# MAIA

Malaysia Aerospace Industry Association

SERVING MALAYSIA'S AEROSPACE INDUSTRY

## and Edition 2023 MALAYSIAN AEROSPACE NEWSLETTER

### FROM THE DESK OF THE EXECUTIVE OFFICE



The global aerospace industry has, as expected, recovered rapidly since the pandemic in spite of various current geopolitical issues. With international borders and economies open, Malaysia according to various research, is expected to be the first country in Southeast Asia to see its air travel industry fully recover. In support of this, Malaysia Airports recorded 56.1 million passenger movements during the first half of this year, reaching 82% of 2019 prepandemic levels over the same corresponding period.

With this growth there has been intensified local competition. Air Asia has rapidly reintroduced into service a significant number of its once parked aircraft, whilst newcomer MyAirline plans to expand its A320 fleet to 20 aircraft by year-end. The airline is also committed to taking its first A330 and seeking to have 5 A330s by early next year. Batik Air Malaysia also a new A330 operator is expanding its 737 MAX 8 fleet whilst Malaysia Airlines later this month will take delivery of its first 737 MAX aircraft. Nonetheless, in a recent Asian Development Bank (ADB) study it was considered that potential growth could be yet further improved through enhanced connectivity and improved infrastructure with incentives to enable operation of smaller aircraft into new routes.

The requirement for new aircraft is being seen globally. There are now over 4000 737s on backlog with an average lead time of 5.7 years. The Airbus A320 Neo backlog exceeds 6,000 units, with an average lead time of 5.2 years This increased demand can also be seen with commercial helicopters driven both by replacement of older fleets and economic growth. The same is for business jets which was a central theme of the MAIA co-promoted Asian Sky Corporate Aircraft forum held in Kuala Lumpur earlier this year.

The global supply chain is finding it challenging to keep pace with this demand for new aircraft as well as the associated increased repair activity. This is particularly so due to the fact that many suppliers terminated operations resulting from the impact of the pandemic and company restructuring. The current situation has been further exacerbated by the challenges in supply of specialist raw materials and the need for high-value aerospace engineering skills, which together with inflationary pressures is leading to rising aircraft and component costs across the industry. This is also impacting the MRO sector.

In terms of trade performance, Malaysia's aerospace industry had total trade of RM24.04bn in 2022, with exports growing by 9.1% to RM6.32bn from RM5.79bn in 2021. However, for Malaysia to become the leading aerospace nation in Southeast Asia and be fully integrated into the global supply chain in both MRO and manufacturing requires increased investment in a number of areas.

Whilst needing to consistently meet customer expectations in respect of quality, delivery and price we need to embrace digitalisation and new technologies and maintain our focus on safety, ensuring sufficient oversight compliant with international standards. We also need to recruit qualified personnel which is the reason behind MAIA's renewed focus on developing an apprenticeship framework and ensure our continuous reskilling and upskilling of employees. In June, MAIA held a joint forum with HRDC where the focus was on the key skills sets required to advance our industry. This review led to several actions which are currently being followed up and will be presented to you shortly.



Importantly we also need to focus on sustainable practices to meet the increasing demands for decarbonisation of our industry. This provides both an opportunity and a challenge for Malaysia. With the demand for environmentallygrowing friendly aircraft. engines, fuels and supporting technology, we need to explore closer collaborative international At the recently held Paris partnerships. Airshow this subject was a key theme not only in the area of sustainable air travel but also the need to seek sustainable alternatives in methods and practices across all segments of our business.

MAIA was pleased to participate in the Matrade led mission to the Paris Airshow along with a large number of our members. Whilst a number of meetings were held with many global aerospace associations and with leading OEMs and suppliers, of particular note was the signing of two MoUs with Aerospace Defence and Space (ADS) UK and also as a founding partner of the Global Aerospace Cluster Partnership. Both of these agreements will greatly assist the promotion of our industry abroad. Other participants at the Airshow included NAICO, MIDA, Invest Selangor Bhd, Iskandar Regional Development Authority, Negri Sembilan Corporation and Pahang State Secretary Incorporated all supporting the promotion of Malaysia as an aerospace hub.

