tigerair

annual report 2015

financial year ended 31 march 2015

www.tigerair.com

contents

corporate information

board of directors
Hsieh Fu Hua
Chairman and Independent Director

Lee Lik Hsin
Executive Director and Chief Executive Officer

Chong Phit Lian
Non-Executive Director (Non-Independent)

de Vaz Don Emmanuel Maurice Rosairo
Independent Director

Lang Tao Yih, Arthur
Independent Director

Lee Chong Kwee
Non-Executive Director (Non-Independent)

Ng Chin Hwee
Non-Executive Director (Non-Independent)

Sirisena Mervyn s/o Piankara Mestrige
Non-Executive Director (Non-Independent)

Yap Chee Keong
Lead Independent Director

Yeap Beng Hock Gerard
Non-Executive Director (Non-Independent)

audit committee
Lang Tao Yih, Arthur (Chairman)

de Vaz Don Emmanuel Maurice Rosairo

Lee Chong Kwee

Yap Chee Keong

executive committee
Hsieh Fu Hua (Chairman)

Chong Phit Lian

de Vaz Don Emmanuel Maurice Rosairo

Lee Chong Kwee

Lee Lik Hsin

Ng Chin Hwee

nominating committee
Yap Chee Keong (Chairman)

de Vaz Don Emmanuel Maurice Rosairo

Hsieh Fu Hua

Ng Chin Hwee

remuneration committee
Yap Chee Keong (Chairman)

de Vaz Don Emmanuel Maurice Rosairo

Hsieh Fu Hua

Ng Chin Hwee

risk management committee
Lee Chong Kwee (Chairman)

Hsieh Fu Hua

Sirisena Mervyn s/o Piankara Mestrige

Yap Chee Keong

Yeap Beng Hock Gerard

joint company secretaries
Ho Zhuanglin, *LLB (Hons)*

Lim Ka Bee, *ACIS*

registered office
17 Changi Business Park Central 1
#04-06/09 Honeywell Building
Singapore 486073

Telephone number : +65 6422 2200
Facsimile number : +65 6422 2310
Website : www.tigerair.com

company registration no.
200701866W

bankers
Australia and New Zealand Banking Group Limited

DBS Bank Ltd

Standard Chartered Bank

United Overseas Bank Limited

share registrar and share transfer office
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Telephone number : +65 6536 5355
Facsimile number : +65 6536 1360

auditors
Ernst & Young LLP
Public Accountants and Chartered Accountants
One Raffles Quay
North Tower, Level 18
Singapore 048583

Audit Partner-In-Charge: Shekaran Krishnan
(Appointed since 1 April 2014)

operational and financial highlights

Group[1] Financial Highlights	FY15[3]	FY14[3] (restated)[4]	Increase/ (decrease) %
Income Statement ($ million)[5]			
Total revenue	677	746	(9.2)
Total expenses	(717)	(798)	(10.2)
Operating loss	(40)	(52)	(23.4)
Loss after tax	(264)	(223)	18.5
Loss Per Share (cents)			
Basic[6]	(17.71)	(20.07)[8]	(11.8)
Diluted[7]	(17.71)	(20.07)[8]	(11.8)
Key Financial Ratios			
Operating loss margin (%)[9]	(5.9)	(7.0)	1.1 ppt
Return on weighted average equity (%)[10]	(155.1)	(54.6)	(100.5) ppt
Net debt/equity[11]	(0.01)	0.68	nm[16]
Net asset value per share (cents)[12]	8.63	28.25	(69.5)

Statement of Financial Position ($ million)[5]	As at 31-Mar-15	As at 31-Mar-14 (restated)	Increase/ (decrease) %
Total assets	1,022	986	3.7
Total equity	215	279	(22.7)
Cash and cash equivalent	310	172	80.8
Debt	307	360	(14.7)

Airline Operations in Singapore[2] Operational Highlights	FY15	FY14 (restated)	Increase/ (decrease) %
Passengers booked (thousands)[13]	5,140	5,068	1.4
Revenue passenger-kilometres, rpk (millions)[14]	9,696	9,326	4.0
Available seat-kilometres, ask (millions)[15]	11,812	11,944	(1.1)
Load factor, rpk/ask (%)	82.1	78.1	4.0 ppt
Breakeven load factor (%)	89.0	84.7	4.3 ppt
Revenue per rpk (cents)	6.79	6.93	(2.0)
Fare per passenger ($)	102.2	98.4	3.9
Ancillary and other revenue per passenger ($)	25.9	29.1	(11.0)
Cost per ask, cask (cents)	6.04	5.87	3.0
Cask excluding fuel and forex (cents)	3.49	3.29	6.0
Average number of operating aircraft	25	23	8.7
Number of operating aircraft at end of period	24	25	(4.0)
Number of sectors flown	35,214	36,240	(2.8)
Average sector length flown (kilometres)	1,867	1,831	2.0
Aircraft utilisation (block hours per aircraft per day)	11.6	12.6	(8.5)

Notes:

(1) Group refers to Tiger Airways Holdings and its subsidiaries ("Tigerair"), including Tiger Airways Singapore ("Tigerair Singapore") and Tiger Airways Australia ("Tigerair Australia"). Tigerair Australia's data was excluded as it ceased to be a subsidiary from 8 July 2013.

(2) The Group is organised into three segments, namely airline operations in Singapore ("Singapore Operations"), franchising and aircraft leasing.

(3) The Group's financial year is from 1 April to 31 March. Financial year ended 31 March 2015 is referred to as FY15 while financial year ended 31 March 2014 is referred to as FY14.

(4) Restated to change the presentation of revenue such that ancillary revenue from call centre and merchant acquiring fee are reported on a gross basis.

(5) All figures are in Singapore Dollars, unless stated otherwise.

(6) Computed based on the weighted average number of ordinary shares outstanding during the year.

(7) Computed based on the weighted average number of ordinary shares outstanding during the year. The perpetual convertible capital securities, share options and awards have not been included in the calculation of diluted loss per share as they will have an antidilutive effect (i.e. resulting in a reduction in loss per share).

(8) Restated for the effects of the rights issue completed in January 2015.

(9) Computed based on operating loss divided by total revenue.

(10) Computed based on loss after tax divided by weighted average total equity.

(11) Computed based on borrowings less cash divided by total equity as at 31 March.

(12) Computed based on net asset value divided by number of outstanding shares.

(13) Number of booked passengers.

(14) Number of booked passengers on scheduled flights multiplied by number of kilometres flown.

(15) Number of seats on scheduled flights multiplied by number of kilometres flown.

(16) "nm" refers to "not meaningful".

chairman's statement

Dear Shareholders,

It was yet another challenging year for Tigerair. The industry continued to grapple with over-capacity, contributed by expanding budget carriers in the region. However, by the second half of the financial year, capacity growth in the region slowed down as airlines adjusted to challenging market conditions. Consequently, our operating performance started to improve.

Having withdrawn from the overseas ventures, we consolidated our airline operations in Singapore and dropped the cub strategy. Most of the surplus aircraft that arose from the fleet consolidation were successfully placed out, albeit at a loss.

With a weakened balance sheet, we sought funds again from our shareholders through a rights issue. We are heartened by the valuable support, especially with the entry of Singapore Airlines ("SIA") as the controlling shareholder. This has resulted in a much closer working relationship which we welcome.

Tigerair's integration with the SIA group, in particular with Scoot, has already started to confer benefits from the commercial co-operation and cost synergies. SIA is also boosting Tigerair's organisational strength. Aside from the CEO appointment, there were also further staff transfers in critical functions like planning, and sales and marketing.

The Board has undergone some changes. SIA nominees now constitute a majority of Board members. We welcome Mr Ng Chin Hwee and Mr Mervyn Sirisena to the Board. Mr Ng and Mr Sirisena are veterans from SIA, and bring with them a wealth of relevant experience. Mr Lee Chong Kwee and Ms Chong Phit Lian, both of whom had been independent directors, are now designated as nominees of SIA. Mr Maurice de Vaz, who has served on the Board since 2012, will be retiring at the forthcoming AGM and will not be seeking a re-election. The Board and I would like to thank Mr de Vaz who has been an active and valuable director.

We are committed to making a full turnaround in the performance of the company. On behalf of the Board, I would like to express my deep appreciation to our former Chairman, Mr J Y Pillay, for laying the foundations of our turnaround. I also thank Management and staff for their hard work and commitment over the past financial year. To my fellow Directors, I am grateful to them for their untiring and important contributions. Finally, to our customers and shareholders, thank you so much for your continued support.

Hsieh Fu Hua

Chairman

ceo's statement

Dear Shareholders,

We hoped that FY15 would be the year of our turnaround. This was not to be, and we registered a loss of $264 million. The losses were contributed by the exit from overseas ventures, the charges related to surplus aircraft, and the operating performance of the Singapore operations.

The overseas ventures had been pulling down our performance for several years, but following the closure of Tigerair Mandala and the sale of our remaining stake in Tigerair Australia to Virgin Australia, we now have a clean slate. We still hold a share of Tigerair Taiwan, but our stake and corresponding exposure is small, and the venture is also backed by a strong partner in Taiwan's flag carrier, China Airlines.

Subsequent to the overseas venture exits, we then had a significant number of surplus aircraft which the Singapore operation could not absorb. We placed most of them out to IndiGo, but because the market for used aircraft was weak, we had to incur losses in the transaction. By taking one-time charges to account for the losses, we are relieved of future burden from the surplus aircraft.

The challenge ahead of us has therefore been reduced to a single dimension; the Singapore operations. We believe we have the key element in place for a decisive turnaround and also for future sustainable growth. This is integration with the SIA Group, to benefit from their scale and connectivity, now that they have taken over control of the company with an increase in shareholding to 55.8%.

The most significant aspect of this integration is the co-operation progressing between Tigerair and Scoot. Much of it is in revenue synergies, particularly connecting passengers onto each other's networks. The market for budget travel in Asia has moved past the initial years of high growth, and it is also becoming more crowded with the entry of new players. In this environment, Tigerair can no longer rely on just generating its own point-to-point or connecting traffic for future expansion. We must form partnerships, and Scoot is the most natural partner, since its base in Singapore and complementary network provide the greatest potential for connecting traffic. Results thus far have been encouraging, with many travellers connecting from Scoot's Australia and Northeast China points to Tigerair's Southeast Asia points. This partnership will become one of our engines for future growth. Joint venture agreements on routes that we both operate, such as Hong Kong and Bangkok, also result in better performance for both airlines, as we are able to meet the competition with our combined strength.

Tigerair and Scoot are also in discussions to leverage other synergies. We operate out of the same terminal in Changi Airport. It makes sense to continue being under one roof, not least to provide maximum convenience for our growing number of connecting passengers, but also to potentially combine our facilities in the terminal. Tigerair and Scoot both use the same computer reservations system, and merging our two systems into one will result in more seamless transactions for our customers and cost efficiencies. We aim to report on the outcome of these initiatives during the current FY16.

Integration with the SIA Group is not just with Scoot. We are already benefitting from our participation in SIA's frequent flyer program, KrisFlyer. We will explore all opportunities for synergies in commercial, operational and other areas, as we tap into the knowledge base of one of the world's most admired companies, in every aspect of our business.

The performance of the Singapore operations is moving in the right direction. From a first half FY15 operating loss of $42 million, we swung to a second half operating profit of $2 million. For the year-on-year comparison, first half FY15 operating performance deteriorated by $23 million against FY14, whereas second half FY15 operating performance improved by $35 million against FY14. Much of the improvement came from increases in yield and load factor, made possible by the capacity discipline instilled after the removal of the surplus aircraft. Second half FY15 yields increased by 8%, and second half FY15 load factor improved by 5.1 percentage points, when compared with the year before. Such discipline included the suspension of services to Bandung, Lijiang, Lombok, Perth, Phnom Penh, Thiruvananthapuram and Yogyakarta, but we also added new destinations Xi'an, Jinan, Guilin, Nanning and Ipoh into our network, and increased frequencies to several other points. We will continue to be nimble in executing our network strategy.

At the end of FY15, we made changes to accounting estimates in the areas of aircraft depreciation and maintenance. Useful life for owned aircraft was shortened from 23 years to 15 years, with residual value adjusted from 15% to 10% of the original cost. We also re-assessed and reviewed the provisions for maintenance expenses at lease return. The accounting treatments adopted are in line with best practices of industry peers. These will result in higher annual costs moving forward, but we believe the changes are necessary to set a strong foundation for the future.

In FY15 we also made some product innovations. In April 2014, web check-in was enhanced with Direct-to-Gate service. Passengers travelling on selected Tigerair flights out of Singapore, without check-in baggage and visa requirements, can bypass the check-in counters and head straight for the immigration area. In February 2015, we launched a flight and hotel booking product, *tigerholidays*, where both elements of the journey can be booked in a single transaction at an attractive rate. Such innovations aim to provide greater seamlessness for the customer, and this objective will continue to feature in future plans which include enhancing the mobile engagement and leveraging on data analytics.

The final ingredient required for a successful turnaround is a strong balance sheet, to provide assurance to our business partners, and to withstand the inherent volatility of this industry. For this we came to you, our shareholders, and we are heartened and grateful for the strong support shown in the rights issue of FY15. We raised net proceeds of $227 million. These funds will provide us resilience, in the face of market uncertainties.

During the year, in line with our focus on the Singapore operations, we have restructured our management team. This has created stability across the entire organisation. I am confident that we have a strong team in place to overcome the challenges ahead of us.

I take this opportunity to thank our passengers for their continued custom, my colleagues for their dedication, our Board of Directors for their counsel and guidance, and our shareholders for their support. We will continue to work hard to bring Tigerair back to profitability in FY16.

Lee Lik Hsin

CEO

review of operating and financial performance

Group Financial Review

1. After another challenging 12 months in FY15, the Group narrowed its operating loss by $12 million to $40 million as compared to a year ago. Intense competition and over-capacity in the region continued to exert downward pressure on yields.

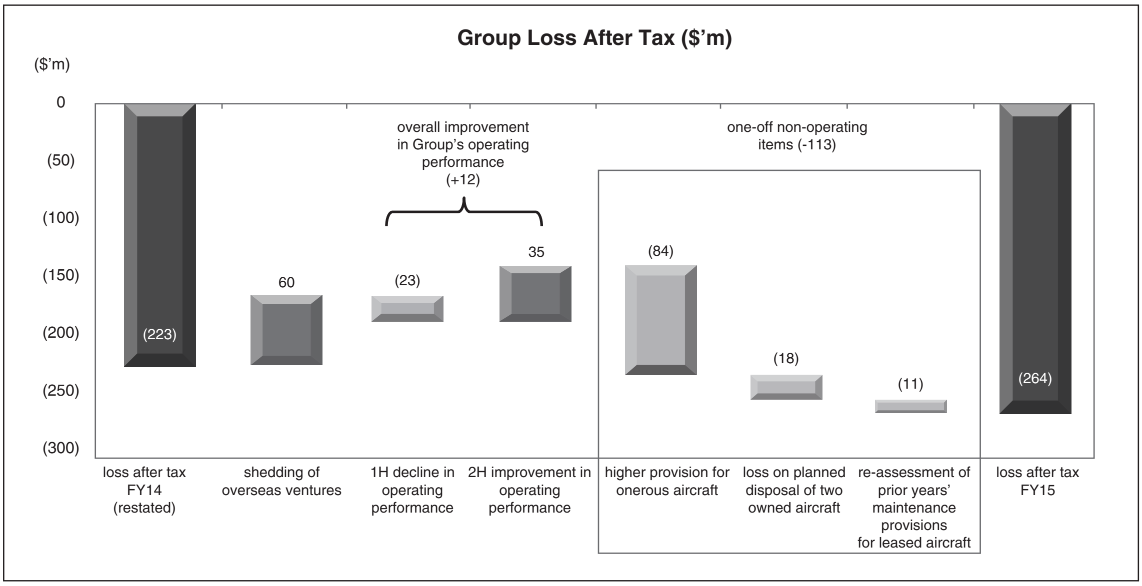
2. The Group's financial performance for FY15 are shown in the table below:

Group ($'m)	FY15	FY14 (restated)	Increase/ (Decrease) (%)
Revenue	677	746	(9.2)
Expenses	(717)	(798)	(10.2)
Operating loss	(40)	(52)	(23.4)
Net loss after tax	(264)	(223)	18.5

During FY15, the Group reassessed the ancillary revenue items and noted that it is acting as a principal for income related to (a) call centre and (b) merchant acquiring fee, which would require these ancillary revenue items to be reported on a gross basis. As a result, the Group restated the prior year comparatives to be consistent with the current year presentation.

3. Group revenue decreased by $69 million (-9.2%) to $677 million while Group expenses contracted by $81 million (-10.2%) to $717 million, primarily due to the sale of 60% stake in Tigerair Australia in July 2013. From 8 July 2013 onwards, the Group accounted for its investment in Tigerair Australia using the equity method of accounting.

4. Group loss after tax widened to $264 million, compared to a loss after tax of $223 million a year ago. This was mainly attributable to the increase in non-operating charges of $113 million, mitigated by contribution from shedding of overseas ventures (+$60 million) and improvement in operating performance (+$12 million).



5. The closure and divestment of the following loss-making overseas ventures resulted in $60 million improvement in bottom-line compared to a year ago:

   (a) divestment of Tigerair Australia to Virgin Australia in February 2015

   (b) closure of Tigerair Mandala in July 2014

   (c) divestment of Tigerair Philippines to Cebu Pacific in March 2014

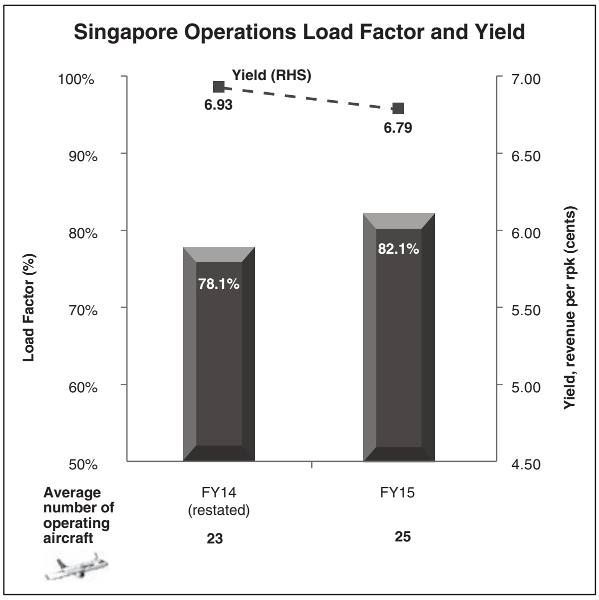
   At the same time, the Group had significantly reduced its exposures to the contingent liabilities pertaining to the operations of the overseas ventures.

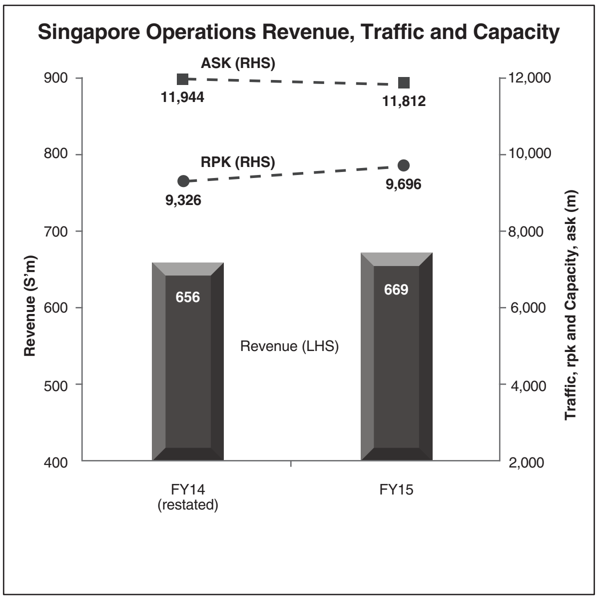
6. The Group had an encouraging operating performance of $2 million profit in 2HFY15, an improvement of $44 million when compared to an operating loss of $42 million in 1HFY15. This was partly bolstered by sharp decline in oil prices after 2QFY15. While the entire industry benefited in this environment, the Group had yet to realise the full benefits of the lower fuel prices. This was due to hedging losses arising from those hedges that were contracted prior to the onset of global oil price decline. Hence, the decline in oil prices alone did not drive the Group's recovery. For that, the Group relied upon a turnaround plan that emphasised on capacity and yield management.

Airline Operations in Singapore

7. As part of the turnaround plan, airline operations in Singapore ("Singapore Operations") actively reviewed its network regularly to right-size its operations. During 2HFY15, management suspended non-performing routes and added frequencies on selective routes. New destinations with potential to contribute positively to the bottom-line were also added to the network.

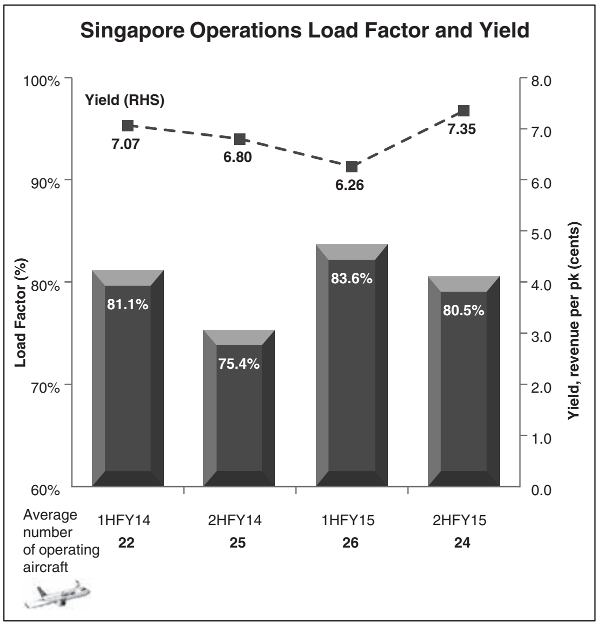
8. Revenue for Singapore Operations increased by $13 million (+1.9%) to $669 million. Full year load factor improved by 4.0 percentage points to 82.1%, offset by 2% decline in yields to 6.79 cents. Traffic increased by 4.0% to 9,696 million revenue passenger-kilometres (rpk), while capacity contracted by 1.1% to 11,812 million available-seat kilometres (ask).

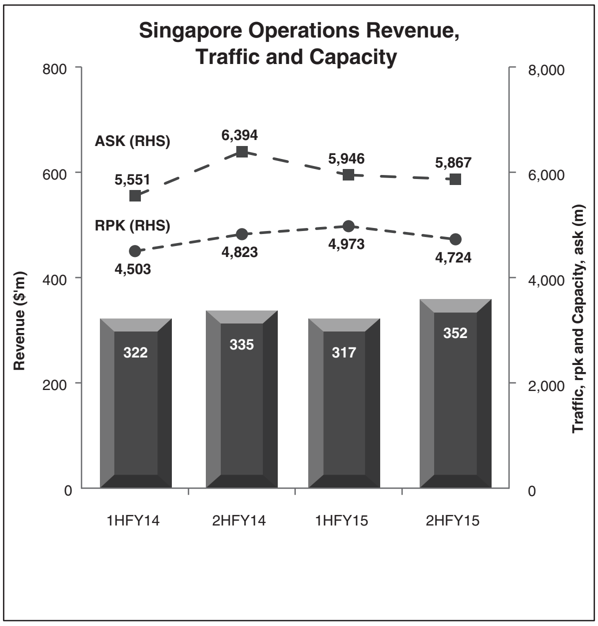




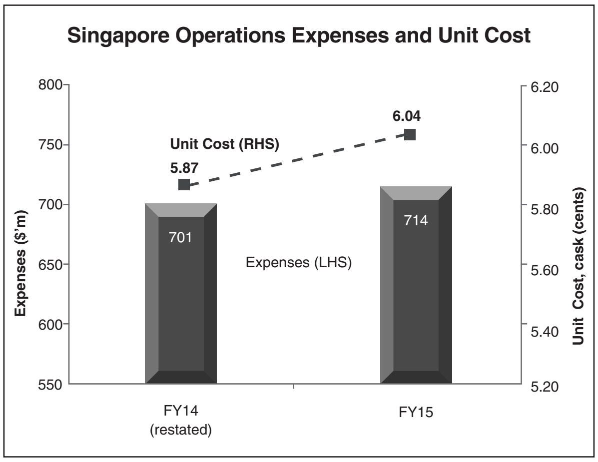
review of operating and financial performance

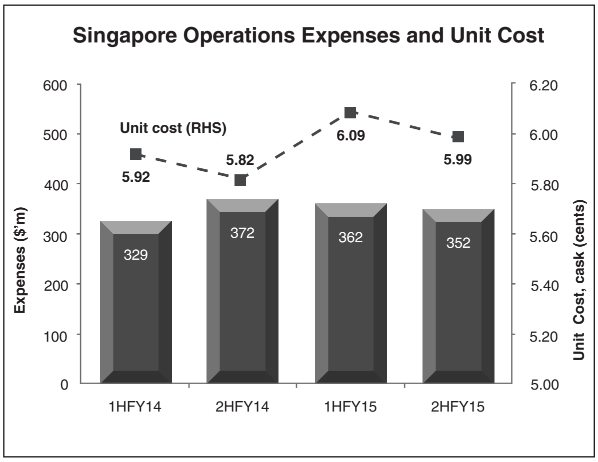
9. During 2HFY15, revenue went up to $352 million on the back of strong yields, despite both capacity and traffic declined. Yields increased to 7.35 cents. This clearly demonstrated that capacity and yield management were the key factors to turnaround the operating performance of Singapore Operations.





10. Expenses for Singapore Operations increased by $13 million (+1.9%) to $714 million during the financial year. Unit cost went up by 3.0% to 6.04 cents compared to a year ago. This was mainly attributable to charges arising from changes in accounting estimates and higher rates for aircraft maintenance, partially mitigated by lower fuel cost. Unit cost declined by 1.7% to 5.99 cents in 2HFY15 compared to 1HFY15, due to lower fuel cost.





11. During 4QFY15, the Group changed the following accounting estimates, which resulted in non-cash adjustments of $6 million:

(a) effective from 1 January 2015, the useful life of owned aircraft was shortened from 23 years to 15 years and the residual value was reduced from 15% to 10% of the original cost (-$4 million)

(b) re-assessment of FY15 maintenance provision for leased aircraft (-$2 million)

Franchising

12. In addition to airline operations, the Group earned franchising income through brand licensing arrangement entered into between Tigerair and the licensees.

13. During the financial year, the Group received lower franchise income (-$5 million). It was mainly due to the sale of Tigerair Philippines and the closure of Tigerair Mandala. Going forward, the Group continues to earn franchising income from Tigerair Australia and Tigerair Taiwan.

14. In May 2014, the Group injected $8 million equity in Tigerair Taiwan. The Group currently holds a 10% shareholding in the airline. Tigerair Taiwan took to the skies in September 2014 and now has a fleet of five A320 aircraft.

Fleet Development and Aircraft Leasing

15. With the divestment and closure of overseas ventures, Tigerair was burdened with surplus aircraft that were previously deployed in Indonesia and the Philippines. In order to manage excess capacity, the Group proactively addressed its surplus aircraft issues through sublease arrangements, novation of aircraft leases and disposal of aircraft.

16. During FY15, the Group made provisions for onerous aircraft leases and planned disposal of two aircraft which amounted to $126 million. Notwithstanding that these had an adverse impact on short term performance, the one-time expenses were necessary to ensure a more optimal fleet to deal with the oversupply situation in the industry.

17. The Group earned income from aircraft subleasing arrangements with Tigerair Australia and Tigerair Taiwan. The sublease aircraft rental rates are on a "back-to-back" basis with the head leases entered into between the Group and the third party lessors, whereby the sublease period matches the head lease duration. At the end of the financial year, the Group had three aircraft subleased to Tigerair Australia and one aircraft subleased to Tigerair Taiwan. The Group targets to sublease the second aircraft to Tigerair Taiwan in 1HFY16.

18. In October 2014, the Group signed an agreement to novate 12 aircraft leases to InterGlobe Aviation Limited ("IndiGo"). During the lease suspension period, IndiGo pays the lease rentals directly to the head lease lessors. Therefore, the Group does not record the aircraft sublease income from IndiGo.

19. The Group also manages its surplus fleet through disposal of aircraft. In August 2014, the Group sold one aircraft to Tigerair Taiwan. The Group has also earmarked two more aircraft for sale in FY16.

20. In April 2015, Tigerair finalised an agreement with Airbus to exercise two purchase options for the A320neo, with a corresponding cancellation of two A320ceo transferred from Tigerair Australia following the divestment of the airline in February 2015. As a result, the Group's A320neo order is now for 39 firm aircraft, with 11 purchase options.

Strengthening of Balance Sheet

21. On 17 October 2014, Tigerair announced a proposed renounceable non-underwritten rights issue ("Rights Issue"). The Rights Issue offered existing shareholders the chance to subscribe for additional new shares ("Rights Shares") at a discount. Shareholders could subscribe for 85 Rights Shares for every 100 existing shares held, at an issue price of $0.20 per Rights Shares. The Rights Issue closed on 29 December 2014, oversubscribed, with valid acceptances and excess applications received for more than 1,797 million Rights Shares. On 7 January 2015, Tigerair issued 1,147 million rights shares. The net proceeds from the Rights Issue amounted to $227 million.

review of operating and financial performance

22. In December 2014, 191 million perpetual convertible capital securities ("PCCS") were converted prior to the record date for the Rights Issue and as a result, 362 million new shares were issued. Out of this total, SIA converted 189 million of its PCCS holdings, raising its stake in Tigerair from 40.0% to 55.8%.

Group Financial Position

23. Total assets at year end amounted to $1,022 million, an increase of $37 million from a year ago. The increase was mainly due to increase in cash, decrease in loan to associate and joint venture, and decrease in other receivables.

24. Total liabilities (excluding borrowings) at year end amounted to $500 million, an increase of $153 million from the previous year. The increase was mainly due to higher provision for onerous aircraft leases, higher out-of-money fuel hedging liabilities, and higher maintenance provisions.

25. Borrowings at year end amounted to $307 million, a decrease of $53 million from a year ago due to repayment of bank loans.

26. Shareholders' equity as at 31 March 2015 was $215 million, a decrease of $63 million from a year ago. The decrease was mainly due to full year Group losses, higher net unrealised loss from fuel and foreign exchange hedging instruments, perpetual convertible capital securities ("PCCS") distribution, and partially mitigated by net proceeds from the rights issue.

