given the size of the market and the country's growing aircraft fleet, we see the potential to grow our MRO presence in China going forward. The immediate focus is to support and work with our partner, Xiamen Iport Group, to ensure a smooth transition of line maintenance operations at Xiamen Gaoqi Airport to the new Xiang'an Airport, which is expected to open by the end of this year, as well as the successful operational commencement of a new hangar at the new airport under our JV, Arport Aircraft Maintenance and Engineering (Fujian). Besides base maintenance and line maintenance, we will continue to identify growth opportunities in other MRO business segments in China. We intend to leverage our MRO expertise and experience, together with our strategic alliances with key original equipment manufacturer ("OEM") partners, to build capabilities especially for the next generation aircraft and engine platforms to support our airline customers.

(iv) Can management outline the commercial structure of the strategic partnership with Air India for the development of its base maintenance facility in Bangalore, including the group's capital commitment, expected revenue contribution, and target returns? What contractual or governance mechanisms are in place to ensure the partnership meets the group's profitability thresholds?

The existing strategic partnership for the development of Air India's hangars in Bangalore is based on agreed commercial terms without any equity involvement from SIAEC at this point. We do not provide information on such commercial terms.

Separately, we recently announced that we have entered into a Memorandum of Understanding ("MOU") with Air India to explore collaboration opportunities in MRO to support the development of India as a global aviation MRO hub. This collaboration, which could potentially include the formation of an MRO JV in India or other forms of partnerships, is to serve the increasing needs of the Indian and regional aviation markets. At this point, we would like to reiterate that no definitive or binding agreements have been entered into or reached by SIAEC in respect of the matters contemplated by the MOU, and there is no assurance or certainty that such agreements will be entered into or reached or that such matters will be proceeded with. Shareholders may refer to the announcement posted on SGXNet on 3 July 2026 for more details.

2. On 16 January 2026, SGX RegCo issued a Regulator's Column on forward guidance, in which the regulator strongly encouraged issuers to provide meaningful forward-looking disclosures.

   SGX RegCo noted that forward-looking information consistently ranks highly among the information sought by investors, including institutional investors and research analysts, particularly regarding anticipated earnings and management's strategy for achieving those outcomes. The regulator also clarified that forward guidance does not require auditor sign-off and that issuers are not expected to update guidance immediately for every change in circumstances. Issuers should nevertheless make timely announcements in accordance with existing listing rules relating to material information and price-sensitive developments.

   SGX RegCo also highlighted that forward guidance should be viewed as a means for companies to signal confidence, build credibility with investors, and potentially support long-term shareholder value, rather than as a compliance exercise.

   The Regulator's Column can be accessed here:
   https://www.sgxgroup.com/media-centre/20260116-regulators-column-forward-guidance-why-it-matters-and-how-get-it

   (i) Given SGX RegCo's encouragement of forward guidance and its view that such disclosures can enhance investor confidence and credibility, has the board considered and/or formally evaluated the adoption of a structured forward guidance framework for FY26/27 to provide shareholders with greater visibility on the group's outlook, performance, key operating assumptions, and strategic priorities? If not, why not?

   The Board is cognisant of SGX RegCo's observations on the value of meaningful forward-looking statements in enhancing transparency, investor understanding and market confidence, and regularly reviews its investor communication and disclosure practices.

   Given the nature of the aviation MRO industry, the Group's operating performance can be materially influenced by a range of external factors that are not entirely within its control, including aircraft fleet deployment and utilisation, customer maintenance schedules, scope of heavy maintenance and engine shop visits, OEM supply chain conditions, foreign exchange movements and broader geopolitical and macroeconomic developments. These factors may materially affect the timing of revenue recognition and profitability from one reporting period to another, and could reduce the reliability and usefulness of quantitative forecasts. Given these uncertainties, the Group has not adopted a formal quantitative forward guidance framework for FY2026/27 at this juncture.

Instead, the Board believes it is more appropriate to provide shareholders with meaningful and transparent disclosures on the Group's business outlook, market conditions, principal risks, strategic priorities and key business and operational developments through its annual reports, financial results announcements and other SGXNet announcements, including voluntary business updates for the first and third quarters of the financial year, which aim to enable shareholders to understand the factors expected to influence the Group's performance and strategic direction.

The Board will continue to review its disclosure practices in light of evolving regulatory expectations and investor feedback, and remains committed to providing timely, balanced and meaningful disclosures that comply with the SGX Listing Rules and support informed investment decisions.