The Airshow featured a considerable number of exhibitors of new electric. hybrid-electric and hydrogen-powered regional air mobility air mobility platforms and the first flight of an eVTOL aircraft at a major international trade event. This demonstrated the level of innovation that the sustainability challenge has precipitated. The ADB report mentioned earlier advised that Southeast Asian countries should further promote the development of drones and electric vertical takeoff and landing aircraft and put in place infrastructure and policies that facilitate their use in transporting both cargo and passengers. Further insights into this important subject can be found later in the newsletter with an

interview held together with Kamarul, the Founder and Group CEO of Aerodyne Group, the largest drone service provider globally. We have also provided this interview as a podcast on both Spotify and Soundcloud.

Over the past months MAIA has been further actively promoting the Malaysian aerospace industry both regionally and globally. At LIMA 23, MAIA arranged an aerospace forum together with MIDA and NAICO and a joint forum with our French counterparts GIFAS. Our staff also attended events organised by Team Defence Australia and met with the Italian, US and UK pavilions, SAHA Turkey, Italian Aerospace and Defence Federation as well as attending many meetings together with our members. At this event we also signed MoUs with LeadWomen to support diversity and inclusion within our industry and the Technology Depository Agency (TDA) to support Industry Collaboration (ICP) Programs as well as holding separate meetings with NAICO, MIDA, Matrade, MiGHT, MASIC and MIDF.

More recently MAIA successfully held our Annual General Meeting where TDA presented on the opportunities to advance our industry through various ICP initiatives and where our President, Naguib was able to provide an overview of all MAIA activities and initiatives undertaken over the past year. Moving forward MAIA plans to hold more events for our members including active engagement in various regional drone events, organising webinars covering digitalisation and sustainability drones, issues, participation at SAS23 where MAIA will have our first ever members pavilion as well as attendance at MRO APAC in Singapore and Aeromart Nagoya with the support of METI Japan and NAICO. We will also be holding members networking increasing our technical subevents, committee activity and we are currently working on plans to hold an annual dinner.

As an association we look forward to your continued participation as we work together not only our growth and market access but also advance our capabilities.



## CONTENTS

01 MALAYSIA AEROSPACE INDUSTRY HIGHLIGHTS					
	Matrade, NAICO Spearheads Malaysia Pavilion at Paris Airshow 2023 [here]				
	MITI Launches MyAero Center and AS9100 Certification [here]				
	<ul> <li>Aerospace Sector Has Secured RM5.7 Bln Manufacturing Jobs In Less Than Two Years [here]</li> <li>LIMA'23: Malaysia To Venture Into Aerospace Grade Material Production — MITI[here]</li> <li>Malaysia Approves Subang Airport Redevelopment Plan [here]</li> </ul>				
Angkasa-X Launches A-SEANSAT-PG1 Satellite, Paving the Way for Space Tech Advancement [here]					
02 GLOBAL AEROSPACE INDUSTRY HIGHLIGHTS					
	• IATA – Int'l RPK and ASK growth realign, restore load factors [here]				
	Southeast Asia's Space Race Chases Wins In Tourism, Communications [here]				
	New Bill Could Curtail Offshoring U.S. Aircraft Maintenance [here]				
Airbus Deliveries Rose 11% in First Seven Months [here]					
	Embraer Optimistic About Quarters Ahead As Q2 Profit Blows Past Estimates [here]				
Airbus Net Profit Plunges As Deliveries Drop [here]					
03	WELCOMING MAIA NEW MEMBERS				
	Pos Logistics Berhad [here]     PartsBase Asia Sdn Bhd [here]				
	YCL Precision Engineering Sdn Bhd [here]     Subang MRO Sdn Bhd [here]				
	Safran Landing Systems Malaysia Sdn Bhd [here]     Vencast Sdn Bhd [here]				
	ECA Skytech Solutions Sdn Bhd [here]     Meatech ATC Sdn Bhd [here]				
	Alphaswift Industries Sdn Bhd [here]				
	Gah Hong Precision Sdn Bhd [here]				
	Meraque Group Sdn Bhd [here]				
04	MAIA PODCAST – DRONE INDUSTRY IN MALAYSIA WITH ENCIK KAMARUL A MUHAMED [here]				
05	MAIA RECENT EVENTS / ACTIVITIES [here]				
06	UPCOMING EVENTS 2023 [here]				
07	EVENT ADVERTISEMENT [here]				
08	MAIA ADVERTISEMENT [here]				