27. As at 31 March 2015, the Group had a net cash of $3 million compared to net debt of $188 million a year ago.

Cash Flows

28. Cash and cash equivalents as at 31 March 2015 was $310 million, an increase of $139 million compared to the previous year.

29. Net cash inflow from core operations of $75 million was mainly due to receipt of net refund arising from the cancellation of nine aircraft on-order, partially offset by cash used in operations. Cash outflow for funding of surplus aircraft amounted to $46 million.

30. Net cash inflow from financing activities of $163 million was mainly due to receipt of $227 million net proceeds from Rights Issue, partially offset by net repayment of bank loans and distribution made to the PCCS holders.

31. Net cash outflow from investing activities amounted to $53 million. This was mainly due to the funds extended to overseas ventures and injection of equity into Tigerair Taiwan, partially offset by net cash inflows from the sale of one aircraft to Tigerair Taiwan.

board of directors

Hsieh Fu Hua, 64
chairman
independent director

Mr Hsieh Fu Hua has nearly 40 years of experience in merchant banking and capital markets in Asia. His current principal commitment is as the Chairman of United Overseas Bank Limited. He had previously served as Chief Executive Officer and Director of Singapore Exchange Limited from 2003 to 2009. Mr Hsieh has a Bachelor of Business Administration from University of Singapore.

First appointment as a director: 4 November 2011
Last re-election as a director: 31 July 2014

board committee(s) served on:
Executive Committee (Chairman)
Nominating Committee (Member)
Remuneration Committee (Member)
Risk Management Committee (Member)

academic & professional qualification(s):
Bachelor of Business Administration (Honours), University of Singapore

present directorships:
Other Listed companies
United Overseas Bank Limited, Singapore (Chairman)

Others
ACR Capital Holdings Pte. Ltd. (Chairman)
Far Eastern Bank Limited (Chairman)
GIC Private Limited (Director)
National Council of Social Service, Singapore (President)
National Gallery Singapore (Chairman)
Stewardship Asia Centre Pte. Ltd. (formerly known as Stewardship and Corporate Governance Centre Pte. Ltd.) (Chairman)

principal commitments/major appointments (other than directorships)
Lien Foundation, Singapore (Governor)
PrimePartners Group (Co-founder & Advisor)
Singapore Institute of International Affairs Endowment Fund (Trustee)

past directorships held over the preceding three years
Fullerton Fund Management Company Ltd.
ICAP plc, United Kingdom
National Arts Council Singapore
Shared Services for Charities Limited, Singapore
Singapore Indian Development Association, Singapore
ST Asset Management Ltd.

Lee Lik Hsin, 44
chief executive officer
executive director

Mr Lee Lik Hsin was appointed as Chief Executive Officer in May 2014. He served on the Tigerair Board between July 2013 and May 2014, as a representative from SIA. He brings with him a wealth of experience at the senior level in the airline industry. Before joining Tigerair, he was the President of Singapore Airlines Cargo Pte. Ltd. ("SIA Cargo"), and prior to that, he was SIA's Senior Vice President Corporate Planning. Mr Lee also headed the Company Planning and Fuel department, and held Regional Vice President roles for West Asia and Africa, and North Asia sales regions. Mr Lee has a Bachelor of Science in Economics from University of Pennsylvania, U.S.A.

First appointment as a director: 31 July 2013
Last re-election as a director: NA

board committee(s) served on:
Executive Committee (Member)

academic & professional qualification(s):
Bachelor of Science in Economics (*Summa Cum Laude*), University of Pennsylvania, U.S.A.

present directorships:
Other Listed companies Nil

Others
Roar Aviation Pte. Ltd. (Director)
Roar Aviation II Pte. Ltd. (Director)
Roar Aviation III Pte. Ltd. (Director)
Tiger Airways Singapore Pte. Ltd. (Director)

principal commitments/major appointments (other than directorships)
Tigerair Taiwan Co., Ltd. (Supervisor)

past directorships held over the preceding three years
China Cargo Airlines Co Ltd
Scoot Pte. Ltd.
Singapore Airlines Cargo Pte Ltd
Tiger Airways Australia Pty Limited

board of directors

de Vaz Don Emmanuel Maurice Rosairo, 74
independent director

Mr Maurice de Vaz joined SIA (then Malayan Airways), in 1963 and rose through the ranks to become Senior Vice President of Flight Operations in 1981. During his term, he was appointed as Chairman of SATS Apron Services Pte Ltd and served as a board member of SIA Engineering Company Limited ("SIAEC"). He set-up the Singapore Flying College Pte Ltd in 1988 and served as its Chairman till his retirement in 2002. Outside the SIA group, Mr de Vaz served as a member of the International Air Transport Association ("IATA") Operations Committee and was appointed as Chairman for two years. Mr de Vaz retired in 2002 and went on to act as Advisor to the Chief Executive Officer/Chairman of Qatar Airways, Pakistan Airlines and Jet Airways from 2003-2009. He served as a board member of Mount Alvernia Hospital for nine years till retiring in November 2014.

First appointment as a director:	31 July 2012
Last re-appointment as a director:	31 July 2014

board committee(s) served on:

Audit Committee	(Member)
Executive Committee	(Member)
Nominating Committee	(Member)
Remuneration Committee	(Member)

academic & professional qualification(s):
Airline Pilot (license now lapsed)

present directorships:

Other Listed companies	Nil
Others	Nil

principal commitments/major appointments (other than directorships)
Nil

past directorships held over the preceding three years
Mount Alvernia Hospital
Southeast Asian Airlines (SEAir) Inc.
Tiger Airways Singapore Pte. Ltd.

Lang Tao Yih, Arthur, 43
independent director

Mr Arthur Lang is the Group Chief Financial Officer of CapitaLand Limited ("CapitaLand"). In his current role, he has direct oversight of the functions of treasury, financial reporting and controls, risk management, strategic projects, tax, investor relations and looks after the administrative matters of the internal audit department of CapitaLand. He also recently took over the running of the Fund Management department which oversees the Group's real estate private equity funds business. Prior to joining CapitaLand, he was at Morgan Stanley having been the co-head of the Southeast Asia investment banking division and the Chief Operating Officer for the Asia Pacific investment banking division. Mr Lang is also a board member of the Land Transport Authority of Singapore, the Advisory Board of the Lee Kong Chian School of Business, Singapore Management University and The National Kidney Foundation. He has also been appointed as a member of CNBC's Global CFO Council. Mr Lang received the Best Investor Relations by a CFO award by IR Magazine in 2012 and 2013. He was also placed second (sell-side) for Asia's Best CFOs (Property) in the Institutional Investor 2013 All-Asia Executive Team rankings. Mr Lang has a Master of Business Administration from the Harvard Business School and a Bachelor of Arts in Economics from Harvard University, U.S.A.

First appointment as a director:	31 July 2012
Last re-election as a director:	31 July 2013

board committee(s) served on:

Audit Committee	(Chairman)

academic & professional qualification(s):
Master of Business Administration, Harvard Business School, U.S.A.
Bachelor of Arts *(Magna Cum Laude)* in Economics, Harvard University, U.S.A.

present directorships:

Other Listed companies	
CapitaLand Treasury Limited	(Director)
CapitaMalls Asia Limited	(Director)
CapitaMalls Asia Treasury Limited	(Director)
Others	
Ascott Serviced Residence (China) Fund	(Director)
CapitaLand China Holdings Pte Ltd	(Director)
CapitaLand Corporate Investments Pte Ltd	(Director)
CapitaLand Financial Limited	(Director)
CapitaLand Fund Management Pte. Ltd.	(Director)
CapitaLand GCC (Abu Dhabi) Pte. Ltd.	(Director)
CapitaLand GCC (Bahrain) Pte. Ltd.	(Director)
CapitaLand GCC Holdings Pte. Ltd.	(Director)
CapitaLand Malaysia Pte. Ltd.	(Director)
CapitaLand Regional Investments Limited	(Director)
CapitaLand Residential Singapore Pte Ltd	(Director)
CapitaLand Singapore Limited	(Director)
Land Transport Authority	(Director)
Sound Investment Holdings Pte. Ltd.	(Director)
The Ascott Limited	(Director)
The National Kidney Foundation	(Director and Member)

principal commitments/major appointments (other than directorships)

CapitaLand Limited	(Group CFO)
Lee Kong Chian School of Business, Singapore Management University	(Member of Advisory Board)

past directorships held over the preceding three years
Nil

Lee Chong Kwee, 58
non-executive director (non-independent)

Mr Lee Chong Kwee began his career with SIA and held various positions in Singapore, Hong Kong, Japan, United States and United Kingdom. From 1999 to 2005, Mr Lee held the role as Chief Executive Officer, Asia-Pacific of Exel (Singapore) Pte Ltd. He is currently Chairman of Jurong Port Pte Ltd and holds other directorships. Mr Lee has a Bachelor of Science from the University of Malaya and a Certified Diploma in Accounting and Finance from the Chartered Association of Certified Accountants.

First appointment as a director:	1 December 2009
Last re-election as a director:	31 July 2012

board committee(s) served on:

Risk Management Committee	(Chairman)
Audit Committee	(Member)
Executive Committee	(Member)

academic & professional qualification(s):

Bachelor of Science (Honours), University of Malaya
Certified Diploma in Accounting & Finance, Chartered Association of Certified Accountants

present directorships:

Other Listed companies	Nil

Others

First Flight Couriers Pvt Limited	(Director)
Jurong Country Club	(Chairman)
Jurong Port Pte Ltd	(Chairman)
Jurong Port Rizhao Holding Pte. Ltd.	(Director)
Mapletree Investments Pte Ltd	(Director)
Rizhao Jurong Port Terminals Co Ltd	(Director)
SDIC Jurong Yangpu Port Co Ltd	(Vice Chairman)
Singapore Storage & Warehouse Pte Ltd	(Director)

principal commitments/major appointments (other than directorships)

Nil

past directorships held over the preceding three years

Great Wall Airlines Co Ltd (liquidated)
Southeast Asian Airlines (SEAir) Inc.
Tiger Airways Singapore Pte. Ltd.

Yap Chee Keong, 54
lead independent director

Mr Yap Chee Keong is the Non-Executive Independent Chairman of CityNet Infrastructure Management Pte. Ltd., the trustee manager of NetLink Trust. He is an Independent Non-Executive Director of Citibank Singapore Limited, InterOil Corporation and Certis CISCO Security Pte. Ltd. and Non-Executive Director of The Straits Trading Company Limited. Mr Yap also serves as a board member of the Accounting and Corporate Regulatory Authority and as a member of the Public Accountants Oversight Committee. Mr Yap was previously the Executive Director of The Straits Trading Company Limited and the Chief Financial Officer of the Singapore Power Group. He had also held various senior management roles in multinational and listed companies. Mr Yap holds a Bachelor of Accountancy from the National University of Singapore and is a fellow of the Institute of Singapore Chartered Accountants and Certified Public Accountants Australia.

First appointment as a director:	1 December 2009
Last re-election as a director:	31 July 2014

board committee(s) served on:

Nominating Committee	(Chairman)
Remuneration Committee	(Chairman)
Audit Committee	(Member)
Risk Management Committee	(Member)

academic & professional qualification(s):

Bachelor of Accountancy, National University of Singapore
Fellow, Institute of Singapore Chartered Accountants
Fellow, CPA Australia
Fellow, Singapore Institute of Directors

present directorships:

Other Listed companies

ARA Asset Management Limited	(Director)
InterOil Corporation	(Director)
The Straits Trading Company Limited	(Director)

Others

Certis CISCO Security Pte. Ltd.	(Director)
Citibank Singapore Limited	(Director)
CityNet Infrastructure Management Pte. Ltd.	(Chairman)
The Assembly of Christians of Singapore Ltd	(Director)

principal commitments/major appointments (other than directorships)

Accounting & Corporate Regulatory Authority	(Board member)
Public Accountants Oversight Committee	(Member)

past directorships held over the preceding three years

CapitaMalls Asia Limited
Far East Hospitality Holdings Pte. Ltd.
Hup Soon Global Corporation Limited
OpenNet Pte. Ltd.
SPI (Australia) Assets Pty Ltd
Straits Real Estate Pte. Ltd.
Tiger Airways Australia Pty Limited
UTAC Holdings Ltd.

board of directors

Yeap Beng Hock Gerard, 61
non-executive director (non-independent)

Mr Gerard Yeap joined SIA in 1972 as a cadet pilot. He was promoted to the rank of Captain in 1983 and moved up the ranks as Line Instructor Pilot and Senior Instructor Pilot. In 1989, he joined the management ranks of Flight Operations when he was appointed as Assistant Chief Pilot Training (B747). Since then, he has served as Deputy Chief Pilot Training (A310), Chief Pilot Training and Chief Pilot (B777). Mr Yeap was promoted as Senior Vice President Flight Operations in 2006. In 2007, he was the commanding pilot for SIA's inaugural A380 flight to London. Mr Yeap currently sits on the Operations Committee of IATA and holds the position of Chairman.

First appointment as a director:	3 August 2011
Last re-election as a director:	31 July 2012

board committee(s) served on:

Risk Management Committee	(Member)

academic & professional qualification(s):
Airline Pilot

present directorships:

Other Listed companies	Nil
Others	
Airbus Asia Training Centre Pte. Ltd.	(Director)

principal commitments/major appointments (other than directorships)

Singapore Airlines Limited	(Senior Vice President Flight Operations)

past directorships held over the preceding three years
SilkAir (Singapore) Private Limited
Tiger Airways Australia Pty Limited

Chong Phit Lian, 63
non-executive director (non-independent)

Ms Chong Phit Lian is an Advisor of Singbridge Corporate Pte. Ltd. ("Singbridge Corporate"). She was previously the Chief Executive Officer and Director of Singbridge Corporate, and a Director of Singbridge Holdings Pte. Ltd.. She has more than 38 years of work experience in operations, general management, business investment, development and business restructuring in various industries, including the aviation sector. Ms Chong was previously Chief Executive Officer of Jetstar Asia Airways Pte. Ltd., Valuair Ltd, The Singapore Mint and Singapore Precision Industries. Ms Chong holds a Bachelor of Science in Production Engineering and Manufacturing Technology from Aston University, U.K. and a Masters in Business Administration from University of Strathclyde, U.K.

First appointment as a director:	31 July 2014
Last re-election as a director:	NA

board committee(s) served on:

Executive Committee	(Member)

academic & professional qualification(s):
Masters in Business Administration, University of Strathclyde, U.K.
Bachelor of Science (Honours) in Production Engineering and Manufacturing Technology, Aston University, U.K.

present directorships:

Other Listed companies	Nil
Others	
Jilin Food Zone Pte. Ltd.	(Director)
Singapore Polytechnic International Pte. Ltd.	(Director)
Sino-Singapore Guangzhou Knowledge City Investment and Development Co, Ltd.	(Director)
Sino-Singapore (Chengdu) Innovation Park Development Co., Ltd.	(Director)

principal commitments/major appointments (other than directorships)

Singapore Polytechnic, Board of Governors	(Member and Audit Committee member)

past directorships held over the preceding three years
Canton Pearl Pte. Ltd.
Jetstar Asia Airways Pte. Ltd.
Valuair Ltd
Orangestar Investment Holdings Pte. Ltd.
Newstar Investment Holdings Pte. Ltd.
National Car Rentals (Private) Limited
JFZ1 Pte. Ltd.
JFZ9 Pte. Ltd.
Jilin Food Zone Investment Holdings Pte. Ltd.
Knowledge City Pte. Ltd.
Maxwell Investment and Development Pte. Ltd.
Optima Investment & Development Pte. Ltd.
Poly Field International Investments Limited
Shangdu Limited
Shidu Capital Limited
Singapore-Sichuan Investment Holdings Pte. Ltd.
Singbridge Capital Pte. Ltd.
Singbridge CDIP1 Pte. Ltd.
Singbridge CDIP9 Pte. Ltd.
Singbridge Chengdu Investments Holdings Pte. Ltd.
Singbridge Chongqing Investments Holdings Pte. Ltd.
Singbridge Corporate Pte. Ltd.
Singbridge CTM1 Pte. Ltd.
Singbridge CTM9 Pte. Ltd.
Singbridge Guangzhou Pte. Ltd.
Singbridge Holdings Pte. Ltd.
Singbridge International Singapore Pte. Ltd.
Singbridge Sustainable Development Singapore Pte. Ltd.

Ng Chin Hwee, 54
non-executive director (non-independent)

Mr Ng Chin Hwee joined SIA in 1985 and has worked in a number of senior positions in Singapore and overseas. In 2004, he returned to Singapore to take up the position of President & Chief Executive Officer, SATS Ltd. Mr Ng was promoted to Executive Vice-President, Human Resources & Planning in January 2008. He was appointed Executive Vice-President, Human Resources and Operations in February 2011 and took charge of Cabin Crew, Engineering, Flight Operations and Human Resources divisions. He became Chairman of SIA Cargo in December 2010 and was appointed Chairman of Scoot Pte. Ltd. in June 2011. He is also a Director of SIAEC and NokScoot Airlines Company Limited. Mr Ng, a Singapore Airlines Scholar, graduated from the National University of Singapore with Bachelor of Engineering degree and holds a Master of Science in Management degree from the Massachusetts Institute of Technology, U.S.A.

First appointment as a director:	3 March 2015
Last re-election as a director:	NA

board committee(s) served on:

Executive Committee	(Member)
Nominating Committee	(Member)
Remuneration Committee	(Member)

academic & professional qualification(s):

Bachelor of Engineering (First Class Honours), National University of Singapore
Master of Science in Management, Massachusetts Institute of Technology, U.S.A.

present directorships:

Other Listed companies

SIA Engineering Company Limited	(Director)

Others

NokScoot Airlines Company Limited	(Director)
Scoot Pte. Ltd.	(Chairman)
Singapore Airlines Cargo Pte Ltd	(Chairman)

principal commitments/major appointments (other than directorships)

Singapore Airlines Limited	(Executive Vice-President Human Resources and Operations)

past directorships held over the preceding three years

SIA Properties (Pte) Ltd
VAL Trademark Two Ltd
VAL Trademark Three Ltd
VAL Trademark Four Ltd
VAL Trademark Five Ltd
Virgin Atlantic Ltd
Virgin Atlantic Airways Ltd
Virgin Travel Group Ltd

Sirisena Mervyn s/o Piankara Mestrige, 63
non-executive director (non-independent)

Mr Mervyn Sirisena has been in SIA Group since 1975. During this period, he held various appointments in SIA and SIAEC. Key appointments held in SIA being Manager, Technical Services (Systems, Performance and Structures), and Senior Manager, Company Planning and Vice President, Technical Services. In July 1998, Mr Sirisena joined SIAEC as Divisional Vice President, Maintenance and subsequently, assumed the position of Chief Operating Officer. He saw SIAEC through its IPO when SIAEC was listed on 12 May 2000. In April 2001, he returned to SIA as Senior Vice President, Engineering, heading the Engineering division. Mr Sirisena holds a Bachelor of Aeronautical Engineering from the University of Sydney and a Master of Business Administration from the National University of Singapore. He is also a Fellow Member of the Singapore Institute of Aerospace Engineers.

First appointment as a director:	3 March 2015
Last re-election as a director:	NA

board committee(s) served on:

Risk Management Committee	(Member)

academic & professional qualification(s):

Master of Business Administration, National University of Singapore
Bachelor of Engineering (First Class Honours) in Aeronautical Engineering, University of Sydney
Fellow member of Singapore Institute of Aerospace Engineers

present directorships:

Other Listed companies	Nil

Others

Aviation Partnership (Philippines) Corporation	(Chairman)
SIA Engineering (Philippines) Corporation	(Chairman)

principal commitments/major appointments (other than directorships)

Nil

past directorships held over the preceding three years

Singapore Aero Engine Services Pte Ltd

senior management

We set out below certain information regarding our Senior Management as at the date of this Annual Report:

Lee Lik Hsin
Chief Executive Officer

Mr Lee Lik Hsin was appointed as Chief Executive Officer in May 2014. He served on the Tigerair Board between July 2013 and May 2014, as a representative from SIA. He brings with him a wealth of experience at the senior level in the airline industry. Before joining Tigerair, he was the President of SIA Cargo, and prior to that, he was SIA's Senior Vice President Corporate Planning. Mr Lee also headed the Company Planning and Fuel department, and held Regional Vice President roles for West Asia and Africa, and North Asia sales regions. Mr Lee has a Bachelor of Science of Economics from University of Pennsylvania, U.S.A.

Ho Yuen Sang
Managing Director/Chief Operating Officer

Mr Ho Yuen Sang joined Tigerair Singapore as Managing Director in December 2012. In January 2014, he was appointed as Tigerair's Managing Director/Chief Operating Officer and is responsible for Engineering, Engineering Projects, Services, Flights Operations and SSQE (Safety, Security, Quality and Environment). He brings with him over 20 years of experience in the aviation sector, and has previously served as Chief Operating Officer of Jetstar Asia. He also previously held various senior management positions at Singapore Technologies Aerospace. Mr Ho holds a Bachelor in Engineering from the National University of Singapore and a Master of Science in Engineering (Mechanical Engineering) from University of Michigan, U.S.A.

Vanessa Lau Man Yee
Chief Financial Officer

Ms Vanessa Lau joined Tigerair as Chief Financial Officer in January 2014. Her key responsibilities include corporate accounting and reporting, treasury, financial risk management, insurance, investor relations and procurement. She was previously the Chief Financial Officer of the Oil Tanker business unit of Brightoil Petroleum Holdings Ltd. Prior to this, she was the Senior Vice President and Group Financial Controller at Neptune Orient Lines Ltd.. She holds a Master of Business Administration degree jointly awarded by the University of Wales and the University of Manchester, U.K. She is also a fellow member of the Association of Chartered Certified Accountants.

Mui Chee Wai
Planning Director

Mr Mui Chee Wai joined Tigerair in June 2014 as Director Revenue Management. In addition to Revenue Management, he also headed the Network Planning and IT departments after he took over as Planning Director in September 2014. Prior to joining Tigerair, he was the Vice President Talent Management and Development at SIA. During his career with SIA, he also held senior managerial position in the Network Revenue Management and Network Planning departments. Mr Mui has a Bachelor of Arts in Engineering from Cambridge University, U.K.

Tommy Ng Yew Chye
Human Resource Director

Mr Tommy Ng joined Tigerair as Human Resource Director in December 2014. In his HR career that spans over three decades, Tommy was previously the General Manager, Group Human Resources of GuocoLand Group, Senior Vice President, Corporate Services at SMRT Corporation and the Senior Vice President HR at Fairmont Raffles Hotels International. A former member of the Industrial Arbitration Court Employers Panel, Tommy was conferred the Medal of Commendation by the National Trade Union Congress at the May Day Award 2007 and a fellowship at the Singapore Human Resource Institute. Tommy obtained his Master in Business Administration degree from the University of Strathclyde and completed an Executive Development Program at the Centre of Advanced Human Resource Studies, Cornell University.

Teh Yik Chuan
Sales and Marketing Director

Mr Teh Yik Chuan joined Tigerair as Sales and Marketing Director in January 2015. Prior to joining Tigerair, Mr Teh spent nine years with SIA in a variety of functions. After stints in Revenue Management and Company Planning with SIA corporate headquarters, Mr Teh was based in London as Regional Marketing Manager Europe. Subsequently, he was posted as Area Manager South Central USA overseeing Marketing, Sales and Operations in Houston. Mr Teh holds a Master of Engineering degree in Electrical and Electronic Engineering from Imperial College London, U.K., and a Master of Business Administration from Tsinghua University, Beijing, P.R.C.

David Liew
Director, Corporate Services

Mr David Liew was appointed Director, Corporate Services in March 2015. He is responsible for the Internal Audit, Enterprise Risk Management and Company Secretarial functions. He has 43 years of working experience; 11 years with international firms of public accountants and 32 years with various financial institutions. During his tenure with the financial institutions, he variously held senior positions in Internal Audit, Enterprise Risk Management, Finance, Operations and Compliance and was the Company Secretary of a Merchant bank. Mr Liew is a Fellow Member of The Association of Chartered Certified Accountants, U.K. and the Institute of Singapore Chartered Accountants.

sustainability

We Value Our Environment

Young and Modern Fleet

Tigerair remains committed to operate and advance its fleet modernisation plan in order to provide superior environmental and economic performance. Its young and modern operating fleet of A320-family aircraft averages about 3.8 years at the end of the financial year. This compares to an industry-wide average age of around 12 years, as reported by ACAS (Aircraft Information and Forecast Data System Report for April 2015).

The operating fleet of A320 aircraft uses the IAE V2500 engines. The engine performance exceed the stringent 2004 ICAO CAEP/6 Emisssion Standards for NOx, which are 12% lower than the previous standard and will provide a 40% reduction in NOx emissions compared to the first standard.

Tigerair was the first airline in Asia to retrofit fuel-saving Sharklets on an in-service aircraft. Sharklets are large wing-tip devices made from light-weight composites. Measuring 2.4 metres tall, they were designed to enhance the A320's performance by offering up to 4% reduction in fuel consumption. In-service data reveal that this translates into an estimated 3,600 tonnes of carbon dioxide reduction per aircraft, per annum. By the end of FY15, seven of the 24 A320 aircraft were retrofitted with Sharklets.

Currently, the Group has a firm order for 39 A320neo aircraft and 11 on purchase options. The new aircraft order will be powered by Pratt & Whitney 1100G–JM engines. The staggered delivery of the new aircraft will span over a period of eight years from 2018 to 2025.

The new A320neo is the most fuel-efficient version of Airbus' single aisle aircraft. The combination of efficient P&W engines and large Sharklet wing-tips promises to deliver approximately 15% greater fuel efficiency compared to the current generation A320ceo. The A320ceo aircraft will be gradually phased out upon the expiry of their respective leases and they will be replaced by the new A320neo fleet.

We Value Our Community

Community Awareness

Tigerair conducted a trial flight with a guide dog on board in October 2014. A guide dog accompanied a visually impaired passenger on a flight from Singapore to Phuket. This flight marks a milestone for Tigerair as it rolled out a new policy allowing visually impaired persons to travel on board with their guide dogs. The introduction of this new policy is yet another example of Tigerair's effort to improve the flight experience of persons with special requirements.

Pioneer Generation

In June 2014, the Labour Movement in Singapore launched the SG50 milestone with its first mega party, *Appreciating U – Our Pioneers*, for Singapore's Pioneer Generation to thank seniors for their contributions during the early years of independence. In conjunction with the celebration, Tigerair participated in the Pioneer program through its strategic partnership with the National Trades Union Congress ("NTUC") to offer travel opportunities to the Pioneer Generation. Tigerair offered $88 *hongbao* flight vouchers to 300 pioneer generation members as an appreciation of their contribution to nation building.

We Value Our People

Culture, Identity and Personality

In Tigerair, we value our People. We are passionate about our people and believe that our ability to deliver performance and value-add to our customer's experience can only be achieved if our people can identify with our Brand, live our Core Values and personify Tigerair's warm, passionate and genuine ("WPG") personality. To achieve this, two programs, namely, the Tigerair Identity Program and the Tigerair WPG Program had been rolled out. The Tigerair Identity Program is a one-day compulsory program for all staff that focuses on raising brand awareness and socialising staff to the Tigerair Core Values. The Tigerair WPG Program, on the other hand, is a one-day compulsory program to help our frontliners deliver a customer experience that is warm, passionate and genuine.

financial contents

corporate governance report

The Board of Directors (the "Board") and Management of Tiger Airways Holdings Limited (the "Company") are committed to continually enhancing shareholder value by maintaining high standards of corporate governance, professionalism, integrity and commitment at all levels, underpinned by strong internal controls and risk management systems.

Unless otherwise stated, this Report sets out the Company's corporate governance processes for the financial year ended 31 March 2015 ("FY15") with reference to guidelines of the Code of Corporate Governance 2012 (the "2012 Code").

Board's Conduct of Affairs

Principle 1: Effective Board to lead and control the Company

The principal functions of the Board are, *inter alia*, to:

(a) Provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) Establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(c) Review Management performance;

(d) Identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

(e) Set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and

(f) Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

All Directors are required to exercise due diligence and independent judgment and to make decisions objectively in the best interest of the Company.

To assist the Board in discharging its oversight function, certain functions have been delegated by the Board to various board committees ("Board Committees"). The Board Committees constituted by the Board are the Audit Committee ("AC"), the Nominating Committee ("NC"), the Remuneration Committee ("RC"), the Risk Management Committee ("RMC"), and the Executive Committee ("Exco").

Each of the Board Committees has been set up with clear written terms of reference ("TOR"). The Board Committee TORs set out the duties, authority and accountabilities of each committee and are subject to regular review, in particular, the AC's TOR are subject to annual review. The TORs are published on the Company's website.

The Board meets at least once every quarter, and more as warranted by particular circumstances. The NC and the RC share common membership and meetings of the NC and the RC are jointly convened.

The Company's Articles of Association allows Directors to participate in Board meetings by telephonic and video-conferencing means.

corporate governance report

During FY15, a total of 22 Board and Board Committee meetings were convened. The details of Board and Board Committee meetings held in FY15, and the attendance of each Director at these meetings are disclosed below:

name of director	board meetings	AC meetings	NC and RC meetings	Exco meetings	RMC meetings	total
Hsieh Fu Hua[(1)]	6/6	n.a.	4/4	5/5	3/3	18
Lee Lik Hsin[(2)]	6/6	1/1	n.a.	4/4	n.a.	11
Chong Phit Lian[(3)]	4/5	n.a.	n.a.	1/1	n.a.	5
de Vaz Don Emmanuel Maurice Rosairo	6/6	4/4	4/4	5/5	n.a.	19
Lang Tao Yih, Arthur[(4)]	6/6	2/2	n.a.	n.a.	1/1	9
Lee Chong Kwee[(5)]	6/6	4/4	n.a.	5/5	2/2	17
Ng Chin Hwee[(6)]	n.a.	n.a.	n.a.	1/1	n.a.	1
Sirisena Mervyn s/o Piankara Mestrige[(7)]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Yap Chee Keong[(8)]	6/6	4/4	4/4	n.a.	2/2	16
Yeap Beng Hock Gerard	5/6	n.a.	n.a.	n.a.	3/3	8
Joseph Yuvaraj Pillay[(9)]	1/1	n.a.	2/2	2/2	1/1	6
Koay Peng Yen[(10)]	1/1	n.a.	n.a.	1/1	n.a.	2
Po'ad Bin Shaik Abu Bakar Mattar[(10)]	1/1	2/2	n.a.	n.a.	1/1	4
Number of meetings held in FY15	6	4	4	5	3	22

(1) Mr Hsieh Fu Hua was appointed to be Chairman of the Board, RMC and Exco with effect from 31 July 2014. On 15 August 2014, he ceased to be RMC Chairman but remained as a RMC member.