3. As disclosed in the corporate governance report and resolution 3 of the notice of AGM, Mr Tang Kin Fei will stand for re-election. If re-elected, Mr Tang Kin Fei will be redesignated as a non-independent director and continue to serve as the chairman of the board[1].

   The board and the nominating committee (NC) are of the view that it is in the company's interests for Mr Tang Kin Fei to continue serving on the board to provide continuity and strategic guidance, and to allow the company to benefit from his business acumen and valuable insights.

   As at 31 March 2026, the NC comprised Mr Tang Kin Fei (chairman), Ms Chong Chuan Neo (independent director) and Mr Tan Kai Ping (non-executive, non-independent director). Mr Lim Sim Seng was subsequently appointed to the NC on 8 April 2026.

   (i) Would the NC elaborate on how it deliberated and arrived at its recommendation to redesignate and re-elect Mr Tang Kin Fei, given that the director is the chairman of the NC?

   As part of good governance, each director recuses himself or herself in all matters in which he or she may have an interest or conflict of interest. Mr Tang had recused himself from the Nominating Committee's discussion, evaluation and decision-making relating to his redesignation and re-election.

   The remaining members of the NC had deliberated and arrived at its recommendation to the Board for the redesignation and re-election of Mr Tang, after:

   (a) reviewing the composition of the Board; the current mix of expertise, skills, knowledge, qualification, experience, geographical expertise and experience, attributes and other aspects of diversity such as gender and age as well as the Board's succession planning considerations; and

[1] Dr Rajendran Thampuran, Mr Wee Siew Kim and Mr Tang Kin Fei were appointed to the board on 1 September 2016, 8 May 2017 and 8 May 2017, respectively. Dr Rajendran Thampuran retired with effect from 30 May 2025 after serving on the board for almost nine years. Similarly, Mr Wee Siew Kim will be retiring from the board on 23 July 2026 after the conclusion of the annual general after serving on the board for more than nine years.

(b) taking into account Mr Tang's experience, expertise, competencies, leadership, attendance, preparedness, participation and candour at Board and Board committee meetings.

(ii) What governance considerations led the board to conclude that the benefits of retaining a non-independent chairman outweigh the governance advantages commonly associated with an independent chairman?

The Board and the NC had carefully considered Mr Tang Kin Fei's continued appointment as Non-Independent Chairman, taking into account the Company's governance framework, Board composition, succession planning and the Group's strategic priorities.

In its deliberations, the NC and the Board considered that an effective Board is one that is optimally structured to guide the business through its strategic priorities and evolving operating environment. While independence and diversity are important attributes that contribute to effective Board oversight and decision-making, they should not be viewed as rigid constraints. Rather, the Board considers these attributes alongside the collective skills, experience, industry knowledge and leadership capabilities required to ensure that the Board remains effective and well positioned to create long-term value for shareholders.

The NC and the Board assessed and concluded that Mr Tang has provided strong and effective leadership, guiding SIAEC through several pivotal phases. This includes driving the Company's Transformation initiatives, navigating the unprecedented challenges arising from the COVID-19 pandemic, maintaining focused oversight of continuous improvement and strengthening operational excellence through the rollout of the Company's proprietary Enterprise Operating System ("EOS").

The Board also noted that the Group is currently executing several significant strategic initiatives, such as establishing its base maintenance operations in Malaysia and expanding its presence in the high-growth aviation markets of China and India. These initiatives will shape the Group's long-term growth trajectory and require continuity of strategic oversight, deep industry knowledge and an understanding of the Group's business, partnerships and operating environment. The Board believes that Mr Tang's extensive experience, strategic perspective and institutional knowledge remain valuable in guiding the Group during this time.

The Board is satisfied that appropriate governance safeguards are in place. Mr Tang will, subject to his re-election as a Director, be re-designated as a Non-Independent Chairman and Mr Lim Sim Seng, an Independent Director and the Deputy Chairman (who is also retiring from office at the AGM) will, upon his re-election, be appointed as the Lead Independent Director. The Lead Independent Director will provide leadership in situations where the Chairman is conflicted, and will be available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

The Board also comprises a majority of Non-Executive and Independent Directors, and key Board Committees (including the Audit Committee, Nominating Committee and Compensation & HR Committee) will continue to be chaired by and comprised predominantly of Independent Directors.

Having considered these factors, the NC and the Board concluded that retaining Mr Tang as Non-Independent Chairman is in the best interests of the Company and its shareholders, as it enables the Board to continue benefiting from his leadership and experience while maintaining robust governance practices. The Board will continue its Board renewal and succession planning efforts to ensure that its composition remains appropriate to support the Group's long-term strategy and evolving business needs.