# 01

### MALAYSIA AEROSPACE INDUSTRY HIGHLIGHTS

### [Go back to Contents Page]



### Matrade, NAICO Spearhead Malaysia Pavilion at Paris Airshow

The Malaysia External Trade Development Corporation (Matrade) and the National Aerospace Industry Corporation Malaysia (NAICO) collaborated to spearhead the Malaysia Pavilion at the world's top aerospace and aviation event in Paris. In a statement, Matrade said the national pavilion showcased 14 Malaysian exhibitors, including companies, state investment promotion agencies, and the Malaysia Aerospace Industry Association (MAIA) at the 54th International Paris Airshow (IPAS) 2023.

"The Malaysian delegation demonstrated its commitment to sustainability, innovation, advanced manufacturing technologies, and to support the stability of the global supply chain," it said.

#### MITI Launches Myaero Center and AS9100 Certification

The Investment Trade and Industry Ministry today launched Malaysia Aerospace Centre of Excellence (MyAERO Centre) and the AS9100 Certification by SIRIM QAS International to propel the country's aerospace ecosystem development.

Its deputy minister YB Liew Chin Tong said the initiatives were aimed to attract high-quality investments in Malaysian aerospace industry while strengthening local supply chain as well as developing high-skilled talents.

"Development of a conducive ecosystem is vital in attracting more high-quality aerospace investments to Malaysia and to spur domestic direct investment.





Aerospace Sector Secured RM5.7 Bln Manufacturing Jobs

Malaysia's aerospace sector has secured RM5.7 billion worth of manufacturing contracts over the past 2 years to produce aircraft parts and components for various global customers after the economy gradually reopened in late 2021.

Investment, Trade and Industry Minister YB Tengku Datuk Seri Zafrul Aziz said these projects will provide more localisation and supply chain opportunities for small and medium-sized enterprises (SMEs), with a potential sub-contract value of RM1 billion.

"Additionally, more than 500 new high-skilled jobs will be needed to support these contracts over the next two years," he said in a statement.



1



Lima'23: Malaysia To Venture Into Aerospace Grade Material <u>Production — MITI</u>

The Ministry of Investment, Trade and Industry (MITI) said Malaysia will venture into aerospace grade material production for the global market, as well as into becoming a critical supplier of sustainable aviation fuel (SAF) in the long run.

Deputy Investment, Trade and Industry Minister Liew Chin Tong said MITI would continue to support other segments of the aerospace industry, such as the development of locally assembled seaplane and commercial drones for various operations.

#### Malaysia Approves Subang Airport Redevelopment Plan

According to local media outlet the *New Straits Times*, Transport Minister YB Anthony Loke says Subang airport will reach an annual capacity of eight million and will not compete with Kuala Lumpur International Airport. He stated that the aim is to develop Subang into a "premium airport" and a hub for private jet operations in addition to housing MRO facilities. He advised that the government will determine the type of aircraft as well as the type of destinations and slots given to airlines operating at Subang.

Details on the design and scope of the redevelopment will be revealed within a month. The return of scheduled jet-powered airliners into the city airport has been confirmed.





#### Angkasa-X Launches A-SEANSAT-PG1 Satellite

Today marks a significant milestone in Malaysia's space exploration journey as Angkasa-X successfully launched its first satellite, A-SEANSAT-PG1, also known as Penang1. The launch of this satellite not only signifies a major step forward for Malaysia's space technology ecosystem but also holds great potential for economic advancement, particularly for equatorial countries. Aligned with the 12th Malaysia Plan, the launch of A-SEANSAT-PG1 serves as a catalyst for national development and the nurturing of future talent in Malaysia. It aims to accelerate technological evolution through

It aims to accelerate technological evolution through innovation adoption and research and development efforts, in line with the nation's drive for progress.