(2) Mr Lee Lik Hsin was appointed to be Chief Executive Officer ("CEO") with effect from 12 May 2014. On 12 May 2014, he ceased to be an AC member and was appointed to be an Exco member.

(3) Ms Chong Phit Lian was appointed as a Director and an AC member on 31 July 2014. On 1 October 2014, she ceased to be an AC member and was appointed to be an Exco member.

(4) Mr Arthur Lang was appointed to be AC Chairman and ceased to be a RMC member with effect from 31 July 2014.

(5) Mr Lee Chong Kwee was appointed to be RMC Chairman with effect from 15 August 2014.

(6) Mr Ng Chin Hwee was appointed as Director and a member of Exco, NC and RC with effect from 3 March 2015.

(7) Mr Mervyn Sirisena was appointed as Director and a member of the RMC with effect from 3 March 2015.

(8) Mr Yap Chee Keong was appointed to be Chairman of the NC and the RC and a RMC member with effect from 31 July 2014.

(9) Mr Joseph Yuvaraj Pillay retired from the Board on 31 July 2014.

(10) Mr Koay Peng Yen and Mr Po'ad Mattar resigned from the Board on 31 July 2014.

The Board has approved a Delegation of Authority policy, which sets out matters that require Board approval, and specifies the limits and authorities for the various levels of the Board and Management.

Board approval is sought on major matters, in particular on group strategy, acquisitions and divestments, investments, capital expenditure, credit facilities, Group budget and business plans.

A formal letter of appointment is sent to newly appointed Directors of the Company, setting out their duties and obligations as a Director in respect of potential conflicts of interest, interested person transactions and disclosure of Directors' interests. New Directors to the Board are briefed by Management on the Group's business activities, strategic direction and policies. Management conducted one Board Briefing Session in FY15 where presentations were made on strategy, fleet plan and financial matters to keep Directors updated on business and operational matters.

Directors receive training on significant new laws, regulations and changing commercial risks, from time to time. For example, during FY15, the Board attended a briefing session conducted by external counsel on the amendments to the Companies Act.

Training sessions conducted by the Singapore Institute of Directors are made available to first-time Directors who have no prior experience on a board of a listed company as well as to the other Directors on the Board.

Directors may also attend, at the Company's expense, other appropriate courses, conferences and seminars. These include programmes run by the Singapore Institute of Directors and the Stewardship & Corporate Governance Centre. Directors can request further explanations, briefings or information on any aspect of the Company's operations or business issues from Management.

Board Composition

Principle 2: Strong and independent element on the Board

As at the date of the Directors' Report, the Board comprises 10 Directors, of whom four are independent non-executive Directors ("Independent Directors"). The remaining six Directors are non-independent for the reasons described below:

- Mr Lee Lik Hsin is the CEO of the Company and Executive Director.
- Mr Gerard Yeap and Mr Ng Chin Hwee are Non-Executive Directors (Non-Independent) ("NED") as they are employees of Singapore Airlines Limited ("SIA"), a 55.8% shareholder of the Company. Mr Ng Chin Hwee was appointed to the Company's Board as a NED on 3 March 2015.
- Mr Mervyn Sirisena was appointed to the Company's Board as a NED on 3 March 2015. Mr Mervyn Sirisena was an employee of SIA until his retirement on 10 June 2015. With effect from 11 June 2015, Mr Mervyn Sirisena continues as a NED by virtue of being a nominee Director of SIA.
- Ms Chong Phit Lian and Mr Lee Chong Kwee were re-designated from Independent Directors to NEDs on 10 April 2015 when they became nominee Directors of SIA.

The NC annually reviews and determines if each Director is independent based on the independence guidelines in the 2012 Code. As at 31 March 2015, the NC was satisfied that there was a strong and independent element on the Board with the Chairman of the Company (the "Chairman") being an Independent Director and with more than one third of Board members being Independent Directors.

No Director has served on the Board beyond nine years from the date of their first appointment.

The FY15 Board Evaluation results showed that Directors thought the Board was of an appropriate size to ensure effective decision making and that the Board has an appropriate balance of competencies, experiences, skills, gender and knowledge of the Company.

The Company does not adopt an absolute limit on the number of listed company board representations which Directors may have. No two boards or individuals are alike, therefore consideration is made on a case-by-case basis given the varying commitments of the Directors.

The NC annually reviews whether Directors are able to and have been adequately carrying out their duties as Directors.

The Board, excluding the CEO who is the only executive Director, convenes an annual session in the absence of Management whereby frank discussions on Management may take place, to facilitate a more effective check on Management.

corporate governance report

Chairman and CEO

Principle 3: Chairman and CEO are separate persons to ensure appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making

The Chairman of the Board and the CEO are separate persons with separate roles in the Company and they are not related to each other.

The CEO leads the management team and manages the business of the Group in line with the Group's strategic directions and policies. The CEO regularly communicates with the Chairman and the Board to update them on corporate issues and developments.

The Company's former Chairman, Mr Joseph Yuvaraj Pillay, retired from the Board on 31 July 2014 at the 2014 Annual General Meeting ("AGM") and was succeeded by Mr Hsieh Fu Hua. Both Mr Joseph Yuvaraj Pillay and Mr Hsieh Fu Hua are Independent Directors.

The Chairman:

(a) chairs Board meetings and shareholder meetings;

(b) leads the Board to ensure its effectiveness in all aspects of its role;

(c) sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues;

(d) promotes a culture of openness and debate at the Board;

(e) ensures that the directors receive pertinent, complete, adequate and timely information;

(f) ensures effective communication with shareholders;

(g) encourages constructive relations within the Board and between the Board and Management;

(h) facilitates and assesses the effective contribution of non-executive Directors in particular; and

(i) promotes high standards of corporate governance.

The Company has a Lead Independent Director ("LID"), Mr Yap Chee Keong. The LID assumes the role of the Chairman in his absence. The LID is available to shareholders if they have concerns or if contact through the normal channels to the Chairman, the CEO or the Chief Financial Officer ("CFO") has failed to resolve their concerns or is inappropriate.

The Independent Directors of the Company, together with the NEDs, participate in the annual non-executive Directors' session which is not attended by Management, where frank discussions on Management may take place, to facilitate a more effective check on Management.

Board Membership

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board

The Company has established the NC to, among other things, make recommendations to the Board on all Board appointments. As at the date of the Directors' Report, the NC has four members of whom three are Independent Directors and one is a NED. The NC members are:

- Mr Yap Chee Keong (NC Chairman and LID)
- Mr Hsieh Fu Hua
- Mr Maurice de Vaz
- Mr Ng Chin Hwee

The NC has a written TOR and the responsibilities of the NC include making recommendations to the Board on the following matters:

(a) nominations for the appointment, re-appointment or termination of Directors, the CEO and the Chairman;

(b) staffing of the various Board Committees and the boards of the Company's subsidiary and associated companies;

(c) annual re-election of Directors retiring under the Company's Articles of Association, having regard to the Directors' contribution and performance; and

(d) determination of the independence status of a Director (in accordance with the 2012 Code and any other salient factors) on an annual basis, and as and when circumstances require.

The NC also reviews the composition of the Board to ensure that the Board has an appropriate balance of expertise, skills, attributes and abilities. The NC annually reviews whether Directors are able to and have been adequately carrying out their duties.

The NC uses its best efforts to ensure that the Directors appointed to the Board possess the skill, experience and knowledge in the business, finance and management necessary to the Group's business.

Suitable external candidates are proposed through the recommendations of the Directors or by the Substantial Shareholders of the Company. The appointment of a new Director is approved by the NC and then the Board.

Pursuant to the Company's Articles of Association, all new appointees to the Board, if not elected by shareholders at the AGM, will only hold office until the next AGM after the date of their appointment. The Company's Articles of Association provide for not less than one third of the Board to retire at each AGM and, where applicable, to submit themselves for re-election. As there are 10 Directors, the cycle for the Directors to submit themselves for re-nomination and re-election is three years or less.

There are no alternate directors appointed to the Board.

Key information regarding Directors is found from page 11 to page 15.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board and Board Committees as a whole and the contribution by each Director to the effectiveness of the Board

Board evaluation is conducted on a two-year cycle. The two-year evaluation cycle monitors the effectiveness of (i) the Board, (ii) Board Committees and (iii) contribution by each Director.

In FY13, the NC commenced a formal board evaluation process to assess the effectiveness of the Board. Aon Hewitt, an independent external facilitator, was engaged to conduct the board evaluation exercise. In consultation with the NC, board performance criteria was established and a formal evaluation exercise was conducted. The average scores on each board performance criteria were benchmarked to an index of average scores of 20 Singapore listed companies.

In FY15, in view of substantial changes to the Board, and Board Committee composition and Chairmen during the year, the NC implemented an internal board evaluation exercise instead, comprising two parts: (i) director individual self-assessment and (ii) board evaluation, both on a confidential basis. No external facilitator was engaged for this exercise.

The FY15 evaluation exercise assessed the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board. Areas of assessment included board composition, board information, board process, board accountability, internal control and risk management, CEO and top management and standards of conduct.

Results of the FY15 internal board evaluation were tabled to the NC and areas of weakness which surfaced from the evaluation exercise were addressed. The evaluation results and the NC's discussion were then tabled to the Board for information and comment.

Access to Information

Principle 6: Directors have complete, adequate and timely information to discharge their duties and responsibilities

The Company recognises that Management has an obligation to supply the Board with complete and adequate information in a timely manner. Board papers are sent to Directors in advance before the Board or Board Committee meetings to ensure that Directors are adequately prepared for the meeting. Directors who have queries on contents of board papers can make further enquiries of Management. The Board has separate and independent access to Management.

Information provided to the Board includes board papers and related materials, background or explanatory information relating to matters to be brought before the Board, and copies of disclosure documents, budgets, forecasts and monthly internal financial statements. In respect of budgets, material variances between the projections and actual results are disclosed and explained to the Board.

Company Secretary

The Company Secretary administers, attends and records minutes of Board proceedings. The Company Secretary assists the Chairman to ensure that Board procedures are followed (including ensuring good information flow within the Board and the Board Committees and between Management and Directors) and that applicable rules and regulations are complied with.

As primary compliance officer for the Company's compliance with the SGX Listing Rules, the Company Secretary is responsible for training, designing and implementing a framework for the Company's compliance with the Listing Rules, including advising Management on prompt disclosures of material price-sensitive information. The Company Secretary is also the secretary for all the Board Committees, and helps ensure coordination and liaison between the Board, Board Committees and Management in the development of the agendas for the various Board and Board Committee meetings. Directors have separate and independent access to Management and the Company Secretary. The appointment and the removal of the Company Secretary is a matter for the Board.

The non-executive Directors are entitled to seek independent professional advice on Company-related matters (including those relating to their role and responsibility as a Director) at the expense of the Company, subject to the costs being approved in advance by the Chairman or the Board as being reasonable.

Remuneration Matters

Principle 7: The procedure for developing policy on executive remuneration and for fixing remuneration packages of individual Directors should be formal and transparent

The RC shares the same composition as the NC and as at the date of the Directors' Report, the RC has four members of whom three are Independent Directors and one is a NED. The RC members are:

- Mr Yap Chee Keong (RC Chairman and LID)
- Mr Hsieh Fu Hua
- Mr Maurice de Vaz
- Mr Ng Chin Hwee

The RC has a written TOR and is responsible for, among other matters, recommending to the Board, a remuneration policy framework and guidelines for remuneration of the Directors and key executives. No Director is involved in deciding his own remuneration. The fees for individual Directors are set in accordance with the fee structure set out in Principle 8.

The RC reviews and recommends to the Board for its approval, the specific remuneration package of the CEO including annual adjustments and variable components. The Board has delegated to the RC the authority to review and approve the specific remuneration packages of key management personnel.

The RC periodically considers and reviews remuneration packages in order to maintain their attractiveness to retain and motivate key executives and to align the interests of Management with that of the Company and shareholders. This will, *inter alia*, be through their participation in the Tiger Airways Long Term Incentive Plan ("LTIP") which was approved by shareholders at the Company's extraordinary general meeting ("EGM") on 30 July 2010 or through the Company's Short Term Incentive Plan ("STI").

In FY15, the Company engaged the following remuneration consultants to assist the RC and the Company's Human Resources Department:

(a) KPMG Corporate Finance was engaged following the Company's rights issue to present commonly accepted methods of adjustment and to propose adjustment to the Company's unexercised Share Options, as well as unvested awards under the restricted share plan ("RSP") and performance share plan ("PSP"). Arising from the rights issue, the Company's share price was subject to a theoretical downward adjustment on the ex-rights date as a result of the enlarged share base.

(b) HayGroup Consultants was appointed to carry out a Top Executive Pay Benchmarking exercise and fair valuations of share grants in accordance with FRS102 during the year.

Each consultant is an independent service provider, and there is no relationship between the Company and any consultant which would affect their independence and objectivity.

In FY15, the RC reviewed the Company's obligations arising in the event of termination of the executive Director's contract of service to ensure that such contract contains fair and reasonable termination clauses which are not overly generous.

Principle 8: Level and structure of remuneration should be aligned with the long term interest and risk policies of the Company

Executive Director

The CEO's compensation plan is formulated to ensure that it is market-competitive and that the rewards are commensurate with the Company's performance and also with his contributions. The performance-related segments of his remuneration are aligned with the interests of shareholders and promote the long-term success of the Company. The compensation package comprises a basic salary, a performance bonus which relates directly to the financial performance of the Group and benefits under the LTIP which are linked to longer term corporate performance. The CEO does not receive any Directors' fees.

Non-executive Directors

The fee structure for non-executive Directors follows the past year's structure, with each Director paid a retainer fee of $40,000 per annum. In addition, the following additional fees are paid for membership of the various Board Committees:

position held	**additional fees per annum ($)**
Chairman of the Board	40,000
Exco chairman	25,000
AC chairman	25,000
RMC chairman	15,000
NC chairman	15,000
RC chairman	17,000
Member of AC, NC, RC, RMC and Exco	10,000 per Board Committee membership

No attendance fees are paid.

If a directorship or an appointment to a Board Committee is held for a part of the year, the fees are prorated accordingly.

Due to the Company's financial performance in FY15, the Board took a voluntary reduction of 25% in Directors' fees for the financial year. Accordingly, each of the Directors (other than the CEO who does not receive any Directors' fees) earned the following Directors' fees for FY15:

name of director	directors' fees amount ($) before voluntary reduction	directors' fees amount ($) after voluntary reduction
Hsieh Fu Hua	120,984	90,738
Yap Chee Keong	84,726	63,545
de Vaz Don Emmanuel Maurice Rosairo	80,000	60,000
Lee Chong Kwee	69,435	52,076
Lang Tao Yih, Arthur[1]	60,067	45,050
Yeap Beng Hock Gerard[2]	50,000	37,500
Joseph Yuvaraj Pillay	46,667	35,000
Chong Phit Lian	33,468	25,101
Po'ad Bin Shaik Abu Bakar Mattar	25,000	18,750
Lee Lik Hsin[3]	5,645	4,234
Ng Chin Hwee[2]	5,457	4,093
Sirisena Mervyn s/o Piankara Mestrige[4]	3,898	2,924
Total	585,347	439,011

(1) Directors' fees in respect of Mr Arthur Lang were ultimately paid to and retained by CapitaLand Limited.

(2) Directors' fees in respect of Mr Gerard Yeap and Mr Ng Chin Hwee were ultimately paid to and retained by SIA.

(3) Mr Lee Lik Hsin received Directors' fees up until 12 May 2014 when he was appointed CEO and these fees were ultimately paid to and retained by SIA.

(4) Directors' fees in respect of Mr Mervyn Sirisena were ultimately paid to and retained by SIA up until 10 June 2015 when he retired from SIA.

No Director decides his own fees. The RC recommends the fee structure for non-executive Directors' remuneration to the Board, with consideration given to the non-executive Directors level of contribution, taking into account factors such as effort and time spent, and responsibilities of the non-executive Directors. Directors' fees are subject to the approval of shareholders annually at the AGM.

The NC has decided that while the holding of shares by Directors is to be encouraged, the holding of shares in the Company should be at the Director's own volition and free will. The Company does not implement any scheme to pay part of Directors' fees in shares.

Long Term Incentive Plan

The Company has an LTIP for executive directors and high performing managers and executives, and the costs and benefits of the LTIP are carefully evaluated by the RC with the assistance of remuneration consultants as necessary. The LTIP comprises:

- PSP awards which vest after three years subject to achievement of targets set for each grant.
- RSP awards which vest in three equal instalments over three years.
- CEO restricted share grant ("CEORSG"); CEORSG awards vest into ordinary shares immediately upon grant and will be held by the recipient CEO until the expiry of his employment contract.

PSP targets are aligned to interests of shareholders as it is based on absolute Total Shareholder Return over three years. There are, at present, no plans to encourage LTIP award-holders to hold their PSP and RSP shares beyond the vesting period. The share awards granted to the CEO under the CEORSG are to be held by him during the entire term of his employment. The RSP is a retention tool which awards shares to high performing managers and executives in order to retain talent in the Company.

The terms of the Company's LTIP allows claw-back of awards from LTIP award-holders in exceptional circumstances of misstatement of financial results, or misconduct resulting in financial loss to the Company or fraud.

Principle 9: There should be clear disclosure of remuneration policy, level and mix of remuneration, and the procedure for setting remuneration in the Company's Annual Report

The objective of the Group's remuneration policy is to attract, motivate, reward and retain quality staff. The total compensation package for employees comprises basic salary, variable performance bonus, share grants for eligible employees under the LTIP as well as other benefits.

For key executives, the Group adopts a performance-driven approach to compensation with rewards linked to individual, team and corporate performance. In FY15, the variable performance bonus is measured against Net Profit After Tax excluding non-recurring income and Operating Key Performance Indicators (KPIs). RSP awards vest in three equal instalments over three years.

The RSP is a retention tool which awards shares to key management personnel and selected high performing managers in order to retain talent in the Company. PSP awards vest after three years subject to achievement of the targets set for each grant. PSP targets are based on absolute Total Shareholder Return over three years. This, therefore, aligns the award with shareholder interest.

For the purposes of FRS102, the expected vesting of the RSP at the start of the vesting period is estimated to be 100% for time vesting conditions. The PSP grant uses the Monte Carlo Simulation model to calculate the fair value at grant date. HayGroup consultants was engaged to provide a fair valuation for RSP and PSP. The total cost for the RSP and PSP awards based on fair valuation amounted to $1,804,136. The RSP and PSP are awarded to retain and motivate talent in the Group.

In FY15, there were a total of 40 recipients for the RSP. Among these recipients, five employees and including the CEO, were also awarded the PSP. CEORSG was granted and vested immediately. The compensation of the CEO is recommended to the Board for approval. The Board has, in turn, delegated authority to the RC to review and approve the remuneration packages for key management personnel. In determining the composition of the package, the nature of the role performed and market practice are taken into consideration. Due to competitive reasons, the actual aggregate total remuneration paid to the top five key executives, other than the CEO, is not disclosed.

During FY15, there were no termination, retirement and post-employment benefits granted to Directors or key employees.

Further details of the LTIP can be found in Directors' Report on page 44.

The level and mix of the remuneration earned in FY15 by the CEO is as follows:

name of executive	remuneration $	base salary (%)	performance based bonus* (%)	other benefits (%)	LTIP awards (%)
Lee Lik Hsin (CEO)[1]	914,006	55	11	1	33

[1] Mr Lee Lik Hsin was appointed to be CEO on 12 May 2014.

* *Performance-based bonus is based on employment service in FY15 and paid in FY16.*

The next five top key executives of the Company in bands of $250,000 are set out below:

name of executive [1]	remuneration band $	base salary (%)	performance based bonus* (%)	other benefits (%)	LTIP awards (%)
Ho Yuen Sang	500,001 – 750,000	57	9	1	33
Vanessa Lau Man Yee	500,001 – 750,000	60	10	1	29
Tommy Ng Yew Chye[2]	< 250,000	97	–	3	–

[1] Two other of the top executives are staff seconded from SIA and are not named above.

[2] Tommy Ng Yew Chye joined the Company on 22 December 2014.

* *Performance-based bonus is based on employment service in FY15 and paid in FY16.*

There are no termination, retirement and post-employment benefits granted to Directors, the CEO and the key management personnel.

There are no employees who are immediate family members of a Director or the CEO, whose remuneration exceeds $50,000 during the year.

Accountability
Principle 10: The Board should present a balanced and understandable assessment of the Company's performance, position and prospects

The Board provides a balanced and understandable assessment of the Company's performance, position and prospects, through quarterly and full-year financial results announcements and other price sensitive public announcements.

Management provides all members of the Board with monthly management accounts which present an assessment of the Company's performance, position and prospects. The Company publicly releases monthly operating statistics on the Group's performance.

Material information is disclosed in a timely manner via SGXNet. For FY15, the Company made 75 SGXNet announcements.

The Company has a Disclosure Committee (comprising the CEO, CFO, Head of Legal, Company Secretary and a Corporate Communications officer designated by the other members of the Disclosure Committee) and a Disclosure Policy to guide the Company's compliance with SGX listing rules and regulatory obligations on disclosure of information. Written policies, where appropriate, to ensure compliance with legislative and regulatory requirements, are established by the Company on an ongoing basis.

Risk Management and Internal Controls

Principle 11: The Board ensures that Management maintains a sound system of risk management and internal controls

The Board, assisted by the AC and RMC, is responsible for ensuring that Management maintains a sound system of risk management and internal controls addressing material financial, operational, compliance and information technology risks to safeguard shareholders' interests and the Company's assets.

As at the date of the Directors' Report, the members of the RMC are Mr Lee Chong Kwee (RMC Chairman), Mr Hsieh Fu Hua, Mr Yap Chee Keong, Mr Gerard Yeap and Mr Mervyn Sirisena. Their responsibilities are to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies. A total of three RMC meetings were held in FY15.

The RMC is guided by its TOR, specifically to:

(a) Make recommendations to the Board on risk appetite, tolerance and limits;

(b) Review and assess the adequacy and effectiveness of the risk management and internal control systems;

(c) Review and assess the adequacy and effectiveness of resources such as manpower, financial and technology for the management of operational risks and the support of the enterprise-wide risk management function;

(d) Consider and advise the Board on risk matters including financial risks assumed in the carrying on of the business referred to it by Management or the Board; and

(e) Review and examine the effectiveness of the Group's safety management systems and assist the Board in overseeing safety management for the Group.

The Company has an established enterprise risk management framework to identify, quantify and assess and monitor its key risk exposures on an on-going basis. Management has adopted suitable models and methodologies to quantify the Company's key risk exposures. The Enterprise Risk Management ("ERM") function assists Management in implementing the ERM framework and work with business units to implement the risk quantification models as an integral part of operational and commercial decision-making.

The ERM function engages with appointed risk owners to discuss and assess key financial, operational, compliance and information technology risks of the Company. Reports on specific risk topics are prepared by Management, and tabled to the RMC for deliberation. The RMC meets three to four times each financial year.

The Board annually reviews the adequacy and effectiveness of the Company's risk management and internal control systems which include financial, operational, compliance and information technology risks and related controls.

The Board has received assurance from the CEO and the CFO at the Board meeting on 4 May 2015 that:

(a) the financial records of the Company have been properly maintained and the financial statements for the year ended 31 March 2015 give a true and fair view of the Group's operations and finances; and

(b) the system of risk management and internal controls in place within the Company addresses the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks. The CEO and CFO have obtained similar assurance from the senior management of the Company.

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by Management and various Board Committees, the Board, with the concurrence of the RMC and AC, are of the opinion that the Company's internal controls, addressing financial, operational, compliance and information technology risks, were adequate and effective as at 31 March 2015.

The Board notes that no system of risk management and internal controls can provide absolute assurance over events which it cannot reasonably foresee in the course of business, or absolute assurance against poor judgment in decision making, human error, losses, fraud or other irregularities.

corporate governance report

Key Risks of the Company and the assessment and management of such Risks

Performance Risk: The Company operates in an intensely competitive market which has seen sharp capacity increases in recent years. The Company faces pressures on both its yields and load factors. Management has put in place a disciplined approach to monitor route performance, hence enabling active management of network, schedule and commercial strategies such as marketing and pricing. On the cost side, the Company had put in place various programs to reduce fixed and variable operating costs. In spite of these measures, the Company's performance will continue to be exposed to a myriad of uncontrollable external risk factors such as competition, in-market socio-political unrest and catastrophic events.

Financial Risk: The Company is highly sensitive to volatility in fuel price, foreign exchange and interest rates. Management has implemented a fuel purchasing program to enhance the predictability of fuel costs, and mitigate the impact of short-term volatility on financial performance. The Company also established a foreign exchange hedging policy to hedge its net exposure in USD. The foreign exchange hedging policy will be expanded in FY16 to cover exposures in other currencies should they become significant. The Company manage its interest rate exposure using a combination of fixed and floating rate debts as well as fixed rate and floating rate leases. Any significant or sustained rise in interest rates may have an adverse impact on the profitability of the Group. The fuel hedging program and the foreign exchange hedging policy were approved by the RMC while the interest rate exposure was reviewed with the Board when the Company took up new operating lease and/or financing arrangements. The effectiveness of the fuel hedging program and the foreign exchange hedging policy is reviewed quarterly.

Liquidity Risk: The Company is exposed to the risk of breaching financial and operational covenants which will trigger the cross-default of all other loan facilities and certain aircraft operating leasing commitment, should its gearing exceed a stipulated ratio, net worth fall below a stipulated value or failure to comply with certain operational covenants. This risk has abated with the successful completion of the rights issue in January 2015 but remains on Management's radar to ensure that the Company's financial covenants are not breached.

Credit and Counterparty Risks: The Company is exposed to credit risks, i.e. the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has implemented policies to ensure that credit sales of services and/or sublease of aircraft are made to third party customers with certain quality or credit standing. Credit reviews, which take into account qualitative and quantitative factors such as the business performance and profile of the customer, are performed on customers and approved by Management before the credit term is granted. Management monitors the credit exposure on an on-going basis through the annual credit evaluation exercise and reviewing collection status of the customers on a regular basis. For other financial assets, the Group adopts the policy of dealing only with counterparties of high credit quality.

Safety and Security Risk: As an airline, the Company is exposed to the risk of safety or security incidents or material procedural breaches leading to heightened risk of incidents. To mitigate safety and security risks, the Company maintains complete and current documentation, and ensures compliance with the requirements of Civil Aviation Authority of Singapore (CAAS) and international aviation security procedures and aviation authorities security procedures. Trainings and audits are conducted to ensure that frontline staff and crew are proficient in and adhere to safety and security procedures. An Air Safety Committee Meeting, chaired by the Chief Operating Officer, is convened monthly to review all aspects of operations, including any incidents and regulatory issues. The Air Safety Committee reports to the Board RMC.

Human Resource Risk: The Company's success is highly dependent on an effective, motivated and stable talent pool. The turnover in the office staff has resulted in a loss of knowledge and bench strength. However, there is a clear downward trend in the office staff turnover. Management has taken several immediate action plans to attract and retain talent and manage attrition. This includes the review of salaries for specific grades of staff to ensure market competitiveness, provide job mobility and career development opportunities and strengthen employee connectivity and engagement.

Information Technology Risk: The effectiveness and security of information technology systems are instrumental to ensure smooth and effective business and operations of the Company. Annual reviews are undertaken to ensure that relevant IT strategies align with the Company's business strategies and to keep pace with emerging industry trends. Cyber security controls are in place, and regular review of policies and processes for continuous improvement, pro-active monitoring and maintenance measures are implemented to mitigate operation disruption, service delivery and security risks.

Legal and Compliance Risk: The Company is exposed to laws and regulations in Singapore and all the jurisdictions in which the airline operates. Breaches of laws and regulations could result in heavy financial penalties and sanctions being imposed on the Company. To mitigate this risk, the Group's Legal and Compliance function works with business units and other governance functions such as ERM to implement Compliance Programs and ensure adherence to regulatory and legal obligations. Compliance adopts a risk-based assessment of new business activities to evaluate the Company's exposure to foreign laws and regulations. If necessary, the Company will seek advice from external law firms on the impact of foreign laws and regulations.

Service Delivery Risk: Failure to ensure quality service delivery to the Company's customers will adversely affect the Company's image and ultimately its profitability. To mitigate this risk, the Company ensures that it has efficient and effective operational processes to enhance seamless operations and experience for its customers and to reduce manual intervention, flight disruptions and delays.

Governance Risk: To safeguard against improper, unethical or illegal conduct by employees which may damage the reputation of the Company, various policies such as Employee Code of Conduct, Share Trading Policy and Procurement Policy amongst others have been established for their compliance. A Whistleblowing Policy is in place to facilitate reporting by employees and external parties in the event that they are aware of any improprieties committed by our employees. The Company's Internal Audit ("IA") function has also put in place a Continuous Audit and Monitoring program for selected risk areas to facilitate the detection of improprieties should they arise.

Audit Committee

Principle 12: Establishment of Audit Committee with written terms of reference

As at the date of the Directors' Report, the AC comprises entirely of non-executive Directors, of which three are Independent Directors. The AC members are Mr Arthur Lang (AC Chairman), Mr Yap Chee Keong, Mr Lee Chong Kwee and Mr Maurice de Vaz.

Mr Arthur Lang is Group Chief Financial Officer of CapitaLand Limited. Mr Yap Chee Keong is a Fellow of the Institute of Singapore Chartered Accountants. Mr Lee Chong Kwee holds a Certified Diploma in Accounting and Finance from the Chartered Association of Certified Accountants. The Board is of the view that the members of the AC have recent and relevant accounting or related financial management expertise or experience to discharge the AC's functions.

The AC is guided by its TOR and duties of the AC include:

(a) Reviewing significant financial reporting issues to ensure the integrity of the financial statements and any formal announcements relating to financial performance;

(b) Reviewing the scope and results of the external audit and its cost effectiveness, and the independence and objectivity of the external auditors;

(c) Making recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approving its remuneration and terms of engagement;

(d) Monitoring and reviewing the effectiveness of the IA function;

(e) Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls; and

(f) Reviewing interested person transactions ("IPTs") as defined in the SGX listing manual.

