



VAS Aero Services CEO Message for 2024

What's in store for 2024? A Global Evolution.

2023 was certainly a momentous year for VAS Aero Services. You may recall that we began the year by dedicating our efforts to grow VAS's parts and repair logistics business on every front. By every measure, last year was one of high achievement and accelerated growth – witnessing us top more than \$4 Billion in total new and used parts sales since the company's inception and solidly positioning VAS as a valued member of Satair and the Airbus Group of companies.

A major contributing factor to that growth was the VAS team's ability to fast-track the integration of our unique aftermarket parts supply and service capabilities within the Satair / Airbus network. That effort has reaped multiple benefits, including expanding VAS's geographic reach, which we intend to leverage as we focus this year on enhancing our global capabilities. Our goal is to reduce costs and improve the speed to market for our more than 2,500 airline and MRO customers, no matter where they may be.

With a presence in North America, the UK, Europe, southeast Asia and Australia – and now through Satair, in China – we have a singular ability to efficiently manage aircraft/engine teardowns, parts repairs, and re-distribution from multiple locations. We source, warehouse, and market aftermarket components across a broad range of aircraft and engine platforms, including Airbus, Boeing and Embraer. And we provide related logistics and program management services to airlines, MROs and OEMs around the world. To do so requires a global footprint.

Our advanced warehousing and distribution centers, as well as our worldwide sourcing and sales network, optimize the distribution of aviation material by positioning our employees and resources for rapid impact -- close to our customers and partners around the world.

2023 was a benchmark year for us, including the acquisition of market envied aircraft and engines. Today, VAS boasts one of the largest portfolios of quality aircraft assets in the aviation aftermarket. We're a proven provider of nose-to-tail USM parts, and with that distinction comes the obligation to be everywhere our clients need us.

And that's why 2024 promises to be one of global expansion – in capabilities, in geographic reach, in customer acquisition and in service. To realize these goals, we are focused on three key initiatives:

- **Continued investment in technology** that allows to integrate seamlessly with our customers ERP and material resources systems; creating a more responsive, more efficient parts procurement /replacement process.
- **Bolstering our aircraft transition management capabilities**, expanding VAS's important role in aircraft teardown, parts harvesting and redistribution, aiding our partners in



maximizing the value of their end-of-life assets, and assuring the global airline market a continuous supply of in-demand USM parts.

- **Enhancing our strengths in recycling and sustainability:**
 - Building on efforts such as recycling over 20 tons of Titanium and returning it to production at Airbus, saving over 460 tons of CO2 emissions in the process and helping reduce dependence on external sources of supply of critical materials;
 - Leveraging VAS's aircraft teardown and parts harvesting expertise to significantly increase the supply of out-of-production A380 parts – avoiding costly remanufacturing of tools and parts production expenses;
 - Focusing on a more sustainable approach to materials management through reclaiming, refurbishing and recycling of used serviceable materials.

Ours is an industry with a global focus unlike any other. We are interwoven and reliant upon capabilities that must stretch around the globe. Value chain interruptions – from labor shortages to supply chain blocks to geopolitical conflicts – all require us to be able to shift resources, to be agile in our reaction to events, and to be creative in our solutions. And that takes a broad-based global approach to parts sourcing, repair, supply and logistics.

That's our challenge for 2024. One we are more than ready to meet.

A handwritten signature in blue ink, appearing to read 'Tommy Hughes', is positioned above the name and title.

Tommy Hughes, CEO
VAS Aero Services