



**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023**

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**CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023 (in \$ million)**

	Note	The Group	
		1 st Half FY2023/24	1 st Half FY2022/23
REVENUE	5	9,162.4	8,416.5
EXPENDITURE			
Staff costs		1,680.8	1,359.7
Fuel costs		2,283.1	2,695.9
Fuel hedging ineffectiveness		-	(0.5)
Depreciation		1,031.9	987.4
Amortisation of intangible assets		39.4	37.5
Aircraft maintenance and overhaul costs		354.0	225.7
Commission and incentives		219.4	237.7
Landing, parking and overflying charges		393.4	306.8
Handling charges		571.8	437.7
Rentals on leased aircraft		(6.5)	13.5
Inflight meals		281.9	189.2
Advertising and sales costs		147.2	149.6
Company accommodation and utilities		22.1	20.9
Other passenger costs		97.8	61.1
Crew expenses		67.0	45.9
Other operating expenses		425.3	414.0
		<u>7,608.6</u>	<u>7,182.1</u>
OPERATING PROFIT	6	1,553.8	1,234.4
Finance charges		(217.3)	(207.9)
Interest income		334.1	102.8
(Impairment)/Write-back of impairment of aircraft		(2.4)	12.8
Surplus on disposal of aircraft, spares and spare engines		30.5	2.5
Dividends from long-term investments		-	4.0
Other non-operating items	7	(0.4)	(3.1)
Share of profits of joint venture companies		15.7	17.2
Share of profits/(losses) of associated companies		7.0	(79.6)
PROFIT BEFORE TAXATION		<u>1,721.0</u>	<u>1,083.1</u>
TAXATION	8	<u>(268.4)</u>	<u>(150.5)</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>1,452.6</u>	<u>932.6</u>
PROFIT ATTRIBUTABLE TO:			
OWNERS OF THE COMPANY		1,441.1	926.9
NON-CONTROLLING INTERESTS		11.5	5.7
		<u>1,452.6</u>	<u>932.6</u>
EARNINGS PER SHARE (CENTS)		31.2	14.4
DILUTED EARNINGS PER SHARE (CENTS)		30.4	14.2

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023 (in \$ million)**

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
PROFIT FOR THE FINANCIAL PERIOD	1,452.6	932.6
OTHER COMPREHENSIVE INCOME:		
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Currency translation differences	17.2	45.0
Net fair value changes on cash flow hedges	192.3	(191.9)
Share of other comprehensive income of associated and joint venture companies	7.7	(7.4)
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD, NET OF TAX	<u>217.2</u>	<u>(154.3)</u>
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>1,669.8</u>	<u>778.3</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	1,652.9	764.7
NON-CONTROLLING INTERESTS	16.9	13.6
	<u>1,669.8</u>	<u>778.3</u>

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 (in \$ million)

	Note	The Group		The Company	
		30 September 2023	31 March 2023	30 September 2023	31 March 2023
EQUITY ATTRIBUTABLE TO OWNERS					
OF THE COMPANY					
Share capital	9	7,180.4	7,180.2	7,180.4	7,180.2
Mandatory convertible bonds	10	3,096.7	6,195.1	3,096.7	6,195.1
Treasury shares	11	(34.3)	(73.8)	(34.3)	(73.8)
Other reserves		7,090.3	6,556.8	8,325.5	7,808.2
		17,333.1	19,858.3	18,568.3	21,109.7
		400.8	391.5	-	-
NON-CONTROLLING INTERESTS					
TOTAL EQUITY		17,733.9	20,249.8	18,568.3	21,109.7
DEFERRED ACCOUNT		17.9	55.8	17.9	55.8
DEFERRED TAXATION		1,720.0	1,430.2	1,764.5	1,475.0
LONG-TERM LEASE LIABILITIES		3,399.9	3,560.6	2,275.3	2,363.7
BORROWINGS	12	8,375.8	8,613.7	8,190.9	8,408.0
OTHER LONG-TERM LIABILITIES		261.8	381.9	261.8	381.9
PROVISIONS		1,081.7	1,047.1	540.1	524.7
DEFINED BENEFIT PLANS		88.4	91.2	88.4	91.2
		32,679.4	35,430.3	31,707.2	34,410.0
Represented by:-					
PROPERTY, PLANT AND EQUIPMENT	13	23,681.4	23,832.5	20,824.8	21,034.4
RIGHT-OF-USE ASSETS	14	3,549.2	3,854.5	2,263.0	2,413.5
INTANGIBLE ASSETS		310.4	297.5	247.7	235.4
SUBSIDIARY COMPANIES	15	-	-	5,641.3	5,582.0
ASSOCIATED COMPANIES	16	756.7	757.3	540.0	540.0
JOINT VENTURE COMPANIES		282.6	265.0	32.3	32.3
LONG-TERM INVESTMENTS		39.4	39.4	36.7	36.7
OTHER LONG-TERM ASSETS		700.7	755.7	582.2	674.2
CURRENT ASSETS					
Derivative assets		1,243.2	662.7	1,240.1	659.8
Inventories		238.5	227.0	174.3	171.9
Trade debtors		1,410.0	1,192.7	1,213.2	1,028.4
Amounts owing by subsidiary companies		-	-	9.0	0.1
Deposits and other debtors		272.3	284.0	189.6	226.5
Prepayments		119.9	105.0	71.1	68.3
Other short-term assets		98.8	70.5	98.8	68.3
Investments		456.0	403.9	403.5	351.7
Cash and bank balances		13,489.2	16,327.6	13,111.5	15,975.7
Assets held for sale	13	9.7	25.9	0.1	0.1
		17,337.6	19,299.3	16,511.2	18,550.8
Less: CURRENT LIABILITIES					
Borrowings	12	2,260.9	2,547.7	2,196.9	2,482.4
Lease liabilities		626.0	617.3	422.0	363.3
Current tax payable		131.7	128.1	38.6	38.9
Trade and other creditors		3,971.1	4,039.8	2,846.7	3,020.9
Amounts owing to subsidiary companies		-	-	3,121.3	3,009.3
Sales in advance of carriage	17	4,923.0	4,631.4	4,485.9	4,275.6
Deferred revenue	17	881.7	866.3	877.8	866.3
Deferred account		30.1	51.0	27.7	48.1
Derivative liabilities		781.9	399.0	781.9	399.0
Provisions		372.2	390.3	173.2	185.5
		13,978.6	13,670.9	14,972.0	14,689.3
NET CURRENT ASSETS		3,359.0	5,628.4	1,539.2	3,861.5
		32,679.4	35,430.3	31,707.2	34,410.0