The AC has explicit authority to investigate any matters within its TOR, full access to Management, full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The AC members are provided with updates by the external auditor, at least annually, on new and effective accounting standards including the accounting impact to the Group in order to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements. The AC meets with the external auditors without the presence of Management at least annually.

The AC also performed independent reviews of the financial statements of the Company before the announcement of the Company's quarterly and full-year financial results. In addition, the AC reviewed and approved both the internal auditors' and the external auditors' plans. All audit findings and recommendations presented by the internal auditors and external auditors were also reviewed during AC meetings and significant issues discussed.

For FY15, the AC has reviewed the independence of the external auditors through discussions with the external auditors. The AC has also reviewed the aggregate amount of fees paid to the external auditors for FY15 and the breakdown of the fees paid in total for audit and non-audit services, and is satisfied that the value and volume of non-audit services performed by the external auditors would not affect their independence and objectivity. The breakdown of fees paid in respect of audit and non-audit services provided by the external auditors for the past two years are disclosed in the notes (set out on page 72 of this annual report) to the financial statements.

Ernst & Young LLP, the external auditors, has confirmed that they are registered with the Accounting and Corporate Regulatory Authority and is thus in compliance with Rule 712(2) of the Listing Rules. Pursuant to the requirement in the SGX-ST's Listing Manual, an audit partner may only be in charge of a maximum of five consecutive annual audits and may then return after two years. The current Ernst & Young LLP's audit partner for the Company took over from the previous audit partner for FY15 onwards. Ernst & Young LLP are engaged to audit the accounts of the Company, its subsidiaries and associated companies, in compliance with Rules 712 and 715 of the SGX-ST's Listing Manual.

The AC reviews the adequacy and effectiveness of the Company's internal controls addressing financial, operational, compliance and information technology risks. The AC is assisted by the IA function. Please refer to Principle 13 for an elaboration on IA.

Whistleblowing Policy

The Company has in place a Whistleblowing Policy which provides the mechanism by which employees and external parties including suppliers may raise concerns in confidence about actual or suspected wrongdoings, without fear of reprisal.

The Whistleblowing Policy is published on the Company's internet and intranet websites, and announced to all new and existing employees of the Company. All potential suppliers of the Company are also informed of the Whistleblowing Policy in the Company's Request For Proposal (RFP) document.

Whistleblowing reports may be made to a secured email address or in writing to Head of Internal Audit ("IA Head") or AC Chairman. Investigations are carried out by the IA function and reported independently to the AC. Anonymous reports are given due consideration and investigated on the basis of their merits. The AC is satisfied with the Whistleblowing Policy, channels and arrangements in place for independent investigations of such matters.

On a quarterly basis, the AC reviewed the IPTs reported by Management in accordance with the Company's shareholder mandate for IPTs. The IPTs were also reviewed by the internal auditors. All findings were reported during the AC meetings.

Internal Audit

Principle 13: Effective and independent internal audit function

The role of IA is to assist the Board and senior management to meet the strategic and operational objectives of the Company, by providing an independent and objective evaluation of the adequacy and effectiveness of risk management, controls and governance processes. IA reviews and evaluates the Company's key controls and procedures in accordance with the approved IA plan and to undertake investigations as directed by the AC. The Company has an in-house IA function led by the IA Head, who reports directly to the AC and administratively to the CEO. The scope, accountability and responsibilities of the IA function are defined in the IA Charter, which is approved by the AC. IA has unfettered access to all the Company's documents, records, properties and personnel, including direct access to the AC. Issues of concern are reported to and discussed with AC Chairman by the IA Head.

The IA function adheres to the Code of Ethics and International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors' (IIA). The Group's internal audit approach is aligned with the Group's risk management framework by focusing on key financial, operational, compliance and information technology risks. The annual internal audit plan is established in consultation with, but independent of, Management. The IA plan is reviewed and approved by the AC. The IA Head works closely with the Company's outsourced internal auditors PriceWaterhouseCoopers LLP ("PwC") to plan and execute the annual internal audit plan. All internal audit findings and recommendations are circulated to and discussed with the AC every quarter in the presence of Management. The IA Head monitors the status of remediation and updates the senior management monthly and the AC quarterly.

The AC approves the appointment of all personnel in the IA function, the appointment and compensation of the outsourced IA firm, and undertakes an independent review on the effectiveness and adequacy of the IA function annually. The professional competence of IA is maintained and upgraded through training programmes, conferences and seminars that provide updates on auditing techniques, regulations and industry trends. The AC is satisfied that the IA function has suitable and adequate resources to carry out its responsibilities effectively.

Communication with shareholders

Principle 14: Fair and equitable treatment of shareholders

The Company keeps shareholders informed of material information and changes in the Company or its business which may materially affect the price or value of the Company's securities. The Company releases such information in a timely manner through SGXNet announcements.

There are formal policies and procedures to ensure that the Company complies with its disclosure obligations under the listing rules of the SGX and other regulations. The Company has a Disclosure Policy in place for which a Disclosure Committee is responsible. The policy contains guidelines and procedures for internal reporting and decision making with regard to the disclosure of material information.

The Company strongly encourages and supports shareholder participation at general meetings. Notices of general meetings are delivered to shareholders in advance, with sufficient notice period, or longer, per the requirements of the Companies Act. General meetings are held at central and conveniently accessible locations in Singapore.

Shareholders are able to proactively engage the Board and Management on the Group's business activities, financial performance and other business related matters. The Directors and Management are in attendance to answer questions by shareholders. The Company's external auditors also attend general meetings to help address shareholders' queries relating to the conduct of the audit and the preparation and content of the auditor's reports. Following the meetings, the Company announces the results of general meetings.

The Company also makes available on its corporate website the minutes of general meetings and a record of the substantive comments or queries from shareholders and responses from the Board and Management.

corporate governance report

The Company's Articles of Association allow a registered shareholder who is unable to attend a general meeting to choose and appoint up to two proxies to attend and vote on their behalf. As authentication of shareholder identity and instructions cannot be performed for votes received *in absentia*, by mail, by email or by fax, the Company is not implementing such methods.

Principle 15: Regular, effective and fair communication with shareholders

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Group values dialogue sessions with its shareholders. The Group believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns. The Group has a dedicated Investor Relations team which regularly communicates with the various stakeholders including the shareholders, analysts, investors, the wider business community and the public, as well as attends to their questions and concerns.

The Company's general meetings are the forum for dialogue with shareholders and allow the Board and Management to address shareholder questions and concerns. The Company convened an EGM during FY15 to seek shareholder approval for the divestment of 40% shareholding in Tiger Airways Australia Pty Limited ("Tigerair Australia") and for a rights issue of shares.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNet and the Company's corporate website. To ensure a level playing field and provide confidence to shareholders, unpublished price sensitive information is not selectively disclosed. Other platforms used in the dissemination of relevant information include press releases, annual reports, shareholder circulars and general meetings. Presentations made at general meetings and media or analyst briefings are made available publicly on the Company's corporate website as well as on the SGX website.

The Company strives to give all stakeholders insights into the Company's strategic directions, financial performance, key developments and plans. To ensure timeliness of the disclosures, results for the first three quarters are released within 45 days from the end of the quarter.

Annual results for FY15 were released within 45 days from the financial year-end even though SGX-ST listing rules allow up to 60 days.

The Company releases the monthly operating statistics of its subsidiaries on SGXNet such that all investors are kept abreast of the Group's monthly passenger volume and related performance statistics.

Briefings with the analysts and media are regularly organised, typically coinciding with the release of the Company's quarterly and full-year results. The CEO and the CFO will engage with analysts and media to discuss the Company's performance, activities and outlook and will in turn solicit their views and concerns. During non-blackout periods, senior management and the Investor Relations team participate in ad-hoc meetings or conference calls with analysts, shareholders or potential investors throughout the financial year.

An Investor Relations report is prepared periodically for the Board to highlight general investor sentiments, share price movements, analysts forecasts, investor meetings and changes in substantial shareholdings.

The corporate website is a comprehensive port-of-call for information and disclosures of the Company. The following information can be accessed from the Company's website:

1. Company overview and investor information
2. SGXNet announcements
3. Company announcements and media releases
4. Financial results
5. Annual reports
6. Monthly operating statistics

7. Shareholder meetings (presentation, notices, circulars, minutes and results)

8. Investor Relations contacts

Dividend Policy

There is no dividend policy. The Company will consider establishing a dividend policy when it is likely that the Company has the ability to pay a dividend.

Principle 16: Greater shareholder participation at AGMs

General meetings are the principal platform for dialogue with shareholders. Shareholders are informed of general meetings through notices published in the newspapers, on SGXNet and in the annual report or circulars sent to all shareholders. They are encouraged to participate in these meetings to raise relevant questions or give views of the Company.

Investors who hold shares through nominees such as Central Provident Fund and custodian banks are allowed to attend general meetings as observers without being constrained by the two-proxy rule.

Resolutions at general meetings are, as far as possible, structured separately and may be voted on independently. The explanatory notes to the notice of general meetings give further information on the resolutions tabled.

The chairpersons of the AC, NC, RC, RMC and Exco are present and available at general meetings to address shareholders' questions. External auditors are also present at such meetings to address shareholders' queries about the conduct of audit and the preparation and content of the auditor's report.

The Company Secretary prepares minutes of general meetings, together with a note on the substantive comments or queries from shareholders and responses from the Board and Management. These minutes and notes are published on the Company's corporate website.

The Company convened two general meetings during FY15. The AGM took place in July 2014 and the EGM for a rights issue and the divestment of 40% in Tigerair Australia took place in November 2014. Voting at the AGM was conducted by a show of hands and voting at the EGM was conducted by electronic polling.

Securities Transactions

Share Trading Policy

The Company has a formal policy on dealings in the securities of the Company, which sets out the implications of insider trading and guidance on such dealings. The policy is distributed to all Directors and employees of the Group. In line with the best practices on securities dealings issued by the SGX-ST, the Company issues notices to the Directors and employees of the Group informing them that they must not deal in the listed securities of the Company a month before the release of the full-year results and two weeks before the release of the quarterly results, or if they are in possession of unpublished material price-sensitive information.

The Share Trading Policy also prohibits relevant employees of the Company and their connected persons from dealing, or procuring another person to deal in the Company's shares on considerations of a short-term nature in compliance with Rule 1207(19)(b) of the SGX-ST Listing Manual.

For confidential transactions carried out during the year, Directors and members of staff who are involved in the transactions are notified to not deal in listed securities of the Company at the point when they first obtain knowledge of the transaction.

The trading restrictions ("Trading Blackouts") cease when the transaction is publicly announced. During FY14, the confidential transactions for which Trading Blackouts were imposed include the divestment of Tigerair Australia and the rights issue.

directors' report

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Tiger Airways Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statements of financial position and changes in equity of the Company for the financial year ended 31 March 2015.

directors of the Company

The directors in office at the date of this report are:

Hsieh Fu Hua	Chairman and Independent Director
Lee Lik Hsin	Executive Director and Chief Executive Officer
Chong Phit Lian	Non-Executive Director (Non-Independent)
de Vaz Don Emmanuel Maurice Rosairo	Independent Director
Lang Tao Yih, Arthur	Independent Director
Lee Chong Kwee	Non-Executive Director (Non-Independent)
Ng Chin Hwee	Non-Executive Director (Non-Independent)
Sirisena Mervyn s/o Piankara Mestrige	Non-Executive Director (Non-Independent)
Yap Chee Keong	Lead Independent Director
Yeap Beng Hock Gerard	Non-Executive Director (Non-Independent)

arrangements to enable directors to acquire shares and debentures

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangements to which the Company is a party, whereby directors might acquire benefits by means of the acquisition of shares or share options in, or debentures of, the Company or any other body corporate, other than as disclosed under "Equity Compensation Plans of the Company" in this report.

directors' interests in shares, share options and debentures

The following directors who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50 (the "Companies Act"), interests in the following shares, share options and debentures of the Company, and of related corporations (other than wholly-owned subsidiaries):

	Direct interest		Deemed interest	
Name of Director	**At 1.4.14 or the date of appointment whichever is later**	**At 31.3.15**	**At 1.4.14 or the date of appointment whichever is later**	**At 31.3.15**
Interest In Tiger Airways Holdings Limited				
Ordinary shares				
Hsieh Fu Hua	–	–	360,000	666,000
de Vaz Don Emmanuel Maurice Rosairo	120,000	309,588	–	–
Ng Chin Hwee	100,000	100,000	–	–
Perpetual convertible capital securities				
de Vaz Don Emmanuel Maurice Rosairo	25,000	–	–	–
Award of performance shares				
Lee Lik Hsin	–	1,642,317	–	–

directors' interests in shares, share options and debentures (continued)

Name of Director	Direct interest: At 1.4.14 or the date of appointment whichever is later*	Direct interest: At 31.3.15	Deemed interest: At 1.4.14 or the date of appointment whichever is later*	Deemed interest: At 31.3.15
Interest In Singapore Airlines Limited ("SIA")				
Ordinary shares				
de Vaz Don Emmanuel Maurice Rosairo	N.A.	23,100	N.A.	9,400
Lang Tao Yih, Arthur	N.A.	6,000	N.A.	–
Lee Lik Hsin	N.A.	101	N.A.	–
Ng Chin Hwee	194,660	194,660	–	–
Sirisena Mervyn s/o Piankara Mestrige	28,087	–	235,909	263,996
Yeap Beng Hock Gerard	N.A.	155,348	N.A.	2,000
Options to subscribe for ordinary shares				
Lee Lik Hsin	N.A.	6,888	N.A.	–
Yeap Beng Hock Gerard	N.A.	30,150	N.A.	–
Conditional Award of Restricted Share Plan Shares (RSP) (Note 1)				
Lee Lik Hsin				
– Base Awards	N.A.	39,966	N.A.	–
– Final Awards (Pending Release)	N.A.	2,593	N.A.	–
Ng Chin Hwee				
– Base Awards	61,488	61,488	–	–
– Final Awards (Pending Release)	9,475	9,475	–	–
Sirisena Mervyn s/o Piankara Mestrige				
– Base Awards	39,966	39,966	–	–
– Final Awards (Pending Release)	8,618	8,618	–	–
Yeap Beng Hock Gerard				
– Base Awards	N.A.	33,714	N.A.	–
– Final Awards (Pending Release)	N.A.	11,278	N.A.	–
Conditional Award of Performance Share Plan Shares (PSP) (Note 2)				
Lee Lik Hsin				
– Base Awards	N.A.	24,594	N.A.	–
Ng Chin Hwee				
– Base Awards	94,690	94,690	–	–
Sirisena Mervyn s/o Piankara Mestrige				
– Base Awards	36,891	36,891	–	–
Yeap Beng Hock Gerard				
– Base Awards	N.A.	29,514	N.A.	–

directors' interests in shares, share options and debentures (continued)

Name of Director	Direct interest: At 1.4.14 or the date of appointment whichever is later*	Direct interest: At 31.3.15	Deemed interest: At 1.4.14 or the date of appointment whichever is later*	Deemed interest: At 31.3.15
Interest in SIA				
Award of Time-Based Restricted Shares				
Ng Chin Hwee				
– Base Awards	27,135	27,135	–	–
Sirisena Mervyn s/o Piankara Mestrige				
– Base Awards	5,426	5,426	–	–
Conditional Award of Deferred Shares (Note 3)				
Lee Lik Hsin				
– Base Awards	N.A.	15,272	N.A.	–
Ng Chin Hwee				
– Base Awards	28,148	28,148	–	–
Sirisena Mervyn s/o Piankara Mestrige				
– Base Awards	16,642	16,642	–	–
Yeap Beng Hock Gerard				
– Base Awards	N.A.	16,492	N.A.	–
Bonds				
Yap Chee Keong	N.A.	$200,000	N.A.	–

Notes:

1. The actual number of final awards of fully paid ordinary shares will range from 0% to 150% of the base awards and is contingent on the achievements against targets over the two-year performance periods relating to the relevant awards.
2. The actual number of final awards of fully paid ordinary shares will range from 0% to 200% of the base awards and is contingent on the achievements against targets over the three-year performance periods relating to the relevant awards.
3. The awards of fully paid ordinary shares will vest at the end of three years from the date of the grant of the award. At the end of the vesting period, an additional final award will be vested equal to the base award multiplied by the accumulated dividend yield (based on the sum of SIA share dividend yields declared with ex-dividend dates occurring during the vesting period).

directors' interests in shares, share options and debentures (continued)

Name of Director	Direct interest: At 1.4.14 or the date of appointment whichever is later*	Direct interest: At 31.3.15	Deemed interest: At 1.4.14 or the date of appointment whichever is later*	Deemed interest: At 31.3.15
Interest In Singapore Telecommunications Limited				
Ordinary shares				
Hsieh Fu Hua	N.A.	370	N.A.	190
Chong Phit Lian	N.A.	190	N.A.	190
de Vaz Don Emmanuel Maurice Rosairo	N.A.	71,360	N.A.	–
Lang Tao Yih, Arthur	N.A.	20,000	N.A.	–
Lee Lik Hsin	N.A.	1,580	N.A.	–
Ng Chin Hwee	2,840	2,840	1,360	1,360
Sirisena Mervyn s/o Piankara Mestrige	190	190	5,901	5,901
Yeap Beng Hock Gerard	N.A.	190	N.A.	190
Interest In Mapletree Logistics Trust				
Units				
Hsieh Fu Hua	N.A.	–	N.A.	772,178
Lee Chong Kwee	N.A.	54,000	N.A.	–
Ng Chin Hwee	2,000	2,000	–	–
Interest In Singapore Technologies Engineering Ltd				
Ordinary shares				
Chong Phit Lian	N.A.	–	N.A.	680,713
Lang Tao Yih, Arthur	N.A.	10,000	N.A.	–
Yeap Beng Hock Gerard	N.A.	–	N.A.	2,000
Options to subscribe for ordinary shares				
Chong Phit Lian	N.A.	–	N.A.	225,000
Interest In Starhub Ltd				
Ordinary shares				
Chong Phit Lian	N.A.	14,000	N.A.	9,440
de Vaz Don Emmanuel Maurice Rosairo	N.A.	25,000	N.A.	22,000
Interest In Mapletree Commercial Trust				
Units				
Lang Tao Yih, Arthur	N.A.	5,000	N.A.	–
Lee Chong Kwee	N.A.	340,000	N.A.	–
Bonds				
Yap Chee Keong	N.A.	$250,000	N.A.	–

directors' interests in shares, share options and debentures (continued)

Name of Director	Direct interest: At 1.4.14 or the date of appointment whichever is later*	Direct interest: At 31.3.15	Deemed interest: At 1.4.14 or the date of appointment whichever is later*	Deemed interest: At 31.3.15
Interest In Mapletree Greater China Commercial Trust				
Units				
Lang Tao Yih, Arthur	N.A.	10,000	N.A.	–
Lee Chong Kwee	N.A.	400,000	N.A.	–
Interest In Mapletree Industrial Trust				
Units				
de Vaz Don Emmanuel Maurice Rosairo	N.A.	62,449	N.A.	60,230
Lee Chong Kwee	N.A.	268,000	N.A.	–
Interest In Olam International Limited				
Ordinary shares				
Ng Chin Hwee	2,000	2,000	–	–
Debentures				
Lang Tao Yih, Arthur	N.A.	1,565	N.A.	–
Bonds				
Ng Chin Hwee	$1,000,000	$1,000,000	–	–
Interest In Neptune Orient Lines Limited				
Ordinary shares				
Lang Tao Yih, Arthur	N.A.	30,000	N.A.	–
Interest In SIA Engineering Company Limited				
Ordinary shares				
de Vaz Don Emmanuel Maurice Rosairo	N.A.	45,000	N.A.	–
Ng Chin Hwee	10,000	10,000	–	–
Interest In Mapletree Treasury Services Limited				
Bonds				
Sirisena Mervyn s/o Piankara Mestrige	$250,000	$250,000	–	–
Interest In SMRT Corporation Ltd				
Ordinary shares				
Yeap Beng Hock Gerard	N.A.	–	N.A.	1,000

Note:
N.A. Not applicable
* On 8 December 2014, the Company became a subsidiary of SIA. SIA is a subsidiary of Temasek Holdings (Private) Limited. No disclosure of directors' interests in the other subsidiaries of Temasek Holdings (Private) Limited was made as at 1 April 2014, as these corporations did not fall within the definition of "related corporation" in the Companies Act on that date.

directors' interests in shares, share options and debentures (continued)

Between the end of the financial year and 21 April 2015, Mr Ng Chin Hwee's direct interest in SIA increased to 221,795 shares due to the vesting of 27,135 special Time-Based SIA Restricted Shares on 1 April 2015.

Except as disclosed in this report, no other director who held office at the end of the financial year had interests in shares, share options, or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

Except as disclosed in this report, there were no changes in any of the above-mentioned interests between the end of the financial year and 21 April 2015.

directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (other than emoluments received from related corporations as employees) by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

equity compensation plans of the Company

The Company has in place the Pre-IPO Tiger Aviation Share Options Scheme, (the "Scheme"), and the Tiger Airways Long Term Incentive Plan (the "LTIP"). The Scheme and the LTIP are administered by the Remuneration Committee comprising directors namely Mr Yap Chee Keong (Chairman), Mr Hsieh Fu Hua, Mr de Vaz Don Emmanuel Maurice Rosairo and Mr Ng Chin Hwee.

(i) Pre-IPO Tiger Aviation Share Options Scheme

The Scheme was approved by the Board of Directors of the Company on 24 April 2008 for granting of options to eligible executives, directors and employees of the Group. This is a successor scheme from the Pre-IPO Tiger Airways Share Options Scheme of Tiger Airways Singapore Pte. Ltd. approved by its Board of Directors on 7 December 2004.

All options granted by Tiger Airways Singapore Pte. Ltd. were replaced by options of the Scheme. The grant date is deemed to be the same as those options granted by Tiger Airways Singapore Pte. Ltd.

The exercise price of the option, being the estimated fair value of the share at date of grant, was determined by the Remuneration Committee. Details of all the options to subscribe for ordinary shares of the Company pursuant to the Scheme as at 31 March 2015 are disclosed in Note 23 to the financial statements.

Under the Scheme, options will vest:

(a) one year from the date of grant for one third of the allocated share options;

(b) two years from the date of grant for one third of the allocated share options; and

(c) three years from the date of grant for remaining one third of the allocated share options.

Since the commencement of the Scheme till the end of the financial year:

(a) the options granted by the Company do not entitle the holders to participate, by virtue of the options, in any share issue of any other corporation had been granted; and

(b) no options were granted at a discount.

No options were granted to controlling shareholders or their associates, or parent group directors or employees.

The Scheme had been terminated since the initial public offering of the Company's shares on 22 January 2010 and no further option was granted during the financial year.

equity compensation plans of the Company (continued)

(i) Pre-IPO Tiger Aviation Share Options Scheme (continued)

At the end of the financial year, options to take up 10,865 unissued shares in the Company were outstanding:

Expiry period	Exercise Price (S$)	At 1.4.14 and 31.3.15
Between 1 April 2017 and 31 March 2018	0.058	805
Between 1 April 2019 and 31 March 2020	0.053	10,060
Total		10,865

(ii) Long Term Incentive Plan

The LTIP was approved by the shareholders of the Company on 30 July 2010. Pursuant to the approval of the LTIP, employees are eligible to participate in the Tiger Airways Group Restricted Share Plan ("RSP"), Performance Share Plan ("PSP") and/or CEO Restricted Share Grant ("CEORSG"). The first awards of RSP and PSP were made on 1 September 2010. The first award of CEORSG was made on 30 October 2013.

Under RSP, there are no pre-determined business targets. Pursuant to the terms of the RSP, the restricted shares will vest after a specified number of years from the award date.

Under the PSP, a base number of conditional share awards ("Base Award") is awarded to eligible participants annually. Depending on the achievement of pre-determined targets (e.g. total shareholder return) over a specified performance period, the Remuneration Committee will determine an achievement factor which will then be applied to the Base Award to determine the final number of PSP shares to be awarded at the end of the performance period. The achievement factor could range from 0% to 200% of the Base Award.

Awards of the CEO restricted shares pursuant to the CEORSG take into consideration of the contractual terms of the service agreement with the eligible participants. CEO restricted shares vest immediately. A moratorium on the disposal of shares is applicable during his term of service as the Chief Executive Officer of the Company, until his term of office has been completed, and/or upon resignation or retirement.

Details of RSP, PSP and CEORSG are disclosed in Note 23 to the financial statements.

No shares were awarded under RSP and CEORSG to directors of the Company during the financial year. The details of the shares awarded under PSP are as follows:

Name of director	Awarded during the financial year	Vested during the financial year	Balance as at 31 March 2015	Aggregate awarded since commencement of plan to end of the financial year
PSP				
Lee Lik Hsin	1,642,317	–	1,642,317	1,642,317

No awards have been made to controlling shareholders or their associates, or parent group directors or employees.

No employee has received 5% or more of the total number of shares available under LTIP during the financial year.

audit committee

As at the date of this report, the Audit Committee comprises entirely of non-executive Directors, of which three are Independent Directors. The Audit Committee members are Mr Lang Tao Yih, Arthur (Chairman), Mr Yap Chee Keong, Mr Lee Chong Kwee and Mr de Vaz Don Emmanuel Maurice Rosairo.

The Audit Committee is guided by its Terms of Reference and duties of the Audit Committee include:

(a) Reviewing significant financial reporting issues to ensure the integrity of the financial statements and any formal announcements relating to financial performance;

(b) Reviewing the scope and results of the external audit and its cost effectiveness, and the independence and objectivity of the external auditors;

(c) Making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approving its remuneration and terms of engagement;

(d) Monitoring and reviewing the effectiveness of the internal audit function;

(e) Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls; and

(f) Reviewing interested person transactions as defined in the SGX listing manual.

The Audit Committee has recommended to the Board of Directors that Ernst & Young LLP be nominated for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting.

auditor

Ernst & Young LLP has expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Hsieh Fu Hua
Chairman

Lee Lik Hsin
Chief Executive Officer

Singapore
4 May 2015

statement by directors

We, Hsieh Fu Hua and Lee Lik Hsin, being two of the directors of Tiger Airways Holdings Limited, do hereby state that, in the opinion of the directors,

(i) the accompanying statements of financial position, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity, and consolidated statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors:

Hsieh Fu Hua
Chairman

Lee Lik Hsin
Chief Executive Officer

Singapore
4 May 2015

independent auditor's report

for the financial year ended 31 March 2015
to the members of Tiger Airways Holdings Limited

report on the financial statements

We have audited the accompanying financial statements of Tiger Airways Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 48 to 112, which comprise the statements of financial position of the Group and the Company as at 31 March 2015, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
4 May 2015

consolidated income statement

for the financial year ended 31 March 2015

	Note	2015 $'000	2014 $'000 (restated)
Revenue			
Passenger seat revenue		525,523	560,611
Ancillary and other revenue		147,448	185,044
Lease rental income		4,472	799
Total revenue		677,443	746,454
Expenses			
Fuel costs:			
Actual fuel costs		264,725	341,115
Fuel hedging loss/(gain)		27,833	(2,630)
Staff costs	4	84,246	101,511
Aircraft rental		68,526	63,909
Airport and handling		87,715	99,734
Maintenance, material and repair		75,814	77,805
Route charges		20,822	27,942
Marketing and distribution costs		23,959	30,503
Depreciation and amortisation		36,912	34,099
Exchange loss		9,087	3,473
Others		17,671	21,028
Total expenses		717,310	798,489
Operating loss	5	(39,867)	(52,035)
Finance income	6	2,037	6,268
Finance expense	7	(7,654)	(10,863)
True-up of maintenance cost	3.3(b)	(10,750)	–
Gain on disposal of aircraft		1,167	1,619
Share of loss of associates and joint venture		(35,328)	(95,058)
Shutdown costs of PT Mandala Airlines	13	(11,810)	–
Loss on disposal of associate and joint venture	13	(44,311)	(28,900)
Provision for onerous aircraft leases		(108,597)	(25,044)
Loss on planned disposal of aircraft	10	(17,453)	–
Gain on loss of control of subsidiary	12	–	106,078
Impairment of associates		–	(133,626)
		(232,699)	(179,526)
Loss before taxation		(272,566)	(231,561)
Taxation	8	8,333	8,570
Loss for the year attributable to owners of the Company		(264,233)	(222,991)
Loss per share attributable to owners of the Company (cents per share)			
– Basic	9	(17.71)	(20.07)
– Diluted	9	(17.71)	(20.07)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

consolidated statement of comprehensive income

for the financial year ended 31 March 2015

	2015 $'000	2014 $'000
Loss for the year	(264,233)	(222,991)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation	–	13,561
Translation gain reclassified to profit or loss on disposal of associate and joint venture	(3,045)	–
Net fair value changes on cash flow hedges	(21,932)	(398)
Other comprehensive income for the year, net of tax	(24,977)	13,163
Total comprehensive income for the year attributable to owners of the Company	(289,210)	(209,828)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

statements of financial position

as at 31 March 2015

	Note	Group 2015 $'000	Group 2014 $'000 (restated)	Company 2015 $'000	Company 2014 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	453,517	569,532	322,590	385,232
Intangible assets	11	138	226	138	226
Investment in subsidiaries	12	–	–	24,355	24,355
Investment in associate and joint venture	13	–	–	–	20,501
Long-term investment	14	8,304	–	–	–
Deferred tax assets	28	17,183	2,260	–	–
Prepayments	15	34,021	33,473	3,485	4,119
Loans to subsidiaries	16	–	–	8,308	–
Loans to associate and joint venture	17	–	33,090	–	33,090
Other receivables	20	65,955	37,825	–	–
		579,118	676,406	358,876	467,523
Current assets					
Prepayments	15	7,640	10,018	111	265
Amounts due from subsidiaries	16	–	–	149	28
Amounts due from associate and joint venture	17	–	3,096	–	1,945
Loans to associate and joint venture	17	–	8,496	–	8,496
Amounts due from related companies	18	20,763	–	9,724	–
Trade receivables	19	11,336	4,928	–	–
Other receivables	20	18,894	110,461	2,165	81,679
Derivative financial instruments	21	3,510	805	–	–
Cash and cash equivalents	22	310,175	171,581	289,201	156,319
		372,318	309,385	301,350	248,732
Assets related to planned disposal of aircraft	10	70,959	–	35,503	–
Total assets		1,022,395	985,791	695,729	716,255
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	23	915,523	484,475	915,523	484,475
Perpetual convertible capital securities	24	15,002	218,087	15,002	218,087
Accumulated losses		(693,441)	(426,866)	(654,106)	(410,666)
Other reserves	25	(21,687)	2,994	1,073	777
Total equity		215,397	278,690	277,492	292,673
Non-current liabilities					
Provisions	26	225,668	57,500	96,393	17,718
Deferred income	27	11,075	13,353	–	–
Deferred tax liabilities	28	6,893	5,474	6,893	5,474
Loans	29	223,246	306,976	147,410	194,409
		466,882	383,303	250,696	217,601
Current liabilities					
Provisions	26	17,822	36,931	17,822	20,164
Deferred income	27	2,324	2,618	58	59
Sales in advance of carriage		67,552	70,881	–	–
Provision for taxation		129	83	10	10
Loans	29	83,731	53,081	47,000	39,317
Amounts due to subsidiaries	30	–	–	85,878	128,442
Amounts due to immediate holding company	31	68	–	–	–
Amounts due to related companies	32	21,757	–	9,582	–
Trade payables	33	105,658	129,222	–	–
Other payables	34	9,963	29,185	7,191	17,989
Derivative financial instruments	21	31,112	1,797	–	–
		340,116	323,798	167,541	205,981
Total liabilities		806,998	707,101	418,237	423,582
Total equity and liabilities		1,022,395	985,791	695,729	716,255

