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SIA GROUP POSTS RESILIENT FIRST QUARTER OPERATING PROFIT OF $405M IN CHALLENGING OPERATING ENVIRONMENT

- **Singapore Airlines and Scoot achieve record passenger numbers amid robust demand for air travel**
- **Passenger yields declined due to industry-wide capacity growth, while rising non-fuel costs from inflationary pressures offset lower fuel prices**
- **Net profit down 59% due to lower interest income and share of losses of associates**
- **The SIA Group remains well-positioned to navigate challenges through strong foundations, strategic initiatives, and disciplined cost management**

SIA GROUP FINANCIAL PERFORMANCE

First Quarter FY2025/26 – Profit and Loss

The Singapore Airlines (SIA) Group's financial performance for the first quarter FY2025/26 is summarised as follows:

Group Financial Results	1st Quarter FY2025/26 ($ million)	1st Quarter FY2024/25 ($ million)	Better/ (Worse) (%)
Total Revenue	**4,790**	**4,718**	**1.5**
Total Expenditure	**4,386**	**4,248**	**(3.2)**
Net Fuel Cost	1,262	1,370	7.9
Fuel Cost (before hedging)	*1,202*	*1,419*	*15.3*
Fuel Hedging Loss/(Gain)	*60*	*(49)*	*n.m.*
Non-fuel Expenditure	3,124	2,878	(8.5)
Operating Profit	**405**	**470**	**(13.8)**
Net Profit	**186**	**452**	**(58.8)**

The SIA Group's unaudited financial results for the first quarter ended 30 June 2025 were announced on 28 July 2025. A summary of the financial and operating statistics is shown in Annex A. All monetary figures are in Singapore Dollars. The Company refers to Singapore Airlines, the Parent Airline Company. The Group comprises the Company and its subsidiary, joint venture, and associated companies.

The figures in the table may not sum up to the stated totals because of rounding.

Group revenue climbed $72 million (+1.5%) year-on-year to $4,790 million in the three months ended 30 June 2025. Despite economic and geopolitical uncertainties across the network, demand for air travel and cargo remained strong. SIA and Scoot carried a record 10.3 million passengers, up 6.9% from the same quarter last year. Group passenger load factor inched up 0.7 percentage point to 87.6% as traffic growth of 4.1% surpassed capacity expansion of 3.3%. Passenger yields slipped 2.9% to 10.0 cents per revenue passenger-kilometre amid heightened competition as more airlines continue to add capacity.

Cargo flown revenue fell $10 million (-1.9%), as yields deteriorated 4.4%. Cargo load factor (CLF) declined by 0.8 percentage point to 56.9% as cargo load growth of 2.8% lagged capacity expansion of 4.2%.

Group expenditure rose $138 million (+3.2%) to $4,386 million mainly due to higher non-fuel expenditure (+$246 million; +8.5%), which was driven by the 3.7% rise in overall capacity and inflationary pressures on key cost elements. Net fuel cost was lower by 7.9% (-$108 million), mainly from the 16.9% reduction in fuel prices (-$252 million), which was partly offset by the higher volume uplifted (+$70 million) and a fuel hedging loss against a gain last year (+$109 million).

As a result, the Group's operating profit was $405 million for the quarter, $65 million (-13.8%) lower than the prior year.

The Group's net profit for the quarter declined $266 million (-58.8%) to $186 million. In addition to the lower operating profit, the reduction in net profit was largely attributable to a lower interest income (-$61 million) on the back of lower cash balances and interest rate cuts, and the Group recording a share of losses of associated companies compared to a share of profits for the same quarter last year (-$122 million), notably from Air India's financial results which were not part of the Group's results for the same quarter last year. The Group started equity accounting for Air India's financial performance from December 2024 following the full integration of Vistara into Air India.

<u>Balance Sheet</u>

The Group's shareholder equity stood at $15.8 billion as of 30 June 2025, $0.1 billion higher than 31 March 2025. Total debt balances fell $1.4 billion to $11.5 billion, with the debt-equity ratio reducing to 0.73.

During the quarter, $235 million of the convertible bonds issued in December 2020 were converted at the conversion price of $4.8945 into 48 million ordinary shares. These bonds, which are due to mature in December 2025, bear interest at 1.625% per annum and are convertible at the option of the holder, at the prevailing conversion price during the period from 13 January 2021 to 24 November 2025 (both dates inclusive). As at 30 June 2025, $615 million of the convertible bonds remain outstanding.