## 02

### GLOBAL AEROSPACE INDUSTRY HIGHLIGHTS

### [Go back to Contents Page]

IATA – Int'l RPK and ASK growth realign, restore load factors

The latest Air Passenger Monthly Analysis highlighted the very positive developments achieved by the global air passenger industry over the first half (H1) of this year. Domestic passenger traffic has rebounded beyond prepandemic levels, fueled by robust demand across all regions. This resurgence was bolstered by the strong performance of major domestic markets, including the US and PR China. On the other hand, international traffic is still recovering, but at a rapid pace propelled by pent-up demand.

This year's higher load factors also signify improved financial health for airlines, a welcome development considering the current challenges faced by the industry and the broader global economy. Further restoration of traffic in the Asia Pacific region is likely to drive the industry-wide recovery in international air travel, given that airlines from the region performed 30% of international RPKs in 2019, the second-largest share, trailing behind European airlines with a 38% share in the same year

#### Southeast Asia's Space Race

A new space race is heating up in Southeast Asia, with Thailand and Vietnam pursuing business opportunities in communications satellites and space tourism. Thailand's Geo-Informatics and Space Technology Development Agency (GISTDA) plans to launch an industrial satellite from India in August that it jointly developed with the U.K. The project marks the first time Thailand has played a central role in the development of a satellite. Going forward, the country aims to design and manufacture satellites domestically, and plans to launch two or three home-made or jointly developed satellites within the next five years.





### New Bill Could Curtail Offshoring U.S. Aircraft Maintenance

U.S. MRO providers are increasingly challenged in recruiting and retaining new workers at affordable rates. One response to this challenge, used extensively since 2000, has been outsourcing heavy airframe maintenance to foreign repair stations, which can tap large and generally eager pools of workers at wages often lower than those paid in the U.S.

But a new bill introduced in the U.S. House of Representatives could make using foreign repair stations more difficult or expensive and, in some cases, impossible.







Airbus Deliveries Rose 11% in First Seven Months

Airbus deliveries rose 11% in the first seven months of the year to 381 airplanes, the European plane maker said. For July, deliveries stood at 65 aircraft, it said in a monthly commercial update. After a slow start to the year, deliveries have picked up in pace since May as Airbus targets 720 deliveries for the year. Airbus reaffirmed the delivery goal with half-year earnings last week but dropped an interim target for underlying

from around 47 now. Airbus also said it had booked 60 gross orders in July, including previously announced deals with Pegasus Airlines for 36 more jets and with Icelandair for 13 A321XLR, the plane maker's newest single-aisle model.

output of 65 narrow-body jets a month by end-2024, up

#### Embraer Optimistic As Q2 Profit Surpasses Estimates

Embraer shot past market estimates for secondquarter results, with its chief executive voicing optimism about upcoming quarters for the company. Francisco Gomes Neto said in an interview there is a "good chance" Embraer will deliver 80 or more commercial aircraft next year, up from a higher-end forecast of 70 in 2023, and return to a level of 100 or more by 2025, or 2026. The world's third-largest plane manufacturer - after Airbus and Boeing - last topped 100 deliveries in 2017, before hitting snags in an attempted deal with Boeing and then COVID-19related hold-ups.





#### Airbus Net Profit Plunges As Deliveries Drop

Airbus said its revenues and net profit fell during the first quarter of the year as deliveries dropped amid continuing supply chain difficulties.

The company delivered 127 aircraft in the first three months of this year, down from 142 during the same period last year.

While this had only a modest impact on revenue, down 2 per cent to  $\pounds$ 11.76 billion (RM57.9 billion), net profit fell 62 per cent to  $\pounds$ 466 million.

"On the one hand, our customers continue to express a strong appetite for our products as highlighted by some of our recent commercial announcements such as Air India," said chief executive Guillaume Faury, referring to the Indian airline's order for 470 aircraft.