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

statements of changes in equity

for the financial year ended 31 March 2015

	Share capital $'000 (Note 23)	Perpetual convertible capital securities $'000 (Note 24)	Accumulated losses $'000	Other reserves $'000 (Note 25)	Total $'000
Group					
Balance at 1 April 2014	484,475	218,087	(426,866)	2,994	278,690
Loss for the year	–	–	(264,233)	–	(264,233)
Other comprehensive income for the year, net of tax	–	–	–	(24,977)	(24,977)
Total comprehensive income for the year	–	–	(264,233)	(24,977)	(289,210)
Contributions by/(distributions to) owners					
Issue of new ordinary shares under 2015 Rights Issue	227,421	–	–	–	227,421
Issue of new shares upon conversion of perpetual convertible capital securities	203,085	(203,085)	–	–	–
Distribution on perpetual convertible capital securities (Note 41)	–	–	(2,353)	–	(2,353)
Equity settled shared-based compensation expenses	–	–	–	849	849
Exercise of employee share options and vesting of share awards	542	–	11	(553)	–
Total transactions with owners in their capacity as owners	431,048	(203,085)	(2,342)	296	225,917
Balance at 31 March 2015	915,523	15,002	(693,441)	(21,687)	215,397
Balance at 1 April 2013	408,172	–	(200,100)	(9,462)	198,610
Loss for the year	–	–	(222,991)	–	(222,991)
Other comprehensive income for the year, net of tax	–	–	–	13,163	13,163
Total comprehensive income for the year	–	–	(222,991)	13,163	(209,828)
Contributions by/(distributions to) owners					
Issue of new ordinary shares under the 2013 Rights Issue	75,576	–	–	–	75,576
Issue of perpetual convertible capital securities	–	218,140	–	–	218,140
Issue of new shares upon conversion of perpetual convertible capital securities	53	(53)	–	–	–
Distribution on perpetual convertible capital securities (Note 41)	–	–	(4,392)	–	(4,392)
Equity settled share-based compensation expense	–	–	–	518	518
Exercise of employee share options and vesting of share awards	674	–	617	(1,225)	66
Total transactions with owners in their capacity as owners	76,303	218,087	(3,775)	(707)	289,908
Balance at 31 March 2014	484,475	218,087	(426,866)	2,994	278,690

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

statements of changes in equity

for the financial year ended 31 March 2015

	Share capital $'000 (Note 23)	Perpetual convertible capital securities $'000 (Note 24)	Accumulated losses $'000	Other reserves $'000 (Note 25)	Total $'000
Company					
Balance at 1 April 2014	484,475	218,087	(410,666)	777	292,673
Loss for the year	–	–	(241,098)	–	(241,098)
Total comprehensive income for the year	–	–	(241,098)	–	(241,098)
Contributions by/(distributions to) owners					
Issue of new ordinary shares under the 2015 Rights Issue	227,421	–	–	–	227,421
Issue of new shares upon conversion of perpetual convertible capital securities	203,085	(203,085)	–	–	–
Distribution on perpetual convertible capital securities (Note 41)	–	–	(2,353)	–	(2,353)
Equity settled share-based compensation expense	–	–	–	849	849
Exercise of employee share options and vesting of share awards	542	–	11	(553)	–
Total transactions with owners in their capacity as owners	431,048	(203,085)	(2,342)	296	225,917
Balance at 31 March 2015	915,523	15,002	(654,106)	1,073	277,492
Balance at 1 April 2013	408,172	–	(124,260)	1,484	285,396
Loss for the year	–	–	(282,631)	–	(282,631)
Total comprehensive income for the year	–	–	(282,631)	–	(282,631)
Contributions by/(distributions to) owners					
Issue of new ordinary shares under the 2013 Rights Issue	75,576	–	–	–	75,576
Issue of perpetual convertible capital securities	–	218,140	–	–	218,140
Issue of new shares upon conversion of perpetual convertible capital securities	53	(53)	–	–	–
Distribution on perpetual convertible capital securities (Note 41)	–	–	(4,392)	–	(4,392)
Equity settled share-based compensation expense	–	–	–	518	518
Exercise of employee share options and vesting of share awards	674	–	617	(1,225)	66
Total transactions with owners in their capacity as owners	76,303	218,087	(3,775)	(707)	289,908
Balance at 31 March 2014	484,475	218,087	(410,666)	777	292,673

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

consolidated statement of cash flows

for the financial year ended 31 March 2015

	Note	2015 $'000	2014 $'000
Cash flows from operating activities:			
Loss before taxation		(272,566)	(231,561)
Adjustments for:			
Depreciation of property, plant and equipment	10	36,636	33,374
Amortisation of intangible assets	11	276	725
Amortisation of deferred income	5	(2,497)	(2,917)
Amortisation of maintenance reserve payment		216	167
Provision for maintenance cost		28,325	12,794
Share-based compensation expense	4	849	635
Impairment loss on trade receivables	5	1,312	–
Gain on disposal of aircraft		(1,167)	(1,619)
Property, plant and equipment written off		195	–
Share of loss of associates and joint venture		35,328	95,058
Shutdown costs of PT Mandala Airlines		11,810	–
Loss on disposal of associate and joint venture		44,311	28,900
Provision for onerous aircraft leases		108,597	25,044
Loss on planned disposal of aircraft		17,453	–
Gain on loss of control of subsidiary	12	–	(106,078)
Impairment of associates		–	133,626
Interest expense	7	7,062	10,071
Interest income		(2,037)	(6,268)
Unrealised exchange differences		(668)	16,837
Operating cash flows before working capital changes		13,435	8,788
Increase in inventories		–	(264)
Decrease/(increase) in amount due from related companies, trade and other receivables		60,945	(100,351)
(Decrease)/increase in sales in advance of carriage		(3,329)	8,059
(Decrease)/increase in amount due to immediate holding company, related companies, provisions, trade and other payables		(42,523)	1,964
(Decrease)/increase in deferred income		(75)	6,007
Increase in prepayments		(6,302)	(12,557)
Decrease/(increase) in amounts due from joint venture		5,549	(3,096)
Cash flows from/(used in) operations		27,700	(91,450)
Interest received		1,668	5,961
Income tax paid		(633)	(327)
Net cash flows from/(used in) operating activities		28,735	(85,816)
Cash flows from investing activities:			
Purchases of property, plant and equipment		(40,731)	(365,206)
Proceeds from disposal of property, plant and equipment		55,706	544,634
Additions to intangible assets	11	(188)	(54)
Funding operating and shutdown activities of PT Mandala Airlines		(48,398)	(157,988)
Loans to joint venture		(11,753)	(41,586)
Repayment of loan due from a joint venture		4,311	–
Net cash (outflow)/inflow from disposal of associate and joint venture		(3,617)	3,729
Net cash inflow from disposal of subsidiary	12	–	29,530
Long term investment		(8,304)	–
Net cash flows (used in)/from investing activities		(52,974)	13,059
Cash flows from financing activities:			
Net proceeds from rights issue	23	227,421	75,576
Net proceeds from perpetual convertible capital securities	24	–	218,140
Distribution on perpetual convertible capital securities	41	(4,392)	(2,202)
Proceeds from exercise of employee share options		–	66
Repayments of bank loans		(53,080)	(168,791)
Proceeds from bank loans		–	14,415
Interest paid	7	(7,116)	(10,094)
Net cash flows from financing activities		162,833	127,110
Net increase in cash and cash equivalents		138,594	54,353
Cash and cash equivalents at beginning of the year	22	171,581	117,228
Cash and cash equivalents at end of the year	22	310,175	171,581

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

notes to the financial statements
for the financial year ended 31 March 2015

1. corporate information

Tiger Airways Holdings Limited (the "Company") is a limited liability company incorporated and domiciled in the Republic of Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). The Company and its subsidiaries are collectively referred to as the "Group".

The Company is a subsidiary company of Singapore Airlines Limited ("SIA") and its ultimate holding company is Temasek Holdings (Private) Limited, both incorporated in the Republic of Singapore.

Its registered office and principal place of business is located at 17 Changi Business Park Central 1, #04-06/09 Honeywell Building, Singapore 486073.

The principal activities of the Company consist of airline and aircraft management. The principal activities of the subsidiaries are disclosed in Note 12.

2. summary of significant accounting policies

2.1 basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values are rounded to the nearest thousand ($'000) unless otherwise indicated.

2.2 changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 standards issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
FRS 109 *Financial Instruments*	1 January 2018
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 114 *Regulatory Deferral Accounts*	1 January 2016
Amendments to FRS 1 *Disclosure Initiative*	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28 *Investment Entities Applying the Consolidation Exception*	1 January 2016
Amendments to FRS 110 and FRS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 111 *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 16 and FRS 41 *Agriculture Bearer Plants*	1 January 2016
Amendments to FRS 27: *Equity Method in Separate Financial Statements*	1 January 2016
Improvements to FRSs (November 2014)	1 January 2016
Improvements to FRSs (January 2014)	1 July 2014
Improvements to FRSs (February 2014)	1 July 2014
FRS 19 *Amendments to FRS 19: Defined Benefit Plans: Employee Contributions*	1 July 2014

2. summary of significant accounting policies (continued)

2.3 standards issued but not yet effective (continued)

As FRS 115 Revenue from Contracts with Customers and FRS 109 Financial Instruments have only been issued recently, management has only started reviewing the financial implications of these FRS. Except for the above, the directors expect that the adoption of the other standards will have no material impact on the financial statements in the period of initial application.

2.4 basis of consolidation and business combinations

(a) basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be a financial asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2. summary of significant accounting policies (continued)

2.5 provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economics resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.6 foreign currency

The Group's consolidated financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated monthly at the prevailing exchange rates. The exchange differences arising on the translation are taken directly to other comprehensive income and accumulated under foreign currency translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.19. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of aircraft comprises its purchase price and directly attributable costs of bringing the assets to working condition for its intended use and is stated net of manufacturers' credit. Expenditure for heavy maintenance visits on aircraft and engine overhauls is capitalised at cost. Expenditure for other maintenance and repairs is charged to profit or loss.

2. summary of significant accounting policies (continued)

2.7 property, plant and equipment (continued)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Aircraft	–	15 years to estimated residual value
	–	6 years for capitalised major inspection costs
Engineering and office equipment, furniture and fittings	–	3 years
Computer equipment	–	3 years
Motor vehicle	–	5 years

Aircraft under construction included in property, plant and equipment are not depreciated as those aircraft are not yet available for use.

Major inspection costs relating to heavy maintenance visits and engine overhauls (including inspection costs provided under "power-by-hour" maintenance agreements) are capitalised and depreciated over the average expected life between major overhauls, estimated to be 6 years. Further details on the accounting policy for airframe and component overhaul repair are disclosed in Note 2.24.

The carrying values of property, plant and equipment are reviewed for impairment in accordance with Note 2.9.

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. Any change is adjusted prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.8 intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised on a straight-line basis over the estimated useful lives of the assets and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The useful lives of the intangible assets are as follows:

Software	–	3 years
Trademark	–	10 years

2.9 impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2. summary of significant accounting policies (continued)

2.9 impairment of non-financial assets (continued)

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.10 subsidiaries

(a) subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(b) structured entities

Entities in which the Group holds little or no equity are consolidated as subsidiaries if the Group is assessed to have control over them.

Such control can be demonstrated through predetermination of the entities' activities, exposure to and retention of majority of its residual or ownership risk, and decision-making powers to obtain majority of benefits of the entities.

2.11 joint ventures and associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those polices.

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group account for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associate or joint venture are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint venture. Distributions received from joint ventures or associates reduce the carrying amount of the investment. Where there has been a change recognised in the other comprehensive income by the associates or joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transaction between the Group and associate or joint venture are eliminated to the extent of the interest in the associates or joint venture.

2. summary of significant accounting policies (continued)

2.11 joint ventures and associates (continued)

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payment on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit and loss.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.12 financial assets

initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(a) financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

The Group has not designated any financial assets upon initial recognition at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

The accounting policy for derivatives is included in Note 2.25.

(b) loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

2. summary of significant accounting policies (continued)

2.12 financial assets (continued)

(c) available-for-sale financial assets

Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

de-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2.13 impairment of financial assets

The Group assesses at each reporting period whether there is any objective evidence that a financial asset is impaired.

financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has occurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor,(ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instruments may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs.

2. summary of significant accounting policies (continued)

2.13 impairment of financial assets (continued)

available-for-sale financial assets (continued)

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost and its current fair value, less any impairment loss previously recognised in profit or loss, is recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

2.14 cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.15 trade and other receivables

Trade and other receivables are recognised at their original invoiced amounts or at cost which represents their fair values on initial recognition. These receivables are classified and accounted for as loans and receivables. The accounting policy for this category of financial assets is stated in Note 2.12.

The Group assesses at each financial year end whether there is objective evidence that trade and other receivables have been impaired. In the assessment, the Group considers factors such as significant financial difficulties or probability of insolvency of the debtor, default or significant delay in payments and potential credit risks. Impairment was performed on an individual basis based on specific credit risk exposure. Bad debts are written-off to profit or loss when identified. Further details on the accounting policy for impairment of financial assets are stated in Note 2.13.

2.16 long-term deposits and maintenance reserve payments

Long-term deposits are placed with lessors in respect of operating leases of aircraft and are non-interest bearing. Maintenance reserve are payments made to the lessor for future heavy maintenance and overhaul.

Long-term deposits and maintenance reserve are classified and accounted for as loans and receivables. The accounting policy for this category of financial assets is included in Note 2.12. Further details on the accounting policy for impairment of financial assets are included in Note 2.13.

2.17 financial liabilities

initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The accounting policy for derivatives is included in Note 2.25.

2. summary of significant accounting policies (continued)

2.17 financial liabilities (continued)

subsequent measurement (continued)

other financial liabilities

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

de-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.18 trade payables

Trade payables are initially recognised at fair value (consideration to be paid in the future for goods and services received, whether or not billed to the Group) plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

2.19 borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

2.20 employee benefits

(a) defined contribution plans

As required by law, the Group makes contribution to defined contribution plans in the countries which they operate in. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund Scheme in Singapore, a defined contribution pension scheme. Such contributions are recognised as an expense in the period in which the related service is performed.

(b) employee leave entitlements

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(c) equity compensation plans

Employees of the Group receive remuneration in the form of share options and share awards as consideration for services rendered.

Certain employees of the Group are eligible to participate in the Pre-IPO Tiger Aviation Share Options Scheme (the "Scheme"). The Scheme was approved by the Board of Directors of the Company on 24 April 2008. The Scheme has been terminated since the initial public offering of the Company's shares on 22 January 2010 and no further options will be granted under the Scheme.

2. summary of significant accounting policies (continued)

2.20 employee benefits (continued)

(c) equity compensation plans (continued)

The Group has also implemented the Tiger Airways Long Term Incentive Plan ("LTIP") where the Tiger Airways Group Restricted Share Plan ("RSP"), Performance Share Plan ("PSP") and CEO Restricted Share Grant ("CEORSG") are awarded to eligible employees, when and after pre-determined performance or service conditions are accomplished. LTIP was approved by the shareholders of the Company on 30 July 2010.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options or shares at the date on which the options or shares are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss as share-based compensation expense, with a corresponding increase in the share-based compensation reserve, over the vesting period. The cumulative expense recognised at each reporting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for options or shares that do not ultimately vest, except for options or awards where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market conditions is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation.

The share-based compensation reserve is transferred to revenue reserves upon expiry of the share options. When the options are exercised or shares are released, the share-based compensation reserve is transferred to share capital if new shares are issued.

2.21 leases

(a) operating lease – as lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Gains or losses arising from sale and operating leaseback, determined based on differences between cost of assets and fair values, are recognised in profit or loss. Differences between sale proceeds and fair values are deferred and amortised over the minimum lease terms.

(b) operating lease agreement – as lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.22 (d).

(c) sub-lease agreement – as lessor

All costs in relation to aircraft that are sub-leased are charged to the lessee. Lease rental charged to the lessee are recognised as lease rental income in the profit or loss. The corresponding lease rental expense are recognised as aircraft rental expense.

2. summary of significant accounting policies (continued)

2.21 leases (continued)

(d) finance lease – as lessee

Finance leases, which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

2.22 revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable.

The Group assesses its revenue arrangements to determine if it is acting as principal or agent. Revenue includes only the gross inflows of economic benefits received and receivable by the Group on its own account. Amounts collected on behalf of third parties such as taxes are not economic benefits which flow to the Group and do not result in increases in equity. Therefore, they are excluded from revenue. Similarly, in an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the Group. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.

The following specific recognition criteria must also be met before revenue is recognised:

(a) passenger seat revenue

Passenger seat revenue are recognised as operating revenue when the flight is uplifted. The value of unused tickets is included in current liabilities as sales in advance of carriage.

(b) ancillary and other revenue

Ancillary revenue earned is generated principally from related services from carriage of passenger and cargo. Other revenue comprised management service fee, grant income and commission income from other related services. Ancillary revenue are recognised in profit or loss in the period the ancillary services are provided.

(c) interest income

Interest income is recognised using the effective interest method.

(d) rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2.23 taxes

(a) current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

2. summary of significant accounting policies (continued)

2.23 taxes (continued)

(a) current income tax (continued)

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss are recognised either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

– where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– in respect of taxable temporary differences associated with investments in subsidiaries, joint venture and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– in respect of deductible temporary differences associated with investments in subsidiaries, joint venture and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2. summary of significant accounting policies (continued)

2.23 taxes (continued)

(c) sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax or sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated at the amount invoiced which includes sales tax.

2.24 aircraft maintenance and overhaul costs

(a) aircraft under operating leases

The Group operates several aircraft under operating leases. In accordance with the lease agreements, the Group is legally liable to carry out maintenance of the aircraft over the lease period and to return the aircraft to the lessors under certain stipulated conditions.

The Group recognises aircraft maintenance and overhaul costs (except heavy maintenance visits) in profit or loss on an "incurred basis". For engine overhaul costs covered by "power-by-hour" (fixed rate charged per hour) maintenance agreements, expenses are accrued on the basis of hours flown in accordance with the terms of the relevant agreements. Other maintenance costs contracted with service providers for a fixed monthly sum are recognised on a "time proportionate" basis as the requirement and timing of maintenance is not predictable.

Provisions are made during the term of such operating leases for estimated cost of restoration. Such provisions are made on the basis of estimated future costs of major airframe maintenance, certain engine repair and overhaul and one-off costs incurred at the end of the lease, prior to the return of the aircraft to their lessors.

Costs relating to heavy maintenance visit are capitalised and amortised over the shorter of estimated period that the Group will enjoy the benefit of such services and the relevant aircraft lease term.

(b) owned aircraft

(i) power by hour arrangements

The engine maintenance and overhaul expenditure is covered by power-by-the-hour arrangements, where the Group pays fixed rate per hour to maintenance companies which take responsibility for all engine maintenance. Management estimates the portion of the monthly payments that relate to engine overhauls and defer these amounts as prepaid expenses until the aircraft undergoes engine overhaul. The policy for airframe and component overhaul and repair as disclosed below will be applied to those costs for engine overhaul. The remaining amounts are charged to profit and loss as regular maintenance cost.

(ii) airframe and component overhaul and repair

At the date of aircraft delivery, management estimates the cost of the aircraft which relates to airframe and component overhaul and repair, and depreciates this amount over the estimated period to the next airframe and component overhaul and repair. When the aircraft undergoes an airframe and component overhaul and repair, these costs are capitalised as property, plant and equipment and depreciated to the next occurrence of the planned heavy maintenance activity. Any carrying amounts recognised for the previous airframe and component overhaul and repair would be derecognised at the heavy maintenance activity.

2. summary of significant accounting policies (continued)

2.25 hedge accounting and derivative financial instruments

The Group uses derivative financial instruments such as foreign currency forward contracts and jet fuel collars and swaps to hedge its risks associated with foreign currency and jet fuel price fluctuations.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into, and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of foreign currency forward contracts, jet fuel collars and swaps are determined by reference to valuation reports provided by counterparties.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows, and are assessed on an ongoing basis to determine that they have been highly effective throughout the financial reporting periods for which they were designated.

Derivatives are classified as financial assets or liabilities at fair value through profit and loss unless they qualify for hedge accounting. Hedges which meet the criteria for hedge accounting are accounted for as follows:

cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income under fair value reserve, while any ineffective portion is recognised immediately in profit or loss. Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the forecast sale or purchase occurs.

fair value hedge

The change in the fair value of hedging derivative is recognised in profit or loss. The change in fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognised in the profit or loss.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to profit or loss.

2.26 non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Property, plant and equipment, once classified as held for sale are not depreciated or amortised.

2.27 government and airport authorities subsidies and incentives

Government and airport authorities subsidies and incentives are recognised in the profit or loss when there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with.

2.28 segment reporting

The Group is in the business of owning and managing airlines. The management reviews the profitability and operations of the Group as one business; procure, own or manage aircraft as a central resource (moving aircraft between airlines as required); distribute and sells tickets through one common website and manage its treasury function centrally.

2. summary of significant accounting policies (continued)

2.29 share capital and perpetual convertible capital securities

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Perpetual convertible capital securities are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or liabilities with another person or entity that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issuance of new ordinary shares or perpetual convertible capital securities are shown in equity as a deduction from the proceeds. The proceeds received net of any directly attributable transaction costs are credited to equity.

2.30 contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

   (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.31 restatement of consolidated income statement and statements of financial position

consolidated income statement

The Group reassessed the ancillary revenue items and noted that it is acting as a principal for income related to (a) call centre and (b) merchant acquiring fee, which would require these ancillary revenue items to be reported on a gross basis. As a result, the Group restated the prior year comparatives to be consistent with the current year presentation. This accounting treatment is in compliance with FRS 18 Revenue.

The effect of this restatement resulted in a change in presentation and had no effect on pre-tax loss, net loss or any earning per share amounts for any period presented. For details, please refer to the information provided below:

	Group	
	2015 $'000	**2014 $'000**
Ancillary and other revenue		
Previously reported	142,527	173,435
Add: Re-gross of income	9,393	12,408
Less: Separate disclosure of lease rental income	(4,472)	(799)
Restated balance	147,448	185,044
Marketing and distribution costs		
Previously reported	14,566	18,095
Add: Re-gross of expense	9,393	12,408
Restated balance	23,959	30,503

2. summary of significant accounting policies (continued)

2.31 restatement of consolidated income statement and statements of financial position (continued)

statements of financial position

Due to the return of aircraft from associates, the Group re-assessed the presentation of maintenance reserve payments in the Statements of Financial Position.

As the lessors are not the parties performing the maintenance events, the Group noted that it should present the gross amount paid by the Group to lessors as maintenance reserve receivables, and establish a corresponding provision for return costs under liabilities. The Group restated the prior year comparatives to be consistent with the current year presentation. This accounting treatment is in compliance with FRS 1 Presentation of Financial Statements.

As a result of the restatement, the other receivables and provisions were higher by $48.7m as at 31 March 2015 and $27.9m as at 31 March 2014.

The change in presentation had no effect on net asset or equity for any period presented.

3. significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and disclosures made. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, which has the most significant effect on the amounts recognised in the consolidated financial statements:

(a) determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

(b) consolidation of structured entities

As part of the Group's financing arrangements with the lenders, structured entities have been set up to finance the purchase of the aircraft. The rights and benefits of the aircraft rest with the structured entities, with the corresponding bank loans entered into by the structured entities with the lenders. The Company has no equity interest in the structured entities.

The Group has guaranteed the obligations under the loans entered into by the structured entities, and has entered into finance lease arrangements with the structured entities. Therefore, the Group retains majority of the residual risks related to the structured entities and their assets in order to obtain benefits from the activities of the structured entities. Based on these facts and circumstances, management concluded that the Group controls the structured entities and therefore, consolidates these structured entities in its consolidated financial statements.

(c) operating lease commitments – as lessee

The Group, acts as the lessee, has entered into commercial leases on its aircraft. Based on an evaluation of the terms and conditions of these arrangements, it was determined that the lessor retains all the significant risks and rewards of ownership of these aircraft. The Group, therefore, accounts for these contracts as operating leases.

3. significant accounting judgments and estimates (continued)

3.1 judgments made in applying accounting policies (continued)

(d) operating lease commitments – as lessor

The Group, acts as the lessor, has entered into commercial leases on its aircraft. Based on an evaluation of the terms and conditions of the arrangements, it was determined that the Group retains all the significant risks and rewards of ownership of these aircraft. The Group, therefore, accounts for these contracts as operating leases.

3.2 key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) impairment of property, plant and equipment – aircraft fleet

Impairment is recognised when events and circumstances indicate that the aircraft may be impaired and the carrying amounts of the aircraft exceed the recoverable amounts. Recoverable amount is defined as the higher of an aircraft's fair value less costs to sell and its value-in-use. The fair value less costs to sell computation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. In determining the recoverable amounts of the aircraft, certain estimates regarding the current fair market value of the aircraft are made. The current fair market value is determined based on desktop valuations from an independent appraisal for fleet with similar operational lives. When value-in-use calculations are undertaken, the Group uses discounted cash flow projections based on financial budgets approved by the Management covering a specified period.

(b) depreciation of property, plant and equipment – aircraft

Aircraft are depreciated on a straight-line basis at rates which are calculated to write-down their cost to their estimated residual values at the end of their operational lives. The Group's current estimate of aircraft residual value is approximately 10% of cost. The estimates regarding the operational lives and residual values of the aircraft fleet are made by the Group based on general life span of aircraft and are in line with the industry. The operational lives and residual values are reviewed on an annual basis. The carrying amount of aircraft as at 31 March 2015 for the Group and Company was $388.5m (2014: $503.6m) and $257.8m (2014: $320.4m) respectively.

During the year, the Group revised the estimated useful lives of its aircraft from 23 years to 15 years to better reflect the economic useful life with effect from 1 January 2015. The Group also revised the aircraft residual value from 15% to 10% of the original cost. The effect of this change is an increase in depreciation expense of approximately $4.3m for the financial year ended 31 March 2015 (Note 3.3(a)).

(c) income taxes and indirect taxes

The Group has exposure to income taxes and indirect taxes in numerous jurisdictions. Significant judgment is involved in determining the Group-wide provision for income taxes and indirect taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on information presently available and the best estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the current and deferred tax provisions in the period in which such determination is made. The details of income taxes for the financial year end and as at the financial year end are disclosed in Note 8.

3. significant accounting judgments and estimates (continued)

3.2 key sources of estimation uncertainty (continued)

(d) deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. In determining the timing and level of future taxable profits together with future tax planning strategies, the Group assessed the probability of expected future cash inflows for the next five years.

The Group's deferred tax asset as at 31 March 2015 was $17.2m (2014: $2.3m). At 31 March 2015, the Group had tax losses and deductible temporary differences of approximately $176.8m (2014: $20.2m), that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

(e) provisions

Provisions are recognised in accordance with the accounting policy in Note 2.5. To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the Group takes into consideration factors such as the existence of legal or contractual agreements, past historical experience, external advisors' assessments and other available information. The carrying amounts of provisions as at the financial year end are disclosed in Note 26.

(f) impairment of loans and receivables

The Group assesses at each financial year end whether there is objective evidence that trade receivables have been impaired. In the assessment, the Group considers factors such as significant financial difficulties or probability of insolvency of the debtor, default or significant delay in payments, historical write-off statistics and potential credit risks.

Impairment was performed on an individual basis based on specific credit risk exposure. The carrying amounts of trade receivables and other receivables as at the financial year end are disclosed in Note 19 and 20 respectively.

(g) share-based compensation

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are awarded. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the share awards. This estimate also requires determining the most appropriate inputs to the valuation model including the expected term of the share awards, volatility and dividend yield. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 23.

3.3 changes in accounting estimates

(a) useful life of aircraft and corresponding estimate of aircraft residual value

The Group performs annual reviews of useful life and the residual values of the assets. Upon completion of the annual review exercise, the Group decided to revise the useful life and residual value of its owned aircraft effective 1 January 2015. Details are shown as follows:

Useful life	:	Reduced from 23 years to 15 years
Residual value	:	Reduced from 15% of the original cost to 10%

3. significant accounting judgments and estimates (continued)

3.3 changes in accounting estimates (continued)

(a) useful life of aircraft and corresponding estimate of aircraft residual value (continued)

In accordance with FRS 8, Accounting Policies, Changes in Accounting Estimates and Errors, this change in accounting estimates was applied prospectively from 1 January 2015. Accordingly, the adoption of the new accounting estimates has no effect on prior years. The change in the accounting estimates had resulted in an increase to the Group's depreciation charge by $4.3m.

Unless the aircraft are sold to third parties, depreciation charges for future years are expected to be similarly affected by these changes in accounting estimates. The effect on the future years is an increase in depreciation charge by $1.5m per aircraft per annum.

(b) return costs and/or compensation fees payable to the lessors upon return of operating leased aircraft

During the financial year, due to return of aircraft from associates, the Group re-assessed the return costs and/or compensation fees payable to the lessors upon return of the operating leased aircraft. The Group aims to establish adequate provision in its financial statement to fulfil its legal obligations to the lessors as of 31 March 2015.