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023 (in \$ million)**

The Group	Attributable to Owners of the Company									Non-controlling interests	Total equity
	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total		
Balance at 1 April 2023	7,180.2	6,195.1	(73.8)	(116.0)	(32.4)	24.3	506.9	6,174.0	19,858.3	391.5	20,249.8
Comprehensive income											
Currency translation differences	-	-	-	-	13.1	-	-	-	13.1	4.1	17.2
Net fair value changes on cash flow hedges	-	-	-	-	-	-	192.3	-	192.3	-	192.3
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	2.6	-	3.8	-	6.4	1.3	7.7
Other comprehensive income for the financial period, net of tax	-	-	-	-	15.7	-	196.1	-	211.8	5.4	217.2
Profit for the financial period	-	-	-	-	-	-	-	1,441.1	1,441.1	11.5	1,452.6
Total comprehensive income for the financial period	-	-	-	-	15.7	-	196.1	1,441.1	1,652.9	16.9	1,669.8
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Redemption of mandatory convertible bonds	-	(3,098.4)	-	-	-	-	-	(255.4)	(3,353.8)	-	(3,353.8)
Conversion of convertible bonds	0.2	-	-	-	-	-	-	-	0.2	-	0.2
Changes in ownership interest without loss of control	-	-	-	-	-	(4.5)	-	1.0	(3.5)	0.5	(3.0)
Share-based compensation expense	-	-	-	-	-	17.8	-	-	17.8	-	17.8
Treasury shares reissued pursuant to equity compensation plans	-	-	39.5	(20.5)	-	(18.5)	-	-	0.5	-	0.5
Dividends	-	-	-	-	-	-	-	(832.8)	(832.8)	(14.6)	(847.4)
Total contributions by and distributions to owners	0.2	(3,098.4)	39.5	(20.5)	-	(5.2)	-	(1,087.2)	(4,171.6)	(14.1)	(4,185.7)
Changes in ownership interests in subsidiary companies											
Acquisition of non-controlling interests without change in control	-	-	-	(6.5)	-	-	-	-	(6.5)	6.5	-
Total transactions with owners	0.2	(3,098.4)	39.5	(27.0)	-	(5.2)	-	(1,087.2)	(4,178.1)	(7.6)	(4,185.7)
Balance at 30 September 2023	7,180.4	3,096.7	(34.3)	(143.0)	(16.7)	19.1	703.0	6,527.9	17,333.1	400.8	17,733.9

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**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022 (in \$ million)**