Cash and bank balances declined by $0.5 billion to $7.8 billion, mainly due to the repayment of borrowings ($0.8 billion) and capital expenditure disbursements ($0.4 billion). There was also a net increase of $0.3 billion in fixed deposits with tenors exceeding 12 months, resulting in a total of $2.0 billion classified under other assets. These movements were partially offset by $1.2 billion of net cash generation from operations. In addition to holding one of the strongest balance sheets in the industry, the Group also continues to maintain access to additional liquidity of $3.3 billion via committed lines of credit, all of which remain undrawn.

FLEET AND NETWORK DEVELOPMENT

As of 30 June 2025, the Group's operating fleet comprised 204 passenger and freighter aircraft with an average age of seven years and nine months. SIA operated 144 passenger aircraft[1] and seven freighters, while Scoot operated 53 passenger aircraft[2]. During the quarter, Scoot added one Airbus A321neo, one Boeing 787-8, and one Embraer E190-E2 aircraft to its fleet. The Group has 72 aircraft on order[3] at the end of this quarter.

Scoot began operations to Iloilo City (the Philippines) in April 2025 and Vienna (Austria) in June 2025. As of 30 June 2025, the Group's passenger network covered 129 destinations in 37 countries and territories[4]. SIA served 78 destinations and Scoot served 73. The cargo network consisted of 133 destinations in 38 countries and territories.

Scoot has announced plans to launch services to Da Nang (Vietnam) and Kota Bharu (Malaysia) in October 2025, as well as Nha Trang (Vietnam) in November 2025.

Given the closure of Jetstar Asia on 31 July 2025, the Group will ramp up capacity to various Asian destinations in Malaysia, the Philippines, Sri Lanka, and Thailand to maintain a strong Singapore hub connectivity. This includes Scoot commencing operations to Labuan Bajo and Medan (Indonesia), as well as Okinawa (Japan), subject to regulatory and operational approvals. In addition, the Group has worked closely with Jetstar Asia to accommodate affected passengers and offer employment opportunities to impacted staff, where possible.

Note 1: SIA's 144-passenger aircraft fleet comprised 22 777-300ERs, 12 A380s, 65 A350s, 26 787-10s, three 737-800 NGs, and 16 737-8s.
Note 2: Scoot's 53-passenger aircraft fleet comprised 12 787-8s, 10 787-9s, eight A320ceos, seven A320neos, 10 A321neos, and six Embraer E190-E2s.
Note 3: This comprises 23 Airbus aircraft (11 A320neos, five A321neos, seven A350Fs), 46 Boeing aircraft (31 777-9s, seven 787s, eight 737-8s), and three Embraer E190-E2 aircraft.
Note 4: Number of destinations, and countries and territories include Singapore.

STRATEGIC INITIATIVES

In support of its decarbonisation journey, the Group signed agreements with Neste and World Energy in the first quarter of FY2025/26 to acquire Sustainable Aviation Fuel (SAF) and SAF certificates (SAFc)[5] respectively. It acquired 1,000 tonnes of Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)-eligible[6] neat SAF from Neste. In addition, the Group purchased approximately 2,000 tonnes of CORSIA-eligible SAF in the form of emissions reductions from United States-based World Energy, utilising the Book & Claim Chain of Custody model[7]. These transactions are projected to reduce more than 9,500 tonnes of carbon dioxide emissions.

In July 2025, the Competition and Consumer Commission of Singapore granted conditional approval for the proposed commercial joint venture between SIA and Malaysia Airlines. Subject to approval from the Malaysian Aviation Commission, this partnership will see both airlines working together in areas such as sales and marketing, as well as expanded codeshare flights. This collaboration will provide customers with better value, additional options, and enhanced flight connectivity, while boosting tourism in both countries.

The SIA Group and Mandai Wildlife Group have announced a three-year strategic partnership to enhance Singapore's appeal as a travel destination. SIA customers will enjoy curated wildlife experiences, exclusive co-branded retail collections, and benefits when visiting the Mandai Wildlife Reserve, home to Singapore's iconic wildlife parks. This partnership also includes collaboration on wildlife conservation, with SIA providing air travel sponsorships and logistical support.

The Group remains committed to its multi-hub strategy and its participation in India's large and rapidly growing aviation market through its 25.1% shareholding in Air India. Working closely with its long-time partner Tata Sons, the Group will continue to support Air India's ongoing transformation journey.