In accordance with FRS 8, Accounting Policies, Changes in Accounting Estimates and Errors, this change in accounting estimates was applied prospectively with effect from the current financial year. Accordingly, the adoption of the new accounting estimates has no effect on prior years. The effect of this change during the financial year was an increase in the Group's maintenance charges by $12.8m:

(i) True-up of maintenance charges based on prior years' operating statistics amounted to $10.8m; and

(ii) Increase in provision of maintenance cost for the financial year was $2.0m.

Maintenance charges for future years are expected to be affected by these changes in accounting estimates.

4. staff costs

	Group	
	2015 $'000	**2014 $'000**
Salaries, bonuses and other costs	78,641	95,478
CPF contributions and other defined contributions	4,756	5,398
Share-based compensation expense	849	635
	84,246	101,511

5. operating loss

	Group	
	2015 $'000	**2014 $'000**
Operating loss is stated after charging/(crediting):		
Fees paid to auditors of the Company:		
– Statutory audit fees	120	96
– Non-audit fees	211	139
Amortisation of deferred income	(2,497)	(2,917)
Operating lease rentals	71,884	68,326
Net fair value gain on foreign currency forward contracts	(1,610)	(611)
Impairment loss on trade receivables	1,312	–

6. finance income

Finance income consists mainly of interest income from loans and receivables.

7. finance expense

	Group 2015 $'000	Group 2014 $'000
Interest expense on loans	7,116	10,094
Write off of previously capitalised interest (Note 10)	–	1,522
Less: Interest capitalised in property, plant and equipment	(54)	(1,545)
	7,062	10,071
Bank charges	592	792
	7,654	10,863

8. taxation

The major components of tax expense/(income) for the years ended 31 March are:

	Group 2015 $'000	Group 2014 $'000
Consolidated income statement		
Current tax		
Foreign tax	679	190
Over provision of current tax in respect of prior years	–	(204)
	679	(14)
Deferred tax		
Origination and reversal of temporary differences	(8,518)	(6,621)
Over provision in respect of prior years	(494)	(1,935)
	(9,012)	(8,556)
Income tax credit recognised in profit or loss	(8,333)	(8,570)
Deferred tax income recognised in other comprehensive income:		
– Net fair value changes on cash flow hedges	(4,492)	(179)

The reconciliation between income tax income and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 March are as follows:

	2015	2014
Loss before taxation	(272,566)	(231,561)
Tax at statutory tax rate of 17% (2014: 17%)	(46,336)	(39,365)
Adjustments:		
Effect of different tax rates in other countries	–	21,528
Non-deductible expenses	7,176	28,672
Income not subject to taxation	(1,184)	(42,182)
Foreign tax	679	190
Deferred tax assets not recognised	26,632	8,622
Effect of tax credit schemes	(812)	(35)
Over provision in respect of prior year	(494)	(2,139)
Share of loss of associates and joint venture	6,006	16,160
Others	–	(21)
Tax credit recognised in profit or loss	(8,333)	(8,570)

9. loss per share

Basic loss per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted loss per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

For purposes of calculating basic and diluted loss per share, the weighted average number of ordinary shares was adjusted to take into account the effect arising from the renounceable rights issue undertaken by the Company in 2015 ("2015 Rights Issue"). Earnings per share for the last financial year had been restated with the above adjustment.

The following table reflects the loss and share data used in the computation of basic and diluted loss per share for the years ended 31 March:

	Group	
	2015 **$'000**	**2014** **$'000**
Loss for the year attributable to owners of the Company	(264,233)	(222,991)
	No. of shares **'000**	**No. of shares** **'000** **(restated)**
Weighted average number of ordinary shares outstanding during the year	1,492,030	985,983
Restatement adjustment for 2015 Rights Issue	–	125,220
Weighted average number of ordinary shares for basic and diluted loss per share computation	1,492,030	1,111,203

The perpetual convertible capital securities, share options and awards granted to employees under the equity compensation plans have not been included in the calculation of diluted loss per share as they will have an anti-dilutive effect (i.e. resulting in a reduction in loss per share) for the reporting periods presented.

10. property, plant and equipment

	Aircraft $'000	Aircraft under construction $'000	Engineering and office equipment, furniture and fittings $'000	Computer equipment $'000	Motor vehicle $'000	Total $'000
Group						
Cost						
At 1 April 2013	615,830	240,996	1,517	1,108	25	859,476
Additions	2,815	363,234	474	228	–	366,751
Disposals/write-off[(1)]	–	(539,529)	–	–	–	(539,529)
Loss of control of subsidiary	(5,927)	–	(440)	(182)	–	(6,549)
Exchange differences	(698)	–	(48)	(22)	–	(768)
At 31 March 2014 and 1 April 2014	612,020	64,701	1,503	1,132	25	679,381
Additions	959	55,183	17	109	–	56,268
Disposals/write-off	–	(54,539)	(273)	–	–	(54,812)
Reclassification[(2)]	(109,328)	–	–	–	–	(109,328)
Transfer	937	(937)	–	–	–	–
At 31 March 2015	504,588	64,408	1,247	1,241	25	571,509
Accumulated depreciation						
At 1 April 2013	76,485	–	469	507	25	77,486
Depreciation charge for the year	32,730	–	365	279	–	33,374
Loss of control of subsidiary	(692)	–	(148)	(90)	–	(930)
Exchange differences	(60)	–	(12)	(9)	–	(81)
At 31 March 2014 and 1 April 2014	108,463	–	674	687	25	109,849
Depreciation charge for the year	36,065	–	268	303	–	36,636
Disposals/write-off	–	–	(78)	–	–	(78)
Reclassification[(2)]	(28,415)	–	–	–	–	(28,415)
At 31 March 2015	116,113	–	864	990	25	117,992
Net carrying amount						
At 31 March 2014	503,557	64,701	829	445	–	569,532
At 31 March 2015	388,475	64,408	383	251	–	453,517

(1) Includes cancellation of nine A320ceo aircraft

(2) Relates to reclassification to assets related to planned disposal of aircraft

10. property, plant and equipment (continued)

	Aircraft $'000	Aircraft under construction $'000	Engineering and office equipment, furniture and fittings $'000	Computer equipment $'000	Total $'000
Company					
Cost					
At 1 April 2013	383,808	240,996	870	712	626,386
Additions	5	362,298	425	35	362,763
Disposals/write-off[(1)]	–	(539,529)	–	–	(539,529)
At 31 March 2014 and 1 April 2014	383,813	63,765	1,295	747	449,620
Additions	–	55,182	4	9	55,195
Disposals/write-off	–	(54,539)	(273)	–	(54,812)
Reclassification[(2)]	(53,470)	–	–	–	(53,470)
At 31 March 2015	330,343	64,408	1,026	756	396,533
Accumulated depreciation					
At 1 April 2013	43,488	–	267	264	44,019
Depreciation charge for the year	19,878	–	274	217	20,369
At 31 March 2014 and 1 April 2014	63,366	–	541	481	64,388
Depreciation charge for the year	22,126	–	216	195	22,537
Disposal	–	–	(78)	–	(78)
Reclassification[(2)]	(12,904)	–	–	–	(12,904)
At 31 March 2015	72,588	–	679	676	73,943
Net carrying amount					
At 31 March 2014	320,447	63,765	754	266	385,232
At 31 March 2015	257,755	64,408	347	80	322,590

(1) Includes cancellation of nine A320ceo aircraft

(2) Relates to reclassification to assets related to planned disposal of aircraft

cancellation of nine A320ceo aircraft

On 24 March 2014, the Group announced a new order of 37 Airbus A320neo aircraft and the cancellation of nine A320ceo aircraft from the previous order. Interest previously capitalised were written off to the profit or loss (Note 7) in the last financial year. Consequent to the agreement, the excess of the amount to be refunded for the cancelled aircraft over the initial deposit for the new order had been reclassified from property, plant and equipment to other receivables as of 31 March 2014. The refund, amounting to $79.9m, had been received by the Group during the financial year.

capitalisation of borrowing costs

The Group has obtained financing in respect of the Pre-Delivery Payment ("PDP") obligations to the aircraft manufacturer.

Aircraft under construction includes advance and progress payments for aircraft and related equipment as well as borrowing costs incurred in connection with the financing of the PDP to the aircraft manufacturer. During the financial year, the borrowing costs capitalised in aircraft under construction amounted to $0.1m (2014: $1.5m) for both the Group and Company (Note 7). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges from 2.97% to 2.98% (2014: 2.86% to 3.07%) per annum.

assets held under finance lease

The Company has finance lease arrangements for certain aircraft via structured entities (Note 29). The carrying amount of aircraft held by the Company under finance leases at the end of the reporting period was $247.8m (2014: $310.0m).

10. property, plant and equipment (continued)

assets pledged as security

The Group's aircraft under construction were pledged as security for the related PDP financing obtained from banks (Note 29). These loans had been fully repaid during the year.

The aircraft owned by the Group and Company are mortgaged to the banks under European Export Credit Agencies ("ECA") financing (Note 29).

reclassification to assets related to planned disposal of aircraft

As of 31 March 2015, two aircraft were classified as held for sale as the Group decided to sell the aircraft. The sale is expected to be completed within one year. Upon disposal of these two aircraft, the Group is projected to incur a loss of $17.5m before income tax.

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Cost				
At 1 April	–	–	–	–
Transfer from property, plant and equipment	80,913	–	40,566	–
Transfer from prepayments	7,499	–	3,520	–
Loss on planned disposal of aircraft	(17,453)	–	(8,583)	–
At 31 March	70,959	–	35,503	–

exercise of two purchase options for A320ceo aircraft

As part of the divestment of Tiger Airways Australia Pty Limited ("Tigerair Australia"), two new A320ceo aircraft orders were transferred to the Group. In April 2015, Tigerair finalised an agreement with Airbus to exercise two purchase options for the A320neo previously granted under the A320neo aircraft order in March 2014, with a corresponding cancellation of the two A320ceo aircraft transferred from Tigerair Australia. Consequently, the Group reclassified $15.5m relating to Pre-Delivery Payment for these aircraft to aircraft under construction.

11. intangible assets

	Group and Company		
	Software $'000	**Trademark $'000**	**Total $'000**
Cost			
At 1 April 2013	2,376	–	2,376
Additions	–	54	54
At 31 March 2014 and 1 April 2014	2,376	54	2,430
Additions	101	87	188
At 31 March 2015	2,477	141	2,618
Accumulated amortisation			
At 1 April 2013	1,479	–	1,479
Amortisation for the year	724	1	725
At 31 March 2014 and 1 April 2014	2,203	1	2,204
Amortisation for the year	268	8	276
At 31 March 2015	2,471	9	2,480
Net carrying amount			
At 31 March 2014	173	53	226
At 31 March 2015	6	132	138

12. investment in subsidiaries

	Company 2015 $'000	Company 2014 $'000
Shares, at cost	24,355	24,355

	Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest 2015	Proportion (%) of ownership interest 2014
	Held by the Company				
*	Tiger Airways Singapore Pte. Ltd.	Singapore	Air transportation	100	100
*	Roar Aviation Pte. Ltd.	Singapore	Investment holding	100	100
*	Roar Aviation II Pte. Ltd.	Singapore	Investment holding	100	100
*	Roar Aviation III Pte. Ltd.	Singapore	Investment holding	100	100

* Audited by Ernst & Young LLP, Singapore

In the previous financial year, the Company incorporated a wholly-owned subsidiary, Roar Aviation III Pte. Ltd., with a share capital of $1.00 consisting of one ordinary share.

loss of control of subsidiary

On 8 July 2013, the Company completed the sale of 60% of its wholly-owned subsidiary, Tigerair Australia to Virgin Australia Holdings Limited ("Virgin Australia") for a cash consideration of A$35 million. Accordingly, Tigerair Australia ceased to be a subsidiary of the Company, and became a joint venture of the Company and Group (Note 13). A gain on loss of control of subsidiary which amounted to $106.1m was recorded in the profit or loss on the date of divestment.

Consideration received and the carrying amount of assets and liabilities at the date of loss of control of Tigerair Australia are detailed below:

	$'000
Property, plant and equipment	5,619
Receivables and prepayments	23,329
Inventories and other assets	829
Cash and cash equivalents	11,472
Sales in advance of carriage	(36,202)
Payables, provisions and deferred income	(52,094)
Realisation of translation and other reserves	2,472
	(44,575)
Fair value of retained interest reclassified to investment in joint venture	(20,501)
Gain on loss of control of subsidiary	106,078
Consideration received	41,002
Less: Cash and cash equivalents of the subsidiary	(11,472)
Net cash inflow from loss of control of subsidiary	29,530

structured entities

Details of the operating structured entities controlled and consolidated by the Group at end of financial year are as follows:

	Name of entity	Purpose of structured entity	Country of incorporation
#	Winnie Aircraft Limited	Financing of aircraft	Mauritius
#	Falcon Aircraft Limited	Financing of aircraft	Mauritius

\# Audited by Ernst & Young, Mauritius

12. investment in subsidiaries (continued)

Although the Group does not hold shares in these companies, they are considered subsidiaries as the activities of the structured entities are being conducted on behalf of the Group according to its specific business needs and the Group retains the majority of the residual or ownership risks related to the assets held by these structured entities. These structured entities were incorporated for the sole purpose of financing the Group's aircraft and details are disclosed in Note 29.

Voluntary dissolution of Felidae Aircraft Limited was completed on 24 April 2014.

13. investment in associate and joint venture

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Shares, at cost	–	33,837	–	20,501
Loans	–	34,957	–	–
Share of post-acquisition reserve	–	(71,839)	–	–
Impairment losses	–	–	–	–
Exchange differences	–	3,045	–	–
	–	–	–	20,501

Details of the associate held by the Group are as follows:

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest 2015	2014
Held through subsidiaries:				
* PT Mandala Airlines ("Mandala")	Indonesia	Air transportation	–	35.84

Details of the joint venture held by the Group are as follows:

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest 2015	2014
Held by the Company:				
^ Tiger Airways Australia Pty Limited ("Tigerair Australia")	Australia	Air transportation	–	40.00

* Audited by Purwantono, Suherman & Surja (a member firm of Ernst & Young Global)
^ Audited by Ernst & Young, Australia

Loans are mainly denominated in the following foreign currency at the end of the reporting period:

	Group	
	2015 $'000	2014 $'000
United States dollars	–	8,711

In the previous financial year, the cumulative share of losses relating to an associate and a joint venture which had not been recognised by the Group amounted to $3.4m, as the Group's share of losses had exceeded its net investment in the associate and joint venture.

In addition to equity-accounting for the Group's share of loss in its associates and joint venture, the Group had provided $11.9m in respect of its obligation for the net liability of an associate at the end of the previous reporting period (Note 26).

13. investment in associate and joint venture (continued)

Southeast Asian Airlines Inc ("SEAIR")

On 20 March 2014, the Company through its wholly-owned subsidiary, Roar Aviation II Pte. Ltd. divested 40% of its shares in SEAIR at a sale consideration of US$7m, which approximated $8.9m. The net cash received after adjusting for SEAIR's net liabilities amounted to $3.7m. A loss on disposal of associate of $28.9m was recorded in profit or loss in the previous financial year. Accordingly, SEAIR ceased to be an associate of the Group.

During the year, the Group had reached an agreement with the buyer on the settlement of liabilities arising from its divestment of SEAIR. Consequently, the Group recorded additional provision of $5.8m in profit or loss.

PT Mandala Airlines

PT Mandala Airlines ceased operations from 1 July 2014. The Group had provided $11.8m relating to the shutdown costs of PT Mandala Airlines.

Subsequent to the cessation of operations, on 11 August 2014, Mandala held an extraordinary general meeting to approve the filing of voluntary bankruptcy. Both major shareholders, PT Karya Surya Prima and Roar Aviation Pte Ltd, voted for the resolution.

In December 2014, the President Director of Mandala filed a bankruptcy petition in the Central Jakarta Commercial Court.

The presiding judges of Central Jakarta Commercial Court declared Mandala bankrupt on 9 February 2015. Mandala is currently managed by the Administrator appointed by the Court.

In accordance with FRS 28, when an associated company becomes subject to the control of a government, court, administrator or regulator, deconsolidation of that associated company is generally required. The Group had therefore deconsolidated Mandala from its balance sheet as of 31 March 2015. A loss on disposal of associate of $1.4m was recorded in profit or loss during the year.

The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	Group	
	2015 $'000	**2014 $'000**
Assets and liabilities:		
Total assets	–	94,247
Total liabilities	–	(208,806)
Results:		
Revenue	–	146,694
Loss for the year	–	(101,036)

Tigerair Australia

On 6 February 2015, the Company completed the sale of its entire 40% shareholding in its joint venture, Tigerair Australia to Virgin Australia, an associate of Singapore Airlines Limited, for a cash consideration of A$1.00. Accordingly, Tigerair Australia ceased to be a joint venture of the Company and the Group. A loss on disposal of joint venture amounting to $37.1m was recorded in the profit or loss during the year.

13. investment in associate and joint venture (continued)

Tigerair Australia (continued)

The summarised financial information of the joint venture, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	Group	
	2015 $'000	2014 $'000
Assets and liabilities:		
Current assets	–	22,046
Non-current assets	–	78,548
Total assets	–	100,594
Current liabilities	–	(103,861)
Non-current liabilities	–	(115,504)
Total liabilities	–	(219,365)
Results:		
Revenue	–	219,441
Expenses	–	(278,664)

loans that are impaired

Loans that are impaired at the end of the reporting period and the movement of the allowance account used to record the impairment are as follows:

	Group	
	2015 $'000	2014 $'000
Loans	–	–
Less: Allowance for impairment	–	–
	–	–

Movement in allowance for impairment:

	Group	
	2015 $'000	2014 $'000
At 1 April	–	–
Charge for the year	–	42,310
Write-off	–	(42,568)
Exchange differences	–	258
At 31 March	–	–

14. long-term investment

	Group	
	2015 $'000	2014 $'000
Available-for-sale investment:		
Unquoted equity investment, at cost	8,304	–

During the financial year, the Company through its wholly-owned subsidiary, Roar Aviation III Pte. Ltd., paid NTD 200m, (approximately $8.3m) to subscribe for 10% of issued share capital of Tigerair Taiwan Co., Ltd. ("Tigerair Taiwan"). The Group has options to either increase its shareholding up to 33.4% or dispose its shareholding in Tigerair Taiwan within a stipulated timeframe agreed by the joint venture partners. As at 31 March 2015, management has determined that the fair value of the option was not material.

15. prepayments

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Current	7,640	10,018	111	265
Non-current	34,021	33,473	3,485	4,119

Non-current prepayments relate to advance payment for engine maintenance and overhaul costs covered by power-by-the-hour arrangements, and prepayment made for aircraft acquisition.

16. loans to and amounts due from subsidiaries

	Company	
	2015 $'000	2014 $'000
Loans to subsidiaries	8,308	–
Amounts due from subsidiaries	149	28

Loans to subsidiaries are non-trade related, unsecured, interest free and repayable upon demand. The Company does not intend to demand for loan repayment in the next twelve months. Accordingly, these loans are regarded as non-current assets.

Amounts due from subsidiaries are non-trade related, unsecured, interest-free and repayable upon demand.

loans to subsidiaries that are impaired

Loans to subsidiaries that are impaired at the end of the reporting period and the movement of the allowance account used to record the impairment are as follows:

	Company	
	2015 $'000	2014 $'000
Loans to subsidiaries	–	139,640
Less: Allowance for impairment	–	(139,640)
	–	–
Movement in allowance for impairment:		
At 1 April	139,640	122,518
Charge for the year	50,768	255,164
Write-off	(190,035)	(237,614)
Exchange differences	(373)	(428)
At 31 March	–	139,640

The Group made an allowance for impairment of $139.6m in the previous financial year in respect of loans to subsidiaries based on the Group's consideration of factors such as probability of repayment. These loans were written off during the year.

17. loans to and amounts due from associate and joint venture

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Current				
Loans to associate and joint venture	–	8,496	–	8,496
Amounts due from associate and joint venture	–	3,096	–	1,945
	–	11,592	–	10,441
Non-current				
Loans to associate and joint venture	–	33,090	–	33,090

17. loans to and amounts due from associate and joint venture (continued)

Following the divestment of Tigerair Australia to Virgin Australia, the remaining loans to and amount due from Tigerair Australia had been reclassified to amount due from related companies in the statement of financial position.

Loans to associate and joint venture are mainly denominated in the following foreign currency at the end of the reporting period:

	Group	
	2015 $'000	2014 $'000
Australia dollars	–	23,300
United States dollars	–	18,286

loans to associate and joint venture that are impaired

Loans to associate and joint venture that are impaired at the end of the reporting period and the movement of the allowance account used to record the impairment are as follows:

	Group Individually impaired	
	2015 $'000	2014 $'000
Loans to associate and joint venture	–	91,254
Less: Allowance for impairment	–	(91,254)
	–	–
Movement in allowance for impairment:		
At 1 April	91,254	14,100
Charge for the year	–	91,316
Write-off	(91,254)	(14,100)
Exchange differences	–	(62)
At 31 March	–	91,254

In the previous financial year, the Group had made an allowance for impairment of $91.3m in respect of loans to associate and joint venture based on the Group's consideration of factors such as probability of repayment and projection of future cash flows. These loans had been written off during the year.

18. amounts due from related companies

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Amounts due from related companies	20,763	–	9,724	–

Amounts due from a related company of $9.7m are non-trade related, non-interest bearing, unsecured and repayable within one year. The remaining amounts are trade related, non-interest bearing, unsecured and generally on 30 days' terms.

Amounts due from related companies are mainly denominated in the following foreign currency at the end of the reporting period:

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
United States dollars	20,217	–	9,724	–

19. trade receivables

	Group 2015 $'000	Group 2014 $'000
Trade receivables	11,336	4,928

Trade receivables are non-interest bearing and are generally on 30 days' terms. The carrying amount of trade debtors impaired by credit losses is reduced through the use of an allowance account unless the Group writes off the amount ascertained to be uncollectible. In subsequent periods when a trade debtor is ascertained to be uncollectible, it is written off against the allowance account.

Impairment is performed on an individual basis based on specific credit risk exposure. Significant financial difficulties, probability of insolvency of the debtor, default or significant delay in payments and potential credit risks are considered indicators that the trade debtor is impaired. Individual trade debtor is written off when Management deems the amount not to be collectible.

Amounts due from related parties amounting to $0.1m (2014: $2.2m) are included in trade receivables of the Group.

Trade receivables are mainly denominated in the following foreign currencies at the end of the reporting period:

	Group 2015 $'000	Group 2014 $'000
United States dollars	2,139	1,540

receivables that are past due but not impaired

The Group has trade receivables amounting to $7.2m (2014: $2.9m) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group 2015 $'000	Group 2014 $'000
Trade receivables past due:		
Less than 30 days	524	253
30 to 60 days	384	212
61 to 90 days	103	258
More than 90 days	6,223	2,204
	7,234	2,927

receivables that are impaired

The carrying amount of the Group's trade receivables that are impaired and the corresponding allowance for impairment are as follows:

	Group Individually impaired 2015 $'000	Group Individually impaired 2014 $'000
Trade receivables	2,994	–
Less: Allowance for impairment	(1,312)	–
	1,682	–
Movement in allowance for impairment:		
At 1 April	–	–
Charge during the year	1,312	–
At 31 March	1,312	–

Any trade receivable amounts that are secured by bankers' guarantees or cash deposits will not be impaired.

20. other receivables

		Group		Company	
		2015 $'000	2014 $'000 (restated)	2015 $'000	2014 $'000
Current assets					
Sundry deposits		4,337	1,194	157	206
Sundry receivables	(i)	14,557	109,267	2,008	81,473
		18,894	110,461	2,165	81,679
Non-current assets					
Long-term deposits		4,174	3,801	–	–
Maintenance reserve payments	(ii)	61,781	34,024	–	–
		65,955	37,825	–	–

(i) In the previous financial year, a receivable of $79.9m due from an aircraft manufacturer arising from the new aircraft order and cancellation of existing order of aircraft (Note 10) was included in sundry receivables. The Group fully received the amount during the financial year.

(ii) Due to the return of aircraft from associates, the Group re-assessed the presentation of maintenance reserve payments in the Statements of Financial Position. As the lessors are not the parties performing the maintenance events, the Group noted that it should present the gross amount paid by the Group to lessors as maintenance reserve receivables, and establish a corresponding provision for return costs under liabilities. The Group restated the prior year comparatives to be consistent with the current year presentation (Note 2.31). This accounting treatment is in compliance with FRS 1 Presentation of Financial Statements. As a result of the restatement, the other receivables and provisions were higher by $48.7m as at 31 March 2015 and $27.9m as at 31 March 2014.

Other receivables are mainly denominated in the following foreign currency at the end of the reporting period:

	Group		Company	
	2015 $'000	2014 $'000 (restated)	2015 $'000	2014 $'000
United States dollars	71,076	127,101	2,018	80,139

receivables that are impaired

The carrying amount of the Group's other receivables that are impaired and the corresponding allowance for impairment are as follows:

	Group Individually impaired	
	2015 $'000	2014 $'000
Other receivables	–	–
Less: Allowance for impairment	–	–
	–	–
Movement in allowance for impairment:		
At 1 April	–	933
Loss of control of subsidiary	–	(804)
Exchange differences	–	(129)
At 31 March	–	–

21. derivative financial instruments

	Note	Group 2015 Assets $'000	Group 2015 Liabilities $'000	Group 2014 Assets $'000	Group 2014 Liabilities $'000
Fuel hedging contracts	(a)	679	(31,078)	617	(1,667)
Foreign currency forward contracts	(b)	2,831	(34)	188	(130)
		3,510	(31,112)	805	(1,797)

(a) fuel hedging contracts

The Group manages fuel price risk by using swap and collar contracts and hedging up to 15 months forward. As at 31 March 2015, the notional quantity of the Group's outstanding jet fuel collars and swaps was 0.9m barrels (2014: 1.1m barrels).

The Group has applied cash flow hedge accounting to these derivatives as they are assessed to be highly effective hedging instruments. During the year, a net unrealised loss of $28.9m (2014: $1.2m) with a related deferred tax asset of $4.9m (2014: $0.2m), was included in other comprehensive income in respect of these contracts.

(b) foreign currency forward contracts

Foreign currency forward contracts are contracts to buy or sell fixed amounts of currencies at agreed exchange rates for settlement on agreed future dates. As at 31 March 2015, the notional amount of the Group's outstanding foreign currency forward contracts was US$40.1 million (2014: US$37.7 million) with terms of not more than one year.

The cash flow hedges of foreign currency contracts are assessed to be highly effective. During the year, a net unrealised gain of $2.5m (2014: $1.0m) with a related deferred tax liability of $0.4m (2014: $0.1m) was included in other comprehensive income in respect of these contracts.

22. cash and cash equivalents

	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
Cash at banks and on hand	310,175	114,362	289,201	99,100
Short-term deposits	–	57,219	–	57,219
	310,175	171,581	289,201	156,319

Short-term deposits are made for varying periods of between one day and three months depending on the expected cash requirements of the Group, and earn interest at the respective short-term deposit rates ranging from 0.11% to 0.60% (2014: 0.07% to 2.94%) per annum.

Cash and cash equivalents are mainly denominated in the following foreign currency at the end of the reporting period:

	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
United States dollars	41,480	27,933	38,002	25,999

23. share capital

	Group and Company			
	2015		2014	
	No. of shares	$'000	No. of shares	$'000
Issued and fully paid ordinary shares				
At 1 April	986,415,826	484,475	821,216,401	408,172
Issue of new ordinary shares under the rights issue	1,147,102,770	227,421	164,243,221	75,576
Issue of new ordinary shares upon conversion of the Perpetual Convertible Capital Securities	361,969,445	203,085	71,935	53
Shares vested under CEO Restricted Share Grant	492,700	202	477,975	251
Exercise of employee share options	–	–	302,955	260
Shares vested under Restricted Share Plan	654,700	340	103,339	163
At 31 March	2,496,635,441	915,523	986,415,826	484,475

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

renounceable rights issue ("2015 Rights Issue")

On 7 January 2015, the Company completed a rights issue ("2015 Rights Issue"), and issued 1,147,102,770 ordinary shares in the capital of the Company ("2015 Rights Shares") at an issue price of $0.20 for each Rights Share, on the basis of 85 Rights Share for every 100 existing ordinary shares of the Company. The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company. Net proceeds of $227,421,000 were received.

renounceable rights issue ("2013 Rights Issue")

On 26 April 2013, the Company completed a rights issue ("2013 Rights Issue"), and issued 164,243,221 ordinary shares in the capital of the Company ("2013 Rights Shares") at an issue price of $0.47 for each Rights Share, on the basis of one Rights Share for every five existing ordinary shares of the Company. The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company. Net proceeds of $75,576,000 were received.

pre-IPO tiger aviation share options scheme (the "Scheme")

The Scheme was approved by the Board of Directors on 24 April 2008 for granting of options to eligible executives, directors and employees of the Group. This is a successor scheme from the Pre-IPO Tiger Airways Share Options Scheme of Tiger Airways Singapore Pte. Ltd., approved by its Board of Directors on 7 December 2004. All options granted by Tiger Airways Singapore Pte. Ltd. were replaced by options of the Scheme. The grant date is deemed to be the same as those options granted by Tiger Airways Singapore Pte. Ltd. Following the Share Split on 14 December 2009, all options were also sub-divided into 15 options each.

23. share capital (continued)

pre-IPO tiger aviation share options scheme (the "Scheme") (continued)

The exercise price of the option, being the estimated fair value of the share at date of grant, was determined by the Remuneration Committee. Details of all the options to subscribe for ordinary shares of the Company pursuant to the Scheme as at 31 March 2015 are as follows:

Expiry period	Exercise Price (S$)[1]	Number of Options
Between 1 April 2017 and 31 March 2018	0.058	805
Between 1 April 2019 and 31 March 2020	0.053	10,060
Total		10,865

(1) Following the completion of the 2015 Rights Issue, the Remuneration Committee approved a reduction in the exercise prices of the outstanding share options in accordance to the rules of Scheme and advice of the independent financial advisor. The exercise price disclosed is the exercise price after reduction.

Under the Scheme, options will vest:

(i) one year from the date of grant for one third of the allocated share options;

(ii) two years from the date of grant for one third of the allocated share options; and

(iii) three years from the date of grant for remaining one third of the allocated share options.

The contractual life of each option granted is 10 years. There are no cash settlement alternatives.