### WELCOMING MAIA NEW MEMBERS

YCL Precision Engineering has more than 20 years of experience in the technology sector in addition to the in-house production of customized precision components. YCL Precision Engineering continues to expand its global network to form strategic partnerships with suppliers from overseas to provide high quality parts.

### [Go back to Contents Page]

### YCL PRECISIONS SDN BHD



Safran Landing Systems is the world leader in aircraft landing and braking systems. The company equips the commercial, regional, business and military fleets of more than 25 key airframers. Its expertise covers the entire life cycle of its products, from design and manufacturing to maintenance and repair.

Pos Logistics Berhad is one of the largest logistics service providers in Malaysia to provide end-to-end logistics solutions including a range of integrated

logistics services such as container haulage, transportation, warehousing and distribution, freight forwarding, shipping agency, customs and

port clearance services.

### SAFRAN LANDING SYSTEMS MALAYSIA SDN BHD



### **POS LOGISTICS BERHAD**





#### ALPHASWIFT INDUSTRIES SDN BHD



Alphaswift provides innovative drone technology solutions. From delivery drones to agriculture drones, they offer a wide range of solutions. The company is committed to making sustainable air transportation accessible to everyone in Malaysia and beyond.

### ECA SKYTECH SOLUTIONS SDN BHD



ECA Advanced Solutions Sdn Bhd is a leading automation manufacturer established since 1993 based in Penang. They have broadened their business into the aerospace industry and recently incorporated a subsidiary ECA Skytech Sdn Bhd. This is a fabrication provider of machining and manufacturing for aerospace solutions. ECA Skytech Sdn. Bhd. delivers customized products according to customers' manufacturing requirements with excellent quality and time to market

### GAH HONG PRECISIONS SDN BHD

G

Gah Hong Precision Sdn Bhd is a renowned precision engineering manufacturer. They focus on delivering high quality machining solutions. Their state-of-theart facilities, combined with a skilled team of experts, enable them to provide exceptional precision and accuracy in every project. From concept to production, they offer a comprehensive range of machining services tailored to meet the unique needs of their clients.

### MERAQUE GROUP SDN BHD



Renowned for their decade of experience in the facility management industry, MERAQUE has expanded its expertise through innovative drone solutions for various industries. At their core, they aim to modernise and transform these industries, helping them transition into the new and cutting-edge digital landscape.



PartsBase is the world leader in internet-based parts locator services. Their online community includes more than 7,600 companies and 25,000 end-users in the aviation, defense and aerospace industries. Their service provides the perfect opportunity for suppliers, distributors and service providers to reach the most targeted audience in the industry. PartsBase offers complete marketing and digital advertising opportunities to reach aviation and aerospace professionals and enthusiasts.

Subang MRO desires to deliver world class aircraft maintenance services to all their clients. The talent helming the company comprise of highly experienced aircraft maintenance engineers and managers who have over the years held senior or leadership positions in both local and international aircraft maintenance companies. Subang MRO is a FAA Part 145 Repair Station. They are now working towards securing other Part 145 Aircraft Maintenance Organization approvals

Meatech ATC Sdn. Bhd. (MATC) was incorporated focusing mainly on providing TVET training in aviation. In 2015, MATC signed a Memorandum of Understanding (MoU) with AERO-Bildung Aviation Training Centre, an educational institution based in Germany in developing a professional certification training course recognised by European Aviation Safety Agency (EASA).

Vencast is a precision provider in diecasting, investment casting and sand casting. For 20 years, Vencast has been specialising in the casting and machining of metal alloys serving clients of various industries, developing innovative processes and techniques to create some of the highestquality components in the market

### PartsBase Asia Sdn Bhd



### SUBANG MRO SDN BHD



#### **MEATECH ATC SDN BHD**



#### VENCAST SDN BHD





### MAIA PODCAST – THE FUTURE OF DRONE INDUSTRY IN MALAYSIA



### Kamarul A Muhamed CEO AERODYNE GROUP

Kamarul is the founder and CEO of Aerodyne Group as well as a board member of MAIA. Kamarul started Aerodyne in 2014. It is now a global company, operating in 45 countries with more than 1,000 employees and now the largest drone service provider globally, a incredible truly an achievement.