OUTLOOK

The demand for air travel remains healthy in the second quarter of FY2025/26 across most route regions due to the traditional summer peak. However, the global airline industry continues to face a volatile operating environment, with challenges ranging from geopolitical developments and macroeconomic fluctuations to changing market dynamics and supply chain constraints. The Group will be agile and proactive in responding to changes in demand patterns.

<u>Note 5:</u> SAFc represent the emissions reductions achieved from using SAF. This enables airlines to claim environmental benefits without directly using the fuel, while supporting the growth of the SAF market. Fuel suppliers record these certificates in a SAF registry and transfer them to airlines, who can then pass them on or sell the Scope 3 portion to corporate buyers.
<u>Note 6:</u> Developed by the International Civil Aviation Organization (ICAO), CORSIA is the first global market-based measure to address the climate impact of international aviation. It recognises certified SAF as CORSIA Eligible Fuel, which airlines can use to lower their carbon offsetting obligations under the scheme.
<u>Note 7:</u> The Book & Claim Chain of Custody model separates a product's environmental benefits from its physical delivery. With this, airlines can purchase and claim the emissions reduction benefits without physically using the SAF. This allows for more flexible and widespread adoption of SAF, supporting the industry's sustainability efforts regardless of geographical constraints.

On the cargo front, ongoing tariffs has led to unpredictable and uncertain demand. The Group's diversified network and verticals reduce its exposure to specific regions or market segments, and it will continue to adapt its capacity and seize opportunities as they arise.

The SIA Group is well-positioned to maintain its industry-leading position, thanks to its robust foundations – a strong balance sheet, digital capabilities, and a talented and dedicated workforce. Long-term strategic initiatives, including continued investment in service excellence, network connectivity, and product leadership will underpin its growth plans, alongside its rigorous cost discipline. The Group will remain vigilant in this dynamic operating environment, while identifying and capitalising on emerging areas of growth.

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About Singapore Airlines

The Singapore Airlines (SIA) Group's history dates to 1947 with the maiden flight of Malayan Airways. The airline was later renamed Malaysian Airways and then Malaysia-Singapore Airlines (MSA). In 1972, MSA split into Singapore Airlines and Malaysian Airline System. Initially operating a modest fleet of 10 aircraft to 22 destinations in 18 countries, SIA has since grown to be a world-class international airline group that is committed to the constant enhancement of the three main pillars of its brand promise: Service Excellence, Product Leadership, and Network Connectivity. SIA is the world's most awarded airline. In 2025, SIA was again the only Singapore-based brand named in Fortune Magazine's list of the 50 most admired companies in the world, and also emerged as the top airline amongst its industry competitors. For more information, please visit www.singaporeair.com.

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GROUP FINANCIAL STATISTICS

	1st Quarter 2025/26	1st Quarter 2024/25
Financial Results ($ million)		
Total revenue	4,790.4	4,718.4
Total expenditure	4,385.9	4,248.2
Operating profit	404.5	470.2
Non-operating items	(102.3)	79.0
Profit attributable to Owners of the Company	186.1	451.7
Earnings per share (cents)		
- Basic [R1]	6.3	12.8
- Adjusted Basic [R2]	6.3	15.2
- Diluted [R3]	6.1	12.4
EBITDA ($ million) [R4]	1,015.1	1,218.9
EBITDA margin (%) [R5]	21.2	25.8

	As at 30 Jun 2025	As at 31 Mar 2025
Financial Position ($ million)		
Total assets	42,056.3	43,086.8
Total debt	11,496.7	12,914.3
Total cash and bank balances	7,752.3	8,257.1
Fixed deposits (placed for tenors longer than 12 months)	2,010.0	1,781.1
Total liabilities	25,864.3	27,016.8
Equity attributable to Owners of the Company	15,777.3	15,656.2
Debt : equity ratio (times) [R6]	0.73	0.82
Net asset value per share ($) [R7]	5.23	5.27
Adjusted net asset value per share ($) [R8]	5.02	4.98

[R1] Earnings per share (basic) is computed by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue less treasury shares, assuming the conversion of all mandatory convertible bonds in accordance with IAS 33 Earnings Per Share.

[R2] Earnings per share (adjusted basic) is computed by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue less treasury shares, assuming the redemption of all mandatory convertible bonds.

[R3] Earnings per share (diluted) is computed by dividing profit attributable to owners of the Company (adjusted for interest on convertible bonds, net of tax) by the weighted average number of ordinary shares in issue less treasury shares, adjusted for the dilutive effect of convertible bonds and the vesting of all outstanding share-based incentive awards granted, in accordance with IAS 33.

[R4] EBITDA denotes earnings before interest, taxes, depreciation, and amortisation.