The Scheme had been terminated since the initial public offering of the Company's shares on 22 January 2010 and no further options was granted during the financial year.

movement of share options during the financial year

Information with respect of the number and weighted average exercise prices (WAEP) of, and movements in, equity share options during the year are as follows:

	2015		2014	
	No. '000	WAEP $	No. '000	WAEP $
Outstanding at beginning of year	11	0.12	314	0.21
Exercised during the year	–	–	(303)	0.22
Outstanding at end of year	11	0.05	11	0.12
Exercisable at end of year	11	0.05	11	0.12

– The weighted average share price at the date of exercise of the options during the previous financial year was $0.51.

– The range of exercise prices for options outstanding at the end of the reporting period was $0.05 to $0.06 (2014: $0.12 to $0.24).

– The weighted average remaining contractual life for these options is 5 years (2014: 6 years).

23. share capital (continued)

long term incentive plans

The LTIP was approved by the shareholders of the Company on 30 July 2010. Pursuant to the approval of the LTIP, employees are eligible to participate in the Tiger Airways Group Restricted Share Plan ("RSP"), Performance Share Plan ("PSP") and/or CEO Restricted Share Grant ("CEORSG"). The first awards of RSP and PSP were made on 1 September 2010. The first award of CEORSG was made on 30 October 2013.

Awards of the CEO restricted shares pursuant to the CEORSG take into consideration of the contractual terms of the service agreement with the eligible participants. CEO restricted shares vest immediately. A moratorium on the disposal of shares is applicable during his term of service as the Chief Executive Officer of the Company, until his term of office has been completed, and/or upon resignation or retirement.

The details of RSP and PSP are described below:

	RSP	PSP
plan description	Award of fully-paid ordinary shares of the Company.	Award of fully-paid ordinary shares of the Company, conditional on pre-determined targets over a specified performance period based on long-term corporate objectives.
performance conditions	There is no pre-determined business targets.	Absolute Total Shareholder Return (TSR)
vesting condition	Award will vest over three years.	Vesting based on achievement of pre-determined targets over a three-year performance period.
payout	1/3 of award will vest annually over three years.	0%-200% depending on the achievement of pre-determined targets over the specified performance period.

movement of share awards

Date of award	Balance at 1.4.2014	Awarded	Modification(1)	Adjustment	Vested	Cancelled	Balance at 31.3.2015
Number of Restricted Shares							
30.10.2013	2,304,400	–	172,571	–	(620,100)	(897,500)	959,371
11.02.2014	104,100	–	8,882	–	(34,600)	(29,000)	49,382
13.08.2014	–	2,143,400	386,279	–	–	(382,200)	2,147,479
	2,408,500	2,143,400	567,732	–	(654,700)	(1,308,700)	3,156,232
Number of Performance Shares							
18.08.2011	99,294	–	–	–	–	(99,294)	–
30.10.2013	5,577,700	–	538,414	–	–	(3,122,900)	2,993,214
11.02.2014	346,600	–	44,349	–	–	(144,400)	246,549
30.03.2015	–	3,920,515	–	–	–	–	3,920,515
	6,023,594	3,920,515	582,763	–	–	(3,366,594)	7,160,278
Number of CEO Restricted Share Grant							
13.08.2014	–	492,700(2)	–	–	(492,700)	–	–
	–	492,700	–	–	(492,700)	–	–

(1) Following the completion of the 2015 Rights Issue, the Remuneration Committee approved an increase in the restricted shares and performance shares in accordance to the rules of the Long Term Incentive Plans and advice of independent financial advisor.

(2) The CEO Restricted Share Grant was awarded to Mr Koay Peng Yen.

23. share capital (continued)

long term incentive plans (continued)

movement of share awards (continued)

Date of award	Balance at 1.4.2013	Awarded	Modification(1)	Adjustment(2)	Vested	Cancelled	Balance at 31.3.2014
Number of Restricted Shares							
01.09.2010	91,210	–	5,084	–	(92,760)	(3,534)	–
18.08.2011	20,000	–	1,159	–	(10,579)	(10,580)	–
30.10.2013	–	2,304,400	–	–	–	–	2,304,400
11.02.2014	–	104,100	–	–	–	–	104,100
	111,210	2,408,500	6,243	–	(103,339)	(14,114)	2,408,500
Number of Performance Shares							
01.09.2010	507,932	–	29,427	(432,223)	–	(105,136)	–
18.08.2011	408,554	–	22,069	–	–	(331,329)	99,294
30.10.2013	–	5,577,700	–	–	–	–	5,577,700
11.02.2014	–	346,600	–	–	–	–	346,600
	916,486	5,924,300	51,496	(432,223)	–	(436,465)	6,023,594
Number of CEO Restricted Share Grant							
30.10.2013	–	477,975(3)	–	–	(477,975)	–	–
	–	477,975	–	–	(477,975)	–	–

(1) Following the completion of the 2013 Rights Issue, the Remuneration Committee approved an increase in the restricted shares and performance shares in accordance to the rules of the Long Term Incentive Plans and advice of independent financial advisor.

(2) Adjustment at the end of three-year performance period based on pre-determined targets.

(3) The CEO Restricted Share Grant was awarded to Mr Koay Peng Yen.

fair value of share awards granted

The estimated fair value of services received in return for share awards granted under RSP is measured by reference to the fair value of shares on the date of award.

The estimated fair value at date of award for each share granted under the RSP during the financial year was $0.41 (2014: ranges from $0.43 to $0.53).

The estimated fair value of the services received under PSP is measured based on the Monte Carlo model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The assumptions used in the valuation of PSP are shown below:

Award date	**30.10.2013**	**11.02.2014**	**30.03.2015**
Vesting date	**30.06.2016#**	**30.06.2016#**	**30.06.2017^**
Share price on award date	$0.525	$0.425	$0.32
Expected volatility	31.0%	29.1%	32.7%
Risk-free interest rate	0.7%	0.8%	1.8%
Dividend yield	–	–	–
Embedded Total Shareholder's return for the Group	(16.0%)	(32.0%)	(16.5%)

the three-year performance period started from 1 July 2013 to 30 June 2016

^ the three-year performance period started from 1 July 2014 till 30 June 2017

23. share capital (continued)

long term incentive plans (continued)

fair value of share awards granted (continued)

Based on the Monte Carlo simulation model, the estimated fair value at date of award for each share granted under the PSP during the financial year was $0.18 (2014: ranges from $0.11 to $0.33).

When estimating the fair value of the share based compensation cost, market-based performance conditions were taken into account. Therefore, for performance share grants with market-based performance conditions, the compensation cost is charged to the profit or loss on a basis that fairly reflects the manner in which the benefits will accrue to the employee under the plan over the remaining service period from date of grant to which the performance period relates, irrespective of whether this performance condition is satisfied.

24. perpetual convertible capital securities

On 22 April 2013, the Company completed a non-renounceable preferential offering, and issued 205,303,728 Perpetual Convertible Capital Securities ("PCCS") for net proceeds of $218,140,000. The PCCS holders have the right to convert the PCCS into ordinary shares of the Company based on the conversion price of $0.565 (2014: $0.74). Arising from the 2015 Rights Issue, the conversion price for PCCS was adjusted to $0.565 based on the terms and conditions of the PCCS during the financial year.

During the financial year, 191,134,887 (2014: 49,750) PCCS were converted into 361,969,445 (2014: 71,935) ordinary shares of the Company. At 31 March 2015, the number of PCCS in issue was 14,119,091 (2014: 205,253,978) which are convertible into 26,738,809 (2014: 296,786,157) fully paid-up new shares of the Company.

The PCCS confer a right to receive ordinary distribution of 2.0% per annum for the first five years but the Company may, at its sole discretion, elect to defer the ordinary distribution. Any arrears of PCCS distribution will have to be paid prior to any dividend distribution by the Company to its ordinary shareholders. In the event the conversion rights are exercised, any arrears of PCCS distribution will be extinguished.

The PCCS also confer a right to receive special dividends equivalent to the amount of cash dividends that the PCCS holder would have been entitled had the conversion right been exercised.

25. other reserves

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Foreign currency translation reserve	–	3,045	–	–
Share-based compensation reserve	1,073	777	1,073	777
Fair value reserve	(22,760)	(828)	–	–
	(21,687)	2,994	1,073	777

25. other reserves (continued)

(a) foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group	
	2015 **$'000**	**2014** **$'000**
At 1 April	3,045	(10,516)
Foreign currency translation	–	12,207
Loss of control of subsidiary	–	2,784
Translation gain reclassified to profit or loss on disposal of associate and joint venture	(3,045)	(1,430)
At 31 March	–	3,045

(b) share-based compensation reserve

Share-based compensation reserve represents the equity-settled compensation plans awarded to employees (Note 23). The reserve is made up of the cumulative value of services received from employees recorded on grant of equity-settled share options and awards.

	Group and Company	
	2015 **$'000**	**2014** **$'000**
At 1 April	777	1,484
Equity settled share-based compensation expense	849	518
Exercise of employee share options and vesting of share awards	(553)	(1,225)
At 31 March	1,073	777

(c) fair value reserve

Fair value reserve records the portion of the fair value changes in derivatives that are designated as hedging instruments in cash flow hedges that are determined to be highly effective.

	Group	
	2015 **$'000**	**2014** **$'000**
At 1 April	(828)	(430)
Net (loss)/gain on:		
– Fair value changes of derivatives	(43,897)	2,873
Recognised in profit or loss on occurrence of:		
– Fuel hedging contracts	23,101	(2,474)
– Foreign currency forward contracts	(1,136)	(485)
Loss of control of subsidiary	–	(312)
At 31 March	(22,760)	(828)

26. provisions

		Group		Company	
		2015 $'000	2014 $'000 (restated)	2015 $'000	2014 $'000
Current					
Provision for onerous aircraft leases	(i)	17,822	25,044	17,822	20,164
Provision for obligation to fund PT Mandala Airlines	(ii)	–	11,887	–	–
		17,822	36,931	17,822	20,164
Non-current					
Provision for onerous aircraft leases	(i)	70,199	–	70,199	–
Provision for return costs of aircraft	(iii)	155,469	57,500	26,194	17,718
		225,668	57,500	96,393	17,718
		243,490	94,431	114,215	37,882
At 1 April		94,431	34,483	37,882	–
Provision during the financial year		188,780	57,295	116,456	37,882
Provision utilised during the financial year		(88,105)	(2,898)	(41,746)	–
Reclassification		42,787	12,812	–	–
Loss of control of subsidiary		–	(6,814)	–	–
Exchange difference		5,597	(447)	1,623	–
At 31 March		243,490	94,431	114,215	37,882

(i) Provision for onerous aircraft leases arises from contract relating to surplus aircraft. The provision includes the estimated charge for surplus aircraft that are subleased to InterGlobe Aviation Limited ("IndiGo") up to the point at which these aircraft are expected to be returned to the Group network or to the lessors, whichever is earlier. In addition, the provision assumes no further sublease income from aircraft that are not immediately required by the Singapore operations upon their return to the Group.

(ii) Provision for obligation to fund associate pertained to the Group's obligation for an associate's net liabilities and related costs at the end of the previous reporting period.

(iii) Provision for return costs of aircraft relates to costs expected to be incurred upon the return of the operating leased aircraft to the lessor.

Due to the return of aircraft from associates, the Group re-assessed the presentation of maintenance reserve payments in the Statements of Financial Position. As the lessors are not the parties performing the maintenance events, the Group noted that it should present the gross amount paid by the Group to lessors as maintenance reserve receivables, and establish a corresponding provision for return costs under liabilities. The Group restated the prior year comparatives to be consistent with the current year presentation (Note 2.31). This accounting treatment is in compliance with FRS 1 Presentation of Financial Statements. As a result of the restatement, the other receivables and provisions were higher by $48.7m as at 31 March 2015 and $27.9m as at 31 March 2014.

27. deferred income

	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
Current				
Deferred gain on sale and leaseback transactions – operating leases	2,266	2,266	–	–
Deferred income – others	58	352	58	59
	2,324	2,618	58	59
Non-current				
Deferred gain on sale and leaseback transactions – operating leases	11,075	13,353	–	–

28. deferred tax assets/(liabilities)

Deferred tax assets/(liabilities) as at 31 March relate to the following:

	Group			
	Statement of financial position		Profit or loss	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Deferred tax assets				
Unutilised capital allowances and tax losses	12,933	9,270	(3,663)	(9,270)
Provisions	3,658	329	(3,329)	(329)
Differences in depreciation for tax purposes	(4,070)	(7,509)	(3,439)	7,509
Revaluation of foreign currency forward contracts	(434)	(10)	–	–
Revaluation of fuel hedging contracts	5,096	180	–	–
	17,183	2,260		
Deferred tax liabilities				
Provisions	(2)	(229)	227	(229)
Unutilised capital allowances and tax losses	(708)	(1,172)	464	(1,172)
Differences in depreciation for tax purposes	7,603	6,875	728	(5,065)
	6,893	5,474		
Deferred tax credit			(9,012)	(8,556)

At 31 March 2015, the Group had tax losses and deductible temporary differences of approximately $176.8m (2014: $20.2m), that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

28. deferred tax assets/(liabilities) (continued)

	Company Statement of financial position 2015 $'000	 2014 $'000
Deferred tax liabilities		
Provisions	(2)	(229)
Unutilised capital allowances and tax losses	(708)	(1,172)
Differences in depreciation for tax purposes	7,603	6,875
	6,893	5,474

29. loans

	Maturity	Group 2015 $'000	 2014 $'000	Company 2015 $'000	 2014 $'000
Current:					
Obligations under finance leases (Note 35(d))	2016	–	–	47,000	22,611
Bank loans					
– Secured	2016	83,731	53,081	–	16,706
		83,731	53,081	47,000	39,317
Non-current:					
Obligations under finance leases (Note 35(d))	2017 – 2024	–	–	147,410	194,409
Bank loans					
– Secured	2017 – 2024	223,246	306,976	–	–
		223,246	306,976	147,410	194,409

secured bank loans

Secured bank loans bear interest at rates ranging from 0.90% to 4.11% (2014: 0.90% to 4.11%) per annum.

As part of the Group's aircraft financing arrangements with banks, structured entities (Note 12) were incorporated. Details of the financing arrangements are as follows:

ECA financing via Falcon Aircraft Limited ("Falcon") and Winnie Aircraft Limited ("Winnie")

ECA aircraft financing is in the form of credit support, where a bank or other financial institution lends money to the borrower with the loan guaranteed by the European Export Credit Agency ("ECA").

As at 31 March 2015, the Group has ECA financing arrangements with banks to finance 11 aircraft (2014: 11). Pursuant to the ECA financing, the legal ownership of the aircraft are vested in Falcon and Winnie. The Company and a subsidiary leased the aircraft using finance lease arrangement with Falcon and Winnie respectively. The Company and the subsidiary have purchase options to acquire legal ownership of the aircraft from the structured entities at the end of the lease term at a bargain purchase option price.

The secured bank loans are secured via assignment of the aircraft purchase agreement, assignment of engine warranty and credit agreement as well as mortgage of the aircraft.

obligations under finance leases (Company)

The Company's obligation under finance leases is in respect of the financing arrangements described above.

The lease obligations bear interest at rates ranging from 0.90% to 3.39% (2014: 0.90% to 3.39%) per annum.

30. amounts due to subsidiaries

	Company	
	2015 $'000	2014 $'000
Amounts due to subsidiaries	85,878	128,442

Amounts due to subsidiaries are non-trade related, non-interest bearing, unsecured and repayable upon demand.

Amounts due to subsidiaries are mainly denominated in the following foreign currency at the end of the reporting period:

	Company	
	2015 $'000	2014 $'000
United States dollars	8,699	920

31. amounts due to immediate holding company

	Group	
	2015 $'000	2014 $'000
Amounts due to immediate holding company	68	–

Amounts due to immediate holding company are non-trade related, non-interest bearing, unsecured and generally on 30 days' terms.

32. amounts due to related companies

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Amounts due to related companies	21,757	–	9,582	–

Amounts due to a related company of $6.8m are non-trade related, non-interest bearing, unsecured and repayable within one year. The remaining amounts due to related companies are trade related, non-interest bearing, unsecured and generally on 30 days' terms.

Amounts due to related companies are mainly denominated in the following foreign currency at the end of the reporting period:

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
United States dollars	17,909	–	6,814	–

33. trade payables

	Group	
	2015 $'000	2014 $'000
Trade payables	19,678	23,879
Accrued payables	85,980	105,343
	105,658	129,222

33. trade payables (continued)

Accrued payables relate to maintenance services, airport related charges and fuel.

Trade payables are non-interest bearing and normally settled on 15 to 45-day terms.

Amounts due to related parties amounting to $1.6m (2014: $6.3m) are included in trade payables of the Group.

Trade and accrued payables are mainly denominated in the following foreign currency at the end of the reporting period:

	Group	
	2015 $'000	**2014 $'000**
United States dollars	45,696	79,809

34. other payables

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Other payables	9,963	29,185	7,191	17,989

Other payables are non-interest bearing and normally settled on 45-day terms.

Other payables are mainly denominated in the following foreign currencies at the end of the reporting period:

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
United States dollars	2,135	2,284	2,135	2,202

35. commitments

(a) capital commitments

Capital expenditure committed at the end of the reporting period but not recognised in the financial statements are as follows:

	Group and Company	
	2015 $'000	**2014 $'000**
Capital commitments in respect of aircraft fleet and related equipment	2,505,017	2,235,297
Share of joint venture's capital commitments in respect of aircraft fleet and related equipment	–	103,342
	2,505,017	2,338,639

As part of the divestment of Tigerair Australia, two new A320ceo aircraft orders were transferred to the Group. In April 2015, Tigerair finalised an agreement with Airbus to exercise two purchase options for the A320neo previously granted under the A320neo aircraft order in March 2014, with a corresponding cancellation of the two A320ceo aircraft transferred from Tigerair Australia.

(b) operating lease commitments as lessee

The Group has 29 A320-200 aircraft (2014: 20), two A319 aircraft (2014: two) and two spare engines (2014: three) under operating leases. The original lease terms on the aircraft are for 12 years. None of the operating lease agreements confer on the Group an option to purchase the related aircraft. Sub-leasing is allowed under all the lease arrangements, subject to certain terms and conditions stated in the agreements.

35. commitments (continued)

(b) operating lease commitments as lessee (continued)

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 March 2015 amounted to $71.9m (2014: $56.2m).

Future lease payments under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2015 $'000	**2014 $'000**
Aircraft and spare engines		
Not later than one year	102,079	99,515
Later than one year but not later than five years	461,838	384,106
Later than five years	537,052	401,137
	1,100,969	884,758

(c) operating lease commitments as lessor

The Group sub-leased one A320-200 aircraft (2014: three) to an external party during the financial year. The original lease term for the aircraft is nine years (2014: three to four months).

Future lease receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2015 $'000	**2014 $'000**
Aircraft		
Not later than one year	4,618	4,129
Later than one year but not later than five years	18,476	–
Later than five years	15,551	–
	38,645	4,129

The Group sub-leased three A320-200 aircraft (2014: three aircraft and one spare engine) to Tigerair Australia during the year. The original lease terms for the aircraft range from eight to 12 years. The original lease term of the engine was less than a year. Following the divestment of Tigerair Australia, Virgin Australia provided guarantees to the Group to cover obligations for the assets leased by Tigerair Australia.

Future lease receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2015 $'000	**2014 $'000**
Aircraft and spare engine		
Not later than one year	11,226	10,234
Later than one year but not later than five years	40,148	39,015
Later than five years	11,010	16,608
	62,384	65,857

35. commitments (continued)

(c) operating lease commitments as lessor (continued)

The Company subleased seven A320-200 aircraft (2014: seven) to a subsidiary as at end of the reporting period.

Future lease receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Company 2015 $'000	Company 2014 $'000
Aircraft		
Not later than one year	31,164	31,164
Later than one year but not later than five years	124,656	124,656
Later than five years	84,464	116,061
	240,284	271,881

(d) finance lease commitments as lessee

The Company has finance lease arrangements for seven A320-200 aircraft (2014: seven) with a structured entity. These leases have no terms of renewal but provide the Company with an option to purchase the aircraft at bargain purchase prices at the end of the lease term. The aircraft are subleased to a subsidiary under operating lease arrangement.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	2015		2014	
	Minimum lease payments $'000	Present value of payments $'000	Minimum lease payments $'000	Present value of payments $'000
Company				
Not later than one year	50,754	47,000	26,666	22,611
Later than one year but not later than five years	92,014	82,688	106,708	94,857
Later than five years	66,979	64,722	103,753	99,552
Total minimum lease payments	209,747	194,410	237,127	217,020
Less: Amounts representing finance charges	(15,337)	–	(20,107)	–
Present value of minimum lease payments	194,410	194,410	217,020	217,020

(e) corporate guarantees

In the previous financial year, the Group provided guarantees to an associate's aircraft lessors to cover obligations for nine aircraft leased by the associate. In addition, the Group provided guarantees of $0.3m to various suppliers of an associate of the Group, in place of security deposits in the previous financial year.

guarantees for Tigerair Australia

The Group has provided guarantees to various suppliers and financial institutions of Tigerair Australia, in place of security deposits amounting to $8.9m (2014: $38.7m). The Group has also provided guarantees to an aircraft lessor to cover obligations for two aircraft (2014: 13 aircraft and two spare engines) leased by Tigerair Australia at the end of the reporting period.

35. commitments (continued)

(e) corporate guarantees (continued)

guarantees for Tigerair Australia (continued)

Following the divestment of Tigerair Australia, Virgin Australia has provided a back-to-back guarantee to the Group in respect of all the guarantees that are currently extended by the Group to the lessor and financial institution of Tigerair Australia. Resulting from this arrangement, the Group is taking the counterparty risk of Virgin Australia, instead of Tigerair Australia.

Future lease payment obligations under the non-cancellable operating lease agreements at the end of the reporting period are as follows:

	Group	
	2015 **$'000**	**2014** **$'000**
Not later than one year	9,953	96,816
Later than one year but not later than five years	38,470	380,237
Later than five years	3,207	358,545
	51,630	835,598

guarantees for IndiGo

During the year, the Group provided performance guarantees to the aircraft lessors in respect of the 10 (2014: nil) aircraft that are leased to IndiGo. These aircraft are leased to IndiGo for various terms between two to four years. During the period when these aircraft are operated by IndiGo, the lease arrangement between the aircraft lessors and the Group are suspended.

Future lease payment obligations under the non-cancellable operating lease agreements at the end of the reporting period are as follows:

	Group	
	2015 **$'000**	**2014** **$'000**
Not later than one year	40,887	–
Later than one year but not later than five years	91,018	–
	131,905	–

36. financial risk management objectives and policies

The Group operates regionally and generates revenue in various currencies. The Group's airline operations carry certain financial and commodity risks, including the effects of changes in jet fuel prices, foreign currency exchange rates and interest rates. The Group's overall risk management approach is to moderate the effects of such volatility on its financial performance through the use of derivatives to hedge specific exposures. As derivatives are used for the purpose of risk management, they do not expose the Group to market risk because gains and losses on the derivatives offset losses and gains on the matching asset, liability, revenues or expenses being hedged. Moreover, counterparty credit risk is generally restricted to any hedging gain from time to time, and not the principal amount hedged. Therefore the possibility of a material loss arising in the event of non-performance by a counterparty is considered to be unlikely. Financial risk management policies are periodically reviewed and approved by the Risk Management Committee ("RMC").

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

36. financial risk management objectives and policies (continued)

(a) foreign currency risk

The Group is exposed to the effects of foreign exchange rate fluctuations because of its foreign currency denominated revenues and expenses. The Group's largest exposure is from United States Dollars ("USD"). For the financial year ended 31 March 2015, these accounted for approximately 12% (2014: 9%) of total revenue and 69% (2014: 68%) of total operating expenses. Aside from USD, the Group is also exposed to foreign currencies such as Hong Kong Dollar, Chinese Yuan, Thai Baht, Indonesia Rupiah and Philippine Peso. The Group generates a surplus in all of these currencies, with the exception of USD. The deficit in USD is attributable to capital expenditure, fuel costs and aircraft leasing costs – all conventionally denominated and payable in USD.

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for USD. The Group also uses forward foreign currency contracts to hedge a portion of its future foreign exchange exposure. Such contracts provide for the Group to sell currencies at predetermined forward rates, buying USD depending on forecast requirements, with settlement dates up to one year. The Group uses these currency hedging contracts purely as a hedging tool. It does not take positions in currencies with a view to making speculative gains from currency movements.

The Group uses foreign currency forward contracts to manage the USD currency exposures. The foreign currency forward contracts are of the same currency as the hedged item. The Group's policy is to hedge 30% of its forecasted USD exposure against SGD.

From a cashflow perspective, the Group's estimated annual net exposure to USD is about US$260.1m. Every 1% change in the exchange rate of USD would impact the Group's profit before tax by approximately $3.6m, before taking into account the hedges.

sensitivity analysis for foreign currency risk

The following table illustrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in the USD exchange rates against the functional currencies of the Group entities, with all other variables held constant.

	Increase/(decrease) in Profit before tax		**Increase/(decrease) in Equity**	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Group				
USD/SGD – strengthened 1%	(2,302)	(4,604)	(1,487)	(3,427)
– weakened 1%	2,302	4,604	1,487	3,427
Company				
USD/SGD – strengthened 1%	335	1,037	278	861
– weakened 1%	(335)	(1,037)	(278)	(861)

(b) jet fuel price risk

The Group's earnings are affected by changes in the price of jet fuel.

The Group's strategy for managing the risk on fuel price aims to provide the Group with protection against sudden and significant increase in jet fuel prices. In meeting these objectives, the fuel risk management programme allows for the prudent use of approved instruments such as jet fuel collars and swaps with the approved counterparties and within approved credit limits. The Group manages this fuel price risk by mainly using jet fuel collars and swaps, hedging up to 15 months forward.

The jet fuel price risk sensitivity analysis is based on the assumption that all other factors, such as fuel surcharge and uplifted fuel volume, remain constant. Under this assumption, and excluding the effects of hedging, an increase in price of one USD per barrel of jet fuel affects the Group's annual fuel costs by $2.4m (2014: $2.4m).

36. financial risk management objectives and policies (continued)

(b) jet fuel price risk (continued)

The fuel hedging sensitivity analysis is based on contracts that are still outstanding as at the end of the reporting period and assumes that all jet fuel hedges are highly effective. Under these assumptions, with an increase or decrease in jet fuel prices, each by one USD per barrel, the effects on equity are set out in the table below.

As a result of the changes in fair value of the fuel hedges, the Group's equity and profit before tax would have increased/(decreased) by the amounts shown below. This analysis assumed that all other variables remained constant.

	Increase/(decrease) in Profit before tax		**Increase/(decrease) in Equity**	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Increase in one USD per barrel	(952)	(1,184)	197	27
Decrease in one USD per barrel	952	1,184	(197)	(27)

(c) liquidity risk

As at 31 March 2015, the Group has cash and bank balances amounting to $310.2m (2014: $171.6m).

The Group's holdings of cash and short-term deposits, together with the available working capital facilities and net cash flows from operations, are expected to be sufficient to cover the progressive payments of all firm aircraft deliveries due in the next financial year. Due to the necessity to plan aircraft orders well in advance of delivery, it is not economical for the Group to have committed funding in place at present for all outstanding orders, many of which relate to aircraft which will not be delivered in the next few years. The Group's policies in this regard are in line with the funding policies of other airlines.

The table below summarises the maturity profile of the Group's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is insignificant.

Group	**1 year or less $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2015				
Financial assets				
Trade receivables	11,336	–	–	11,336
Other receivables	18,894	20,113	45,842[1]	84,849
Amounts due from related companies	20,763	–	–	20,763
Derivative financial instruments	3,510	–	–	3,510
Cash and cash equivalents	310,175	–	–	310,175
Total undiscounted financial assets	364,678	20,113	45,842	430,633
Financial liabilities				
Trade payables	105,658	–	–	105,658
Other payables	9,963	–	–	9,963
Amounts due to immediate holding company	68	–	–	68
Amounts due to related companies	21,757	–	–	21,757
Loans	90,352	143,093	98,628	332,073
Derivative financial instruments	31,112	–	–	31,112
Total undiscounted financial liabilities	258,910	143,093	98,628	500,631
Total net undiscounted financial assets/ (liabilities)	105,768	(122,980)	(52,786)	(69,998)

[1] Relates to long term deposits and maintenance reserve payments

36. financial risk management objectives and policies (continued)

(c) liquidity risk (continued)

Group	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2014 (restated)				
Financial assets				
Trade receivables	4,928	–	–	4,928
Other receivables	110,461	12,819	25,006[1]	148,286
Loans to associate and joint venture	9,367	35,494	–	44,861
Amounts due from associate and joint venture	3,096	–	–	3,096
Derivative financial instruments	805	–	–	805
Cash and cash equivalents	171,581	–	–	171,581
Total undiscounted financial assets	300,238	48,313	25,006	373,557
Financial liabilities				
Trade payables	129,222	–	–	129,222
Other payables	29,185	–	–	29,185
Loans	60,360	174,553	160,369	395,282
Derivative financial instruments	1,797	–	–	1,797
Total undiscounted financial liabilities	220,564	174,553	160,369	555,486
Total net undiscounted financial assets/ (liabilities)	79,674	(126,240)	(135,363)	(181,929)

[1] Relates to long term deposits and maintenance reserve payments

Company	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2015				
Financial assets				
Loan to subsidiaries	–	8,308	–	8,308
Other receivables	2,165	–	–	2,165
Amounts due from subsidiaries	149	–	–	149
Amounts due from related companies	9,724	–	–	9,724
Cash and cash equivalents	289,201	–	–	289,201
Total undiscounted financial assets	301,239	8,308	–	309,547
Financial liabilities				
Other payables	7,191	–	–	7,191
Amounts due to related companies	9,582	–	–	9,582
Amounts due to subsidiaries	85,878	–	–	85,878
Loans	50,754	92,014	66,979	209,747
Total undiscounted financial liabilities	153,405	92,014	66,979	312,398
Total net undiscounted financial assets/ (liabilities)	147,834	(83,706)	(66,979)	(2,851)

36. financial risk management objectives and policies (continued)

(c) liquidity risk (continued)

Company	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2014				
Financial assets				
Other receivables	81,679	–	–	81,679
Amounts due from subsidiaries	28	–	–	28
Loans to associate and joint venture	9,367	35,494	–	44,861
Amounts due from associate and joint venture	1,945	–	–	1,945
Cash and cash equivalents	156,319	–	–	156,319
Total undiscounted financial assets	249,338	35,494	–	284,832
Financial liabilities				
Other payables	17,989	–	–	17,989
Amounts due to subsidiaries	128,442	–	–	128,442
Loans	43,372	106,708	103,753	253,833
Total undiscounted financial liabilities	189,803	106,708	103,753	400,264
Total net undiscounted financial assets/ (liabilities)	59,535	(71,214)	(103,753)	(115,432)

(d) interest rate risk

The Group's earnings are also affected by changes in interest rates due to the impact such changes have on interest income and expense from short-term deposits and other interest-bearing financial assets and liabilities.