### MAIA : Can you tell us how you founded Aerodyne and what was the first project that enabled Aerodyne to take off?

[Go back to Contents Page]

From a young age, I was interested in flying and had a passion for technology. I saw that drones were being used for recreational purpose and I thought I could use drone technology to secure data to support better decision making. I started with the powerline industry. It was a major challenge for power companies to look after assets covering thousands of kilometres. We did some research and approached our first client. After almost a year of convincing them we successfully proved that this technology works and enabled them to work faster, smarter and cheaper accelerating the process by 400% while reducing costs by 30%. Since then we grew into many other verticals.

### MAIA : Aerodyne is truly a global company. What do you believe is the reason for your success and challenges in growing quickly?

The key behind everything we do is technology. We need to build and acquire the right technology. However, the true driving force behind its effectiveness lies in the people managing both the technology and the organization itself. A study conducted by Harvard Business Review revealed that out of \$1.3 trillion invested in digital transformation projects, \$900 billion goes to waste. The reason is people. In our organization, we place paramount importance on nurturing our team's skills, capabilities, and aligning their purpose. This is central to our approach. Ultimately, it's the mindset and sense of purpose that truly matter.

### MAIA : You are `strongly associated with the term DT3. What does this mean? Can you elaborate?

Our purpose is to create a positive impact on our customer's operations, and that is really about digital transformation. We need to ensure our technology and services help run businesses better using the right fit for purpose drone technology. The drone itself is simply a data capture device. The value comes from data technology that we build in order to harness the right information to support their decision making. Our solution is about giving people visibility and clarity on what is going on with their operation. Through the integration of AI technology and predictive analytics, we offer insights into our clients' operations, empowering them to make timely and accurate decisions that optimize their business functions.

### MAIA: Aerodyne are developing various information systems. What are the added values for customers?

We are platform agnostic; we collaborate with various drone manufacturers. Main thing is to use the right drone and sensor for the intended purpose. We encountered challenges, and the tipping point for us is when we sent a pilot to Australia for data collection. After a week he came back, the data obtained was incomplete, necessitating the deployment of another team.



Clearly it is important to make sure we get things right first time and that is the whole idea behind our drone operating system. It is really to make sure every step of ecosystem, that the correct and important data is captured, is processed to extract the right information and that we present it in a way that it is transparent and direct. It is really about connecting all ecosystems together.

#### MAIA : How does Aerodyne differentiate itself to other players?

There are people who specialize in software or building the best drone but they are not our competitor. There are software companies out there that build excellent software. Most of them deliver software that enable them to process data but our solution goes beyond that. We talk about harnessing intelligence and integrating client systems to have one seamless collaborative operation. When we work we take it to the next level in the sense that we build our own drone and sensor and improve the flight controller so that the operation is tailored for the services required.

#### MAIA : What do you mean when you use the term drone economy?

The drone economy was coined by our investor, Drone Fund Japan. They had this vision where the usage of drones will come to a tipping point and impact various parts of the economy and in every aspect of life as well. And this can now be seen where drones play a major part in our economy from logistics, agriculture, people transportation and so on. It will become a significant part of our daily lives.

### MAIA : In operating with new technologies one of the key points as you have mentioned is talent. What are Aerodyne doing in acquiring the right talent and building your teams?

In the beginning, we hired fresh graduates and the talent we could afford. Today, we hire the best talent from around the world. Recognizing that the talent pool in Malaysia is not sufficient, we have expanded our presence globally. This has created a melting pot of diverse talent, where individuals share their knowledge and communicate in multiple languages. It's really about giving exposure and getting input not only in aerospace engineering but industrial expertise as well. However, talent development is essential. We work with various universities because I think the future really belongs with those having multi-skills, not single subject matter experts to be master as well as jack of all trades. It's really being able to connect the dots especially since a large part of the technical side can be managed through AI. That is the philosophy we are thinking when we hire and train people. Ultimately, those who excel are those who can effectively connect the dots.