[R5] EBITDA margin is computed by dividing EBITDA by the total revenue.

[R6] Debt : equity ratio is total debt divided by equity attributable to owners of the Company.

[R7] Net asset value per share is computed by dividing equity attributable to owners of the Company by the number of ordinary shares in issue less treasury shares.

[R8] Adjusted net asset value per share is computed by dividing equity attributable to owners of the Company by the number of ordinary shares in issue less treasury shares, assuming the conversion of convertible bonds.

OPERATING STATISTICS

	1st Quarter 2025/26	1st Quarter 2024/25		Change %
Singapore Airlines				
Passengers carried (thousand)	6,822	6,445	+	5.8
Revenue passenger-km (million)	30,336.2	29,024.9	+	4.5
Available seat-km (million)	35,028.6	33,607.4	+	4.2
Passenger load factor (%)	86.6	86.4	+	0.2 pt
Passenger yield (cents/pkm)	11.0	11.4	-	3.5
Revenue per available seat-km (cents/ask)	9.6	9.8	-	2.0
Passenger unit cost (cents/ask)	8.9	9.1	-	2.2
Passenger unit cost ex-fuel (cents/ask)	6.0	5.8	+	3.4
Passenger breakeven load factor (%)	80.9	79.8	+	1.1 pts
Scoot				
Passengers carried (thousand)	3,448	3,158	+	9.2
Revenue passenger-km (million)	8,418.9	8,195.6	+	2.7
Available seat-km (million)	9,200.9	9,212.5	-	0.1
Passenger load factor (%)	91.5	89.0	+	2.5 pts
Passenger yield (cents/pkm)	6.1	6.4	-	4.7
Revenue per available seat-km (cents/ask)	5.6	5.7	-	1.8
Passenger unit cost (cents/ask)	6.0	6.0		-
Passenger unit cost ex-fuel (cents/ask)	4.2	4.0	+	5.0
Passenger breakeven load factor (%)	98.4	93.8	+	4.6 pts
Group Airlines (Passenger)				
Passengers carried (thousand)	10,270	9,603	+	6.9
Revenue passenger-km (million)	38,755.1	37,220.5	+	4.1
Available seat-km (million)	44,229.5	42,819.9	+	3.3
Passenger load factor (%)	87.6	86.9	+	0.7 pt
Passenger yield (cents/pkm)	10.0	10.3	-	2.9
Revenue per available seat-km (cents/ask)	8.7	8.9	-	2.2
Group Airlines (Cargo)				
Cargo and mail carried (million kg)	289.4	273.8	+	5.7
Cargo load (million tonne-km)	1,539.6	1,497.3	+	2.8
Gross capacity (million tonne-km)	2,706.2	2,596.0	+	4.2
Cargo load factor (%)	56.9	57.7	-	0.8 pt
Cargo yield (cents/ltk)	34.5	36.1	-	4.4
Cargo unit cost (cents/ctk)	19.8	20.1	-	1.5
Cargo breakeven load factor (%)	57.4	55.7	+	1.7 pts

GLOSSARY

Revenue passenger-km	=	Number of passengers carried x distance flown (in km)
Available seat-km	=	Number of available seats x distance flown (in km)
Passenger load factor	=	Revenue passenger-km expressed as a percentage of available seat-km
Passenger yield	=	Passenger revenue from scheduled services divided by revenue passenger-km
Revenue per available seat-km	=	Passenger revenue from scheduled services divided by available seat-km
Passenger unit cost	=	Passenger operating expenditure divided by available seat-km
Passenger unit cost ex-fuel	=	Passenger operating expenditure less fuel cost, divided by available seat-km
Passenger breakeven load factor	=	Passenger unit cost expressed as a percentage of passenger yield. This is the theoretical load factor at which passenger revenue equates to the operating expenditure of passenger operations
Cargo load	=	Cargo and mail load carried (in tonnes) x distance flown (in km)
Gross capacity	=	Cargo capacity production (in tonnes) x distance flown (in km)
Cargo load factor	=	Cargo and mail load (in tonne-km) expressed as a percentage of gross capacity (in tonne-km)
Cargo yield	=	Cargo and mail revenue from scheduled services divided by cargo load (in tonne-km)
Cargo unit cost	=	Cargo operating expenditure divided by gross capacity (in tonne-km)
Cargo breakeven load factor	=	Cargo unit cost expressed as a percentage of cargo yield. This is the theoretical load factor at which cargo revenue equates to the operating expenditure of cargo operations