The Group's policy is to manage its interest costs using a combination of fixed and floating rate debts as well as fixed rate and floating rate leases. Surplus funds are placed with reputable banks to generate interest income for the Group.

The table below illustrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in interest rates with all other variables held constant.

Group	Increase/ (decrease) in Profit before tax $'000	Increase/ (decrease) in Equity $'000
2015		
– Effect of increase in 1 basis point	(16)	(13)
– Effect of decrease in 1 basis point	16	13
2014		
– Effect of increase in 1 basis point	(20)	(16)
– Effect of decrease in 1 basis point	20	16

36. financial risk management objectives and policies (continued)

(d) interest rate risk (continued)

Company	Increase/ (decrease) in Profit before tax $'000	Increase/ (decrease) in Equity $'000
2015		
– Effect of increase in 1 basis point	(11)	(9)
– Effect of decrease in 1 basis point	11	9
2014		
– Effect of increase in 1 basis point	(14)	(12)
– Effect of decrease in 1 basis point	14	12

Information relating to the Group and Company's interest rate exposure is also disclosed in Note 29.

(e) credit risk

For the Group, credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has implemented policies to ensure that credit sales of services and/or sublease of aircraft are made to third party customers with certain quality of credit standing. Credit review, which takes into account qualitative and quantitative factors like the business performance and profile of the customer, is performed on customers and approved by management before the credit term is granted. Management monitors the credit exposure on an on-going basis through the annual credit evaluation exercise and reviewing collection status of the customers on a regular basis.

For other financial assets, the Group adopts the policy of dealing only with counterparties of high credit quality.

exposure to credit risk

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position, including derivatives with positive fair values and corporate guarantees as disclosed in Note 35(e).

For all other service relationships, depending on the nature and scope of the services rendered, collateral is required, credit reports or references are obtained. The Group also made use of historical data from previous business relations, especially with regard to payment behaviour, in order to avoid non-performance. Collaterals requested from debtors include bank guarantees and cash deposits.

37. classification and fair value of financial instruments

The fair value of a financial instrument is the amount the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

(a) classification of financial instruments

Set out below is a comparison by category of carrying amounts of all the Group's financial instruments that are carried in the financial statements:

	Available-for-sale $'000	Derivatives used for hedging $'000	Loans and receivables $'000	Total $'000
2015				
Group				
Assets				
Long-term investment	8,304	–	–	8,304
Trade receivables	–	–	11,336	11,336
Other receivables	–	–	84,849	84,849
Amounts due from related companies	–	–	20,763	20,763
Derivative financial instruments	–	3,510	–	3,510
Cash and cash equivalents	–	–	310,175	310,175
	8,304	3,510	427,123	438,937

	Derivatives used for hedging $'000	Financial liabilities at amortised cost $'000	Total $'000
2015			
Group			
Liabilities			
Trade payables	–	105,658	105,658
Other payables	–	9,963	9,963
Amounts due to immediate holding company	–	68	68
Amounts due to related companies	–	21,757	21,757
Loans	–	306,977	306,977
Derivative financial instruments	31,112	–	31,112
	31,112	444,423	475,535

37. classification and fair value of financial instruments (continued)

(a) classification of financial instruments (continued)

	Derivatives used for hedging $'000	Loans and receivables $'000	Total $'000
2014 (restated)			
Group			
Assets			
Trade receivables	–	4,928	4,928
Other receivables	–	148,286	148,286
Loans to associate and joint venture	–	41,586	41,586
Amounts due from associate and joint venture	–	3,096	3,096
Derivative financial instruments	805	–	805
Cash and cash equivalents	–	171,581	171,581
	805	369,477	370,282

	Derivatives used for hedging $'000	Financial liabilities at amortised cost $'000	Total $'000
2014 (restated)			
Group			
Liabilities			
Trade payables	–	129,222	129,222
Other payables	–	29,185	29,185
Loans	–	360,057	360,057
Derivative financial instruments	1,797	–	1,797
	1,797	518,464	520,261

37. classification and fair value of financial instruments (continued)

(a) classification of financial instruments (continued)

	Loans and receivables $'000
2015	
Company	
Assets	
Loan to subsidiaries	8,308
Other receivables	2,165
Amounts due from subsidiaries	149
Amounts due from related companies	9,724
Cash and cash equivalents	289,201
	309,547

	Financial liabilities at amortised cost $'000
2015	
Company	
Liabilities	
Other payables	7,191
Amounts due to subsidiaries	85,878
Amounts due to related companies	9,582
Loans	194,410
	297,061

	Loans and receivables $'000
2014	
Company	
Assets	
Other receivables	81,679
Loans to associate and joint venture	41,586
Amounts due from associate and joint venture	1,945
Amounts due from subsidiaries	28
Cash and cash equivalents	156,319
	281,557

	Financial liabilities at amortised cost $'000
2014	
Company	
Liabilities	
Other payables	17,989
Amounts due to subsidiaries	128,442
Loans	233,726
	380,157

37. classification and fair value of financial instruments (continued)

(b) fair value of financial instruments

(i) Assets and liabilities measured at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Group Significant other observable inputs (Level 2)	
	2015 $'000	**2014 $'000**
Financial assets:		
Derivatives		
– Fuel hedging contracts	679	617
– Foreign currency forward contracts	2,831	188
At 31 March	3,510	805
Financial liabilities:		
Derivatives		
– Fuel hedging contracts	31,078	1,667
– Foreign currency forward contracts	34	130
At 31 March	31,112	1,797

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There are no financial instruments classified under level 1 or level 3 of the fair value hierarchy. There had been no transfer between fair value hierarchy.

(ii) Level 2 fair value measurements

Determination of fair value

The fair value of foreign currency forward contracts is determined by reference to current forward prices for contracts with similar maturity profiles, based on reference to valuation reports provided by counterparties. The fair values of fuel hedging contracts are determined by reference to available market information and are the mark-to-market values of these contracts, based on reference to valuation reports provided by counterparties.

37. classification and fair value of financial instruments (continued)

(b) fair value of financial instruments (continued)

(iii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, trade and other receivables, amounts due from/to immediate holding company, subsidiaries, associate, joint venture and related companies, loans to subsidiaries, associate and joint venture, trade and other payables and loans.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

(iv) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

Fair value information had not been disclosed for the Group's long term investment that is carried at cost because fair value cannot be measured reliably. These equity securities represent ordinary shares in Tigerair Taiwan that is not quoted on any market.

38. capital management

The Group's primary objective is to maintain an efficient capital structure, tapping a combination of equity, structured asset financing (using both finance and operating leases) and bank borrowings. This provides flexibility to the Group to pursue its growth opportunities and to provide adequate access to liquidity to mitigate adverse cashflow impact arising from unforeseen events.

The Directors regularly review the Group's capital structure; taking into consideration the prevailing economic and trading conditions, business strategies, current opportunities and future commitments of the Group. It will also consider the availability of source of capital, terms and conditions negotiated with capital providers and the prevailing cost of capital required by the capital providers. The Group's intention is to re-invest all earnings back in the business to fund its capital expenditure.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity as at 31 March.

No significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure during the years ended 31 March 2015 and 2014.

The Group is not subject to any external imposed capital requirements.

	Group	
	2015 $'000	**2014 $'000**
Loans	306,977	360,057
Less: Cash and cash equivalents	(310,175)	(171,581)
Net debt	(3,198)	188,476
Total equity	215,397	278,690
Gearing ratio (times)	(0.01)	0.68

39. related party disclosures

(a) sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the year on terms agreed between the parties:

	Group 2015 $'000	Group 2014 $'000
Sale of spares to a significant shareholder's subsidiary	–	54
Payment for services rendered by shareholders and their subsidiaries	53,207	81,267
Lease rental income, management fees and license fees from associate and joint venture	3,714	36,062
Lease guarantee income from an associate	907	1,927
Interest income from associate and joint venture	551	4,271
Lease rental income, management fees and license fees from related party	1,886	–

A subsidiary of the Group and Scoot Pte Ltd, a wholly-owned subsidiary of Singapore Airlines Limited, have entered into an interline agreement to market joint itineraries for selected routes. No commission is receivable or payable for fares collected on behalf of the other airline.

(b) compensation of key management personnel

	Group 2015 $'000	Group 2014 $'000
Salaries, bonuses and other costs	8,008	12,642
CPF contributions and other defined contributions	326	553
Share-based compensation expense	600	635
	8,934	13,830
Comprise amounts paid to:		
Directors of the Company	864	1,331
Other key management personnel	8,070	12,499
	8,934	13,830

39. related party disclosures (continued)

(b) compensation of key management personnel (continued)

key executives' interests in equity compensation plans

long term incentive plans (LTIP)

At 31 March 2015, key management personnel were granted shares under LTIP (Note 23) as follows:

	Number of Restricted Shares	
Date of grant	**Balance at 1.4.2014**	**Balance at 31.3.2015**
30.10.2013	1,998,500	790,614
11.02.2014	104,100	49,382
13.08.2014	–	1,952,265
	2,102,600	2,792,261

	Number of Performance Shares	
Date of grant	**Balance at 1.4.2014**	**Balance at 31.3.2015**
18.08.2011	99,294	–
30.10.2013	5,577,700	1,027,531
11.02.2014	346,600	246,549
30.03.2015	–	3,920,515
	6,023,594	5,194,595

The final number of shares to be awarded under LTIP would be dependent on the achievement of pre-determined targets over the specified period of performance. No participants have received 5% or more of the total shares available under LTIP.

40. segmental analysis

All revenues are derived from the Group's principal activities and business segment of air transportation. Revenue and assets are analysed by geographical area (by country of origin) as follows:

	Group	
	2015 $'000	**2014 $'000 (restated)**
Revenue		
Asia	677,443	665,990
Australia	–	80,464
Total revenue	677,443	746,454
Property, plant and equipment		
Asia	453,517	569,532
Australia	–	–
Total property, plant and equipment	453,517	569,532

41. distribution on perpetual convertible capital securities

During the financial year, the Company announced distributions on perpetual convertible capital securities amounting to $2.4m (2014: $4.4m) at a distribution rate of 2% per annum (2014: 2%) of the principal amount. The total amount of distribution made to the holders of perpetual convertible capital securities was $4.4m (2014: $2.2m).

42. authorisation for issue of financial statements

The financial statements for the year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors on 4 May 2015.

interested person transactions

Interested person transactions carried out during the financial year by the Group are as follows:

Name of Interested Person	Aggregate value of interested person transactions during the financial period under review (excluding transactions less than SGD 100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) $	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD 100,000) $
SATS Ltd and its Associates	–	231,210,000
SIA Engineering Company Limited and its Associates	–	1,248,218
Singapore Airlines Limited and its Associates[1]	–	1,580,000
Singapore Technologies Engineering Limited and its Associates	–	730,880
Temasek Holdings (Private) Limited and its Associates	–	8,054,711
Total Interested Person Transactions	–	242,823,809

All the above interested person transactions were carried out on normal commercial terms.

(1) In addition to the Interested Person Transactions reported, Tigerair Singapore and Scoot Pte Ltd, a wholly-owned subsidiary of Singapore Airlines Limited, have also entered into an interline agreement to market joint itineraries for selected routes. No commission is receivable or payable for fares collected on behalf of the other airline, and the transaction has been accorded a nil value.

material contracts

There are no material contracts of the Company and its subsidiaries involving the interests of the CEO, each Director or controlling shareholder (as defined in the SGX-ST Listing Manual) of the Company, either still subsisting at the end of FY15, or if not then subsisting, entered into since the end of FY14, other than, where applicable:

(a) as disclosed on pages 139 to 144 and page 192 of the Company's IPO prospectus;

(b) as disclosed on pages 115 to 116 of the Company's rights issue Offer Information Statement dated 28 March 2013;

(c) as disclosed on pages 79 to 80 of the Company's rights issue Offer Information Statement dated 9 December 2014;

(d) the Service Contract signed between the Company and the CEO, and the appointment letters signed by the Company with the non-executive Directors;

(e) as disclosed in Note 39 (Related Party Disclosures) of the notes to the financial statements; and

(f) interested person transactions as listed in the Interested Person Transactions section of this Annual Report.

use of proceeds

As at 17 June 2015, the status on the use of proceeds raised from the Company's rights issue and preferential offering (April 2013) and rights issue (January 2015) are as follows:

	Allocation ($ million)	Actual utilisation ($ million)	Amount yet to be utilised ($million)
Rights Issue and Preferential Offering (April 2013),			
(i) Repayment of existing loans	80.0 – 100.0	80.6	–
(ii) Funding/investment in new or existing airlines and/or ventures	70.0 – 90.0	89.9	–
(iii) Funding for aircraft, spare engines and other aircraft parts, and associated pre-delivery payments	60.0 – 80.0	75.7	–
(iv) Working capital and issue expenses	26.9 – 86.9	50.7[1]	–
Gross proceeds from rights issue and preferential offering	**296.9**	**296.9**	**–**
Rights Issue (January 2015)			
Progressive repayment of existing loans	100.0	15.9	84.1
Funding for aircraft, spare engines and other aircraft parts, and associated pre-delivery payments	70.0	13.9	56.1
Working capital and issue expenses	59.4	1.5[2]	57.9
Gross proceeds from rights issue	**229.4**	**31.3**	**198.1**

(1) Of this amount, $47.6 million was used on staff costs and $3.1 million was used on issue expenses.
(2) This amount was used on issue expenses.

The above utilisation is in accordance with the intended use of proceeds with the percentage allocated, as stated in the Offer Information Statements dated 28 March 2013 and 9 December 2014 registered by the Company with the Monetary Authority of Singapore.

To date, the Company has yet to utilize approximately $198.1 million of the gross proceeds from the rights issue (January 2015).

shareholders' information

as at 17 June 2015

Number of Issued Shares	:	2,497,500,312 shares
Class of Shares	:	ordinary shares
Voting Rights	:	one vote per ordinary share
Number of Holders	:	19,572 holders

statistics of shareholdings

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 – 99	67	0.34	1,425	0.00
100 – 1,000	532	2.72	484,897	0.02
1,001 – 10,000	6,289	32.13	39,408,154	1.58
10,001 – 1,000,000	12,627	64.52	702,871,114	28.14
1,000,001 and above	57	0.29	1,754,734,722	70.26
Total	19,572	100.00	2,497,500,312	100.00

twenty largest shareholders

No.	Name of Shareholders	Number of Shares	%
1	Singapore Airlines Limited	1,393,456,041	55.79
2	DBS Nominees (Private) Limited	45,662,270	1.83
3	Citibank Nominees Singapore Pte Ltd	41,085,653	1.65
4	United Overseas Bank Nominees (Private) Limited	25,562,168	1.02
5	Phillip Securities Pte Ltd	22,554,929	0.90
6	HSBC (Singapore) Nominees Pte Ltd	22,486,156	0.90
7	Raffles Nominees (Pte) Limited	20,726,178	0.83
8	UOB Kay Hian Private Limited	17,268,832	0.69
9	OCBC Securities Private Limited	12,983,320	0.52
10	Ng Boon Tin	12,339,100	0.49
11	Lim Hock Chee	12,000,000	0.48
12	Lim & Tan Securities Pte Ltd	10,781,700	0.43
13	OCBC Nominees Singapore Private Limited	10,674,655	0.43
14	Maybank Kim Eng Securities Pte. Ltd.	10,446,370	0.42
15	Fragrance Group Limited	10,133,000	0.41
16	DBS Vickers Securities (Singapore) Pte Ltd	5,976,820	0.24
17	Bank of Singapore Nominees Pte. Ltd.	5,561,475	0.22
18	Seah Chiong Soon	5,200,000	0.21
19	CIMB Securities (Singapore) Pte. Ltd.	4,807,613	0.19
20	DBSN Services Pte. Ltd.	3,390,742	0.14
	Total	**1,693,097,022**	**67.79**

substantial shareholders

(As recorded in the Register of Substantial Shareholders as at 17 June 2015)

	Direct Interest	%	Deemed Interest[1]	%
Singapore Airlines Limited	1,393,456,041	55.79	–	–
Temasek Holdings (Private) Limited	–	–	1,393,456,041[2]	55.79

(1) Deemed interests refer to interests determined pursuant to Section 7 of the Companies Act.

(2) Singapore Airlines Limited is a subsidiary of Temasek Holdings (Private) Limited. Accordingly, Temasek Holdings (Private) Limited is, by virtue of Section 7 of the Companies Act, deemed interested in the Shares held by Singapore Airlines Limited.

percentage of shareholding in public's hands

Based on the information available to the Company as at 17 June 2015, approximately 44.1% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

perpetual convertible capital securities ("pccs") holders' information

as at 17 June 2015

Number of PCCS	:	14,119,091
Class of Securities	:	2.0 per cent. PCCS in the denomination of $1.07 for each PCCS
Voting Rights	:	Nil
Number of Holders	:	1,096 holders

distribution of pccs holdings

Size of PCCS Holdings	Number of PCCS Holders	%	Number of PCCS	%
1 – 99	4	0.37	47	0.00
100 – 1,000	130	11.86	108,374	0.77
1,001 – 10,000	758	69.16	3,602,723	25.52
10,001 – 1,000,000	203	18.52	8,883,197	62.91
1,000,001 and above	1	0.09	1,524,750	10.80
Total	1,096	100.00	14,119,091	100.00

twenty largest pccs holders

No.	Name of PCCS holders	Number of PCCS	%
1	DBS Nominees (Private) Limited	1,524,750	10.80
2	Lim & Tan Securities Pte Ltd	948,750	6.72
3	Citibank Nominees Singapore Pte Ltd	905,142	6.41
4	Lim Cher Khiang	495,919	3.51
5	Raffles Nominees (Pte) Limited	321,600	2.28
6	Lim Yuxian (Lin Yuxian)	319,000	2.26
7	Tan Chee Yang	217,000	1.54
8	United Overseas Bank Nominees (Private) Limited	211,750	1.50
9	Cheow Chew Khoon @ Teoh Chew Khoon	200,000	1.42
10	Cheang Chern Fook @ Chiang Chern Fook or Chiang May Ling	118,000	0.84
11	OCBC Nominees Singapore Private Limited	112,120	0.79
12	Teo Chun Hwee	104,000	0.74
13	Eng Ah Beng @ Ng Ah Beng	103,000	0.73
14	Phillip Securities Pte Ltd	100,500	0.71
15	Seah Poh Hui or Chan Yoke Khing	100,000	0.71
16	Tan Seow Chin Ruth (Chen Xiaojun Ruth)	90,000	0.64
17	Ong Tiong Hian	85,000	0.60
18	Neo Kee Tek	81,000	0.57
19	Chan Chew Hoon or Wong Lee Too	80,000	0.57
20	Khong Guan Food Products Pte Ltd	65,000	0.46
	Total	**6,182,531**	**43.80**

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Tiger Airways Holdings Limited (the "Company") will be held at STI Auditorium, Capital Tower, Level 9, 168 Robinson Road, Singapore 068912, on 31 July 2015 at 10.00 a.m., to transact the following business:

ordinary business

A. To receive and adopt the Report of the Directors and Audited Accounts for the financial year ended 31 March 2015 ("FY15") and the Auditors' Report thereon.

(Resolution 1)

B. To re-elect the following directors of the Company ("Directors") retiring by rotation under Article 125 of the Company's Articles of Association and who, being eligible, offer themselves for re-election:

(a) Mr Yeap Beng Hock Gerard (Resolution 2)

(b) Mr Lee Chong Kwee (Resolution 3)

C. To elect the following Directors retiring pursuant to Article 131 of the Company's Articles of Association and who, being eligible, offer themselves for election:

(a) Mr Ng Chin Hwee (Resolution 4)

(b) Mr Sirisena Mervyn s/o Piankara Mestrige (Resolution 5)

D. To approve payment of Directors' fees of up to $630,000.00 for the financial year ending 31 March 2016 *(FY15: up to $600,000.00).*

(Resolution 6)

E. To re-appoint Messrs Ernst & Young LLP as auditor of the Company to hold office until the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.

(Resolution 7)

special business

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as ordinary resolutions ("Ordinary Resolutions"):

F. Authority to Issue Shares

That authority be and is hereby given to the Directors, pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("Companies Act") to:

(a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

I. the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (II) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 5% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (II) below);

II. (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (I) above, the percentage of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:

   (a) any new Shares arising from the conversion or exercise of any convertible securities or Share options or vesting of Share awards which are outstanding or subsisting at the time this Resolution is passed; and

   (b) any subsequent bonus issue, consolidation or sub-division of Shares;

III. in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST ("Listing Manual") for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Articles of Association for the time being of the Company; and

IV. (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 8)

G. Authority to issue Shares under the Pre-IPO Tiger Aviation Share Option Scheme ("Scheme")

That the Directors be and are hereby authorised to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of options under the Scheme, such authority (unless revoked or varied by the Company in general meeting) to continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 9)

H. Authority to grant awards ("Awards") and issue Shares under the Tiger Airways Long Term Incentive Plan ("Plan")

That the Directors be and are hereby authorised to:

(a) grant Awards in accordance with the provisions of the Plan;

(b) allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the vesting of Awards granted under the Plan; and

(c) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) allot and issue fully paid-up Shares pursuant to the vesting of any Awards granted by the Directors in accordance with the Plan while this Resolution was in force, provided that the aggregate number of new Shares to be allotted and issued, when aggregated with the new Shares issued and/or issuable and the existing Shares delivered and/or deliverable in respect of all Awards granted under the Plan, and all Shares, options or awards granted under any other share scheme of the Company in force, shall not exceed 10% of the total number of issued Shares (excluding treasury shares) from time to time, such authority (unless revoked or varied by the Company in general meeting) to continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 10)

I. The Proposed Adoption of the New IPT Mandate

That:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual ("Chapter 9"), for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in Appendix A to the Company's Letter to Shareholders dated 14 July 2015 (the "Letter"), with any party who is of the class of interested persons described in Appendix A to the Letter, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the "New IPT Mandate");

(b) the New IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and

(c) the Directors be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the New IPT Mandate and/or this Resolution.

(Resolution 11)

J. To transact any other business as may properly be transacted at an Annual General Meeting.

By Order of the Board

Ho Zhuanglin
Joint Company Secretary

Singapore
14 July 2015

notice of annual general meeting

Explanatory Notes:

(i) Ordinary Resolution 2 is to re-elect Mr Gerard Yeap, who will upon re-election, continue to serve as a member of the Risk Management Committee. Detailed information on Mr Gerard Yeap can be found under the section titled "Board of Directors" in the Company's Annual Report 2015.

(ii) Ordinary Resolution 3 is to re-elect Mr Lee Chong Kwee, who will upon re-election, continue to serve as Chairman of the Risk Management Committee and a member of the Audit Committee and Executive Committee. Detailed information on Mr Lee Chong Kwee can be found under the section titled "Board of Directors" in the Company's Annual Report 2015.

(iii) Ordinary Resolution 4 is to elect Mr Ng Chin Hwee, who will upon election, continue to serve as a member of the Executive Committee, Nominating Committee and Remuneration Committee. Detailed information on Mr Ng Chin Hwee can be found under the section titled "Board of Directors" in the Company's Annual Report 2015.

(iv) Ordinary Resolution 5 is to elect Mr Mervyn Sirisena, who will upon election, continue to serve as a member of the Risk Management Committee. Detailed information on Mr Mervyn Sirisena can be found under the section titled "Board of Directors" in the Company's Annual Report 2015.

(v) Mr Maurice de Vaz, an Independent Director appointed under Section 153(6) of the Companies Act, will be retiring and will not be seeking re-appointment at the Annual General Meeting. He will retire from the Board and cease to be a member of the Audit Committee, Executive Committee, Nominating Committee and Remuneration Committee following the conclusion of the Annual General Meeting.

(vi) Ordinary Resolution 6 is to seek approval for the payment of up to $630,000.00 to Directors (other than Mr Lee Lik Hsin, the Company's Chief Executive Officer, whose remuneration is set out in his service agreement with the Company) as Directors' fees for the financial year ending 31 March 2016.

The payment is for services rendered as Directors on the Board as well as the various Board Committees. The fee structure for Directors' fees is set out on page 27 of the Annual Report. There is no change from FY15 in the fee structure for Directors.

(vii) Ordinary Resolution 8 is to empower the Directors, from the date of the passing of Ordinary Resolution 8 to the date of the next Annual General Meeting, to issue Shares and to make or grant instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the total number of issued Shares (excluding treasury shares), with a sub-limit of 5% of the total number of issued Shares (excluding treasury shares) for issues other than on a pro rata basis to shareholders.

For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time that Ordinary Resolution 8 is passed, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Ordinary Resolution 8 is passed, and (b) any subsequent bonus issue, consolidation or sub-division of Shares.

In exercising the authority conferred by Ordinary Resolution 8, the Company shall comply with the requirements of the SGX-ST (unless waived by the SGX-ST), all applicable legal requirements and the Company's Articles of Association.

(viii) Ordinary Resolution 9 is to empower the Directors to issue new Shares pursuant to the Scheme. The Scheme was terminated on 22 January 2010, the date on which the Shares commenced trading on the SGX-ST pursuant to its initial public offering. Ordinary Resolution 9 is to authorise the Directors to issue Shares to holders of outstanding options which were awarded under the Scheme prior to its termination.

(ix) Ordinary Resolution 10 is to empower the Directors to offer and grant Awards and to issue Shares in the capital of the Company pursuant to the Plan, provided that the aggregate number of Shares to be issued under the Plan and the Scheme shall not exceed 10% of the total number of issued Shares in the capital of the Company from time to time.

(x) Ordinary Resolution 11 is for the adoption of a new interested person transaction mandate. Please refer to the Appendix to this Notice of Annual General Meeting for details.

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote instead of him. Such proxy need not be a member of the Company.

2. The instrument appointing a proxy or proxies must be deposited at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for the Annual General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company:

(a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"),

(b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and

(c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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TIGER AIRWAYS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 1 February 2007)
(Company Registration No. 200701866W)

PROXY FORM

IMPORTANT:

1. For investors who have used their CPF monies to buy the Company's shares, this Notice of AGM is forwarded to them at the request of their CPF Approved Nominees and is sent solely **for information only**.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as Observers must submit their requests through their CPF Approved Nominees so that their CPF Approved Nominee may register with the Company's Share Registrar. Please refer to Note 9.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 July 2015.

*I/We ____________________ (Name) ____________ (NRIC/Passport No.)

of ________________________________ (Address)

being a *member/members of TIGER AIRWAYS HOLDINGS LIMITED (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport no.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport no.	Proportion of Shareholdings	
			No. of Shares	%

or failing *him/her, the Chairman of the Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to attend and to vote for *me/us and on *my/our behalf and, if necessary, to demand a poll, at the AGM of the Company, to be held at STI Auditorium, Capital Tower, Level 9, 168 Robinson Road, Singapore 068912, on 31 July 2015 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/their discretion, as *he/they will on any other matter arising at the AGM and at any adjournment thereof. If no person is named in the above boxes, the Chairman of the AGM shall be *my/our *proxy/proxies to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder, for *me/us and on *my/our behalf and, if necessary, to demand a poll, at the AGM and at any adjournment thereof.

No.	Resolution	**No. of Votes For	**No. of Votes Against
ordinary business			
1	Adoption of Report of the Directors, the Audited Accounts for the financial year ended 31 March 2015 and the Auditor's Report		
2	Re-election of Mr Yeap Beng Hock Gerard as a Director		
3	Re-election of Mr Lee Chong Kwee as a Director		
4	Election of Mr Ng Chin Hwee as a Director		
5	Election of Mr Sirisena Mervyn s/o Piankara Mestrige as a Director		
6	Approval of Directors' fees of up to $630,000.00 for the financial year ending 31 March 2016		
7	Re-appointment of Messrs Ernst & Young LLP as Auditor of the Company and authorise the Directors to fix their remuneration		
special business			
8	Authorisation of Directors to allot and issue new Shares and convertible instruments		
9	Authorisation of Directors to allot and issue new Shares pursuant to the Pre-IPO Tiger Aviation Share Option Scheme		
10	Authorisation of Directors to grant Awards and allot and issue new Shares under the Tiger Airways Long Term Incentive Plan		
11	The Proposed Adoption of the New IPT Mandate		

* Delete accordingly

** If you wish to exercise all your votes "For" or "Against" the relevant Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the relevant Resolution, please insert the relevant number of Shares in the boxes provided.

Dated this __________ day of ______________ 2015

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE SIDE

Notes:

1. A member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote instead of him. Such proxy need not be a member of the Company.
2. Where a member of the Company appoints two proxies, the proportion of the shareholding concerned (expressed as a percentage of the whole) to be represented by each such proxy shall be specified in the instrument appointing the proxy or proxies. The proposed appointments will be invalid where the proportions of shareholding concerned are not specified.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
4. A corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore (the "Companies Act").
5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy thereof, must be deposited at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding of the AGM. Completion and return of the proxy form by a member will not prevent him from attending and voting at the AGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has

fold along this line (1)

Affix
Postage
Stamp

Attention: The Company Secretary

Tiger Airways Holdings Limited

c/o Boardroom Corporate & Advisory Services Pte. Ltd.

50 Raffles Place

#32-01 Singapore Land Tower

Singapore 048623

fold along this line (2)

shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register as at 48 hours before the time of the AGM as certified by The Central Depository (Pte) Limited to the Company and accept as the maximum number of votes which in aggregate the proxy or proxies is or are able to cast on a poll a number which is the number of shares entered against the name of that member in the Depository Register as at 48 hours before the time of the AGM as certified by The Central Depository (Pte) Limited to the Company, whether that number is greater or smaller than the number specified in such instrument appointing a proxy or proxies.
8. A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time appointed for holding of the AGM.
9. CPF Approved Nominees acting on the request of the CPF investors who wish to attend the AGM as Observers are requested to submit in writing, a list with details of the investors' names, NRIC/Passport numbers, addresses and number of Shares held. The list, signed by an authorised signatory of the CPF Approved Nominee, should reach 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least 48 hours before the time fixed for holding the AGM.

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tiger airways holdings limited
(company registration number: 200701866w)
(incorporated with limited liability in the republic of singapore on 1 february 2007)