### MAIA : Do you think diversity helps you remain a leader in your industry?

That's a good starting point, but it doesn't come without its challenges. It is very tough as well to run a global operation with differences in terms of culture. Achieving cultural integration and alignment is very important. We spend a lot of effort in terms of aligning our purpose, culture and leadership training. This diversity is a huge asset but it can break things as well if we are not able to accept our differences. Sometimes people mean well but can be misinterpreted. Now, imagine dealing with this across 20 or 30 different cultures. Initially, we encountered struggles, but as we learn we are improving as we go along.

### MAIA : In terms of leadership and management training and making sure people can lead projects even at a junior level what are the key skills to fit within Aerodyne's culture?

We have a phrase we call '1V99A'. Essentially, it means that vision constitutes 1%, while the remaining 99% is attributed to alignment. We have been experimenting many aspects from a management perspective. Now we do not have job descriptions as we practice management by purpose. This approach empowers our people because we aim to provide them with the autonomy they require. We don't want to constrain people, so we define their purpose rather than requiring them to wait for instructions. Our staffs do what is needed and whatever it takes within the constraint of reasonableness and within our core values in order to achieve objectives.



#### MAIA : One of the topical issues in our industry is sustainability. Can you advise how this applies to the drone sector?

First of all, it is very clear that we are already reducing carbon footprint through our operation. Drone creates a far less carbon footprint helping our customers reduce their carbon footprint. Direct impact is already there internally. ESG is at the very core in what we do. For example, our paper usage is less than 1% which is very low compared to the average industry which is around 5%. We dispose of batteries responsibly which last year amounted to approximately 3 tonnes, and we are also intensifying our focus on solar energy utilization. We are also now developing use of SAF (sustainable aviation fuel). In addition, Aerodyne will be releasing a sustainability report later this year.

#### MAIA : What is future direction for Aerodyne and where you believe the opportunities lie?

Bigger, better and wider. Today we focus on four verticals. Agriculture and critical infrastructure, both of which are expansive and diverse. For instance, we're currently engaged in the largest digital project in Australia, where our developed technology has already made a substantial impact. We have a new project 'Argentavis' which is our drone delivery solution. JPMorgan has predicted that this industry will be valued at one trillion US dollars by 2040. We are not taking same route as other drone delivery solutions but we straight away go to enterprise delivery which I feel will be easier to overcome any regulatory constraints. Notably, even at LIMA recently, we achieved a significant milestone by securing the first-ever approval to operate our delivery drone during the airshow. That is a testimony of the quality of our system and operational capability where CAAM and MinDef gave us permission to fly.

#### MAIA : Could you describe more on the four verticals you mentioned

One is infrastructure. Number two is agriculture. There have been cases of increased yield of over 60% whilst reducing costs significantly. We created about RM200 million value in one year of operation. That is the thing with technology. Sometimes we have to go in and take a hit in the process to prove its value. We need to be thinking on a long term basis. With success in Malaysia, we are now in Indonesia, Brazil, and India. Number three is our surveillance solution. We call project Fulcrum. We want to have the technology to be omnipresent and permanently in the air. So we have to rethink and the answer is by using drone in nests. We are working with Petronas in Malaysia and now expanding to Latin America and Italy for highways which is very exciting.

#### MAIA : If we take a look at aerospace industry in Malaysia, in what ways can we support you?

It is perhaps regulation and enlarging our talent pool. We have a very good relationship with CAAM. They are very receptive of technology. We need the support of all regulators. For our Malaysian drone sector to be successful we need greater engagement with the government This is where we can work together and to work with the aerospace association.

### MAIA : Final question, what do you think you can do to try and continue to raise the profile of Malaysia as a leader in this industry?

At Aerodyne, we have strong tenacity to keep going and we are growing nicely. However, we still have a long way to go. We are deeply focused on what we want to do, where we need to be, but we still have a long way to go. We are working very hard and I am proud of my team which we have been building. With pride we can see Aerorangers posting in social media, expressing their love for working here. We have successfully cultivated a culture of innovation. In the beginning it was very difficult, but now I am pleased to share that we are attracting the best talent.

### The Full Interview is Available on MAIA Podcast





Soundcloud Podcast



### MAIA RECENT EVENTS / **ACTIVITIES**

### [Go back to Contents Page]





**`23** 

12 <sup>th</sup> June 2023	HRDC-MAIA Seminar The New Norm With The Aerospace Skills Framework





54<sup>th</sup> INTERNATIONAL PARIS AIR SHOW LE BOURGET JUNE 19-25, 2023



54th Paris Air Show

28 <sup>th</sup> July	MAIA 7 <sup>th</sup> Annual
2023	General Meeting





06

## UPCOMING EVENTS 2023

[Go back to Contents Page]

Date	Event	Platform	Fee
7 <sup>th</sup> — 9 <sup>th</sup> September 2023	Selangor Aviation Show 2023 (SAS 2023)	Physical	Payment for MAIA Pavilion

Date	Event	Platform	Fee
19 <sup>th</sup> – 21 <sup>st</sup> September 2023	Asia Drone Expo 2023	Physical	20% off for MAIA members

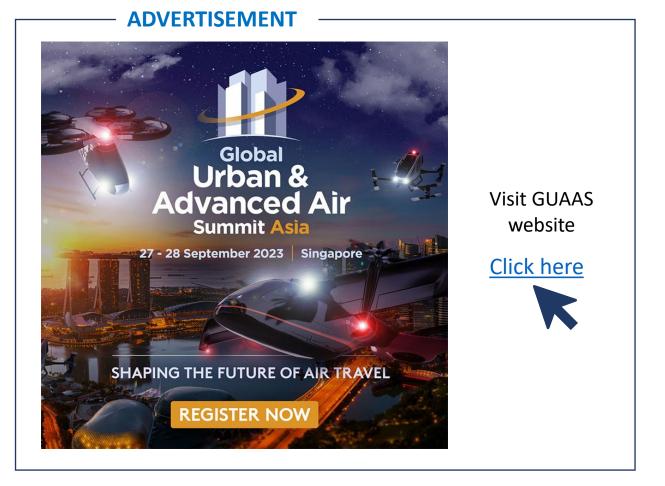
Date	Event	Platform	Fee
27 <sup>th</sup> – 28 <sup>th</sup> September 2023	Global Urban & Advanced Air Summit Asia 2023	Physical	20% off for MAIA members

Date	Event	Platform	Admission Fee
18 <sup>th</sup> -20 <sup>th</sup> October 2023	Industrial Transformation Asia Pacific (ITAP 2023)	Physical	20% off for MAIA members



### **EVENT ADVERTISEMENT**

[Go back to Contents Page]



Launched in 2019 at the Farnborough International Exhibition and Conference Centre, UK – home to pioneering spirit and the world-renowned Farnborough International Airshow – The Global Urban & Advanced Air Summit (GUAAS) is now recognised as one of the leading AAM and eVTOL global business events to attend, demonstrating year on year the latest developments, expert knowledge, and fast-moving innovations the market has to offer. With the event now in its 4th edition, Farnborough International, is excited to launch GUAAS Asia for the first time in the event's history. Hosted in Singapore, one of Asia's most prestigious megacities and a global hot spot for implementing the premium AAM ecosystem.

MAIA NEWSLETTER • 2<sup>nd</sup> Edition 2023



### **EVENT ADVERTISEMENT**

### [Go back to Contents Page]



Join us at ITAP 2023 – where industry leaders and experts converge to shape the future of manufacturing and drive technological innovation – to explore the latest advancements in #Industry4.0, #AdvancedManufacturing, #IndustrialAutomation, and more. Don't miss this incredible opportunity to be a part of the industrial revolution and stay ahead in the competitive landscape





### MAIA ADVERTISEMENT

### [Go back to Contents Page]



### FOLLOW US ON SOCIAL MEDIA