The Group	Attributable to Owners of the Company									Non-controlling interests	Total equity
	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total		
Balance at 1 April 2022	7,180.2	9,691.2	(106.5)	(107.3)	(16.2)	20.7	1,076.2	4,673.6	22,411.9	388.5	22,800.4
<u>Comprehensive income</u>											
Currency translation differences	-	-	-	-	35.4	-	-	-	35.4	9.6	45.0
Net fair value changes on cash flow hedges	-	-	-	-	-	-	(191.9)	-	(191.9)	-	(191.9)
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	(0.8)	-	(4.9)	-	(5.7)	(1.7)	(7.4)
Other comprehensive income for the financial period, net of tax	-	-	-	-	34.6	-	(196.8)	-	(162.2)	7.9	(154.3)
Profit for the financial period	-	-	-	-	-	-	-	926.9	926.9	5.7	932.6
Total comprehensive income for the financial period	-	-	-	-	34.6	-	(196.8)	926.9	764.7	13.6	778.3
<u>Transactions with owners, recorded directly in equity</u>											
<u>Contributions by and distributions to owners</u>											
Changes in ownership interest without loss of control	-	-	-	-	-	(3.3)	-	0.2	(3.1)	3.2	0.1
Share-based compensation expense	-	-	-	-	-	12.8	-	-	12.8	-	12.8
Treasury shares reissued pursuant to equity compensation plans	-	-	32.7	(16.1)	-	(16.1)	-	-	0.5	-	0.5
Dividends	-	-	-	-	-	-	-	-	-	(1.2)	(1.2)
Total contributions by and distributions to owners	-	-	32.7	(16.1)	-	(6.6)	-	0.2	10.2	2.0	12.2
<u>Changes in ownership interests in subsidiary companies</u>											
Acquisition of subsidiary company with non-controlling interests	-	-	-	-	-	-	-	-	-	1.2	1.2
Total transactions with owners	-	-	32.7	(16.1)	-	(6.6)	-	0.2	10.2	3.2	13.4
Balance at 30 September 2022	7,180.2	9,691.2	(73.8)	(123.4)	18.4	14.1	879.4	5,600.7	23,186.8	405.3	23,592.1

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**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023 (in \$ million)**

The Company	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2023	7,180.2	6,195.1	(73.8)	(897.7)	19.8	467.9	8,218.2	21,109.7
Effects of business transfer to Kris+ Pte. Ltd.	-	-	-	8.5	-	-	-	8.5
<u>Comprehensive income</u>								
Net fair value changes on cash flow hedges	-	-	-	-	-	176.0	-	176.0
Other comprehensive income for the financial period, net of tax	-	-	-	-	-	176.0	-	176.0
Profit for the financial period	-	-	-	-	-	-	1,445.4	1,445.4
Total comprehensive income for the financial period	-	-	-	-	-	176.0	1,445.4	1,621.4
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Redemption of mandatory convertible bonds	-	(3,098.4)	-	-	-	-	(255.4)	(3,353.8)
Conversion of convertible bonds	0.2	-	-	-	-	-	-	0.2
Share-based compensation expense	-	-	-	-	14.6	-	-	14.6
Treasury shares reissued pursuant to equity compensation plans	-	-	39.5	(20.5)	(18.5)	-	-	0.5
Dividends	-	-	-	-	-	-	(832.8)	(832.8)
Total transactions with owners	0.2	(3,098.4)	39.5	(20.5)	(3.9)	-	(1,088.2)	(4,171.3)
Balance at 30 September 2023	7,180.4	3,096.7	(34.3)	(909.7)	15.9	643.9	8,575.4	18,568.3

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022 (in \$ million)**

The Company	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2022	7,180.2	9,691.2	(106.5)	(881.6)	16.7	939.5	6,655.7	23,495.2
<u>Comprehensive income</u>								
Net fair value changes on cash flow hedges	-	-	-	-	-	(137.9)	-	(137.9)
Other comprehensive income for the financial period, net of tax	-	-	-	-	-	(137.9)	-	(137.9)
Profit for the financial period	-	-	-	-	-	-	1,127.1	1,127.1
Total comprehensive income for the financial period	-	-	-	-	-	(137.9)	1,127.1	989.2
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Share-based compensation expense	-	-	-	-	11.0	-	-	11.0
Treasury shares reissued pursuant to equity compensation plans	-	-	32.7	(16.1)	(16.1)	-	-	0.5
Total transactions with owners	-	-	32.7	(16.1)	(5.1)	-	-	11.5
Balance at 30 September 2022	7,180.2	9,691.2	(73.8)	(897.7)	11.6	801.6	7,782.8	24,495.9

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023 (in \$ million)**

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,721.0	1,083.1
Adjustments for:		
Depreciation	1,031.9	987.4
Impairment/(Write-back of impairment) of aircraft	2.4	(12.8)
Amortisation of intangible assets	39.4	37.5
Impairment/(Write-back of impairment) of trade debtors	3.4	(4.9)
Writedown of inventories	5.5	5.0
Income from short-term investments	(0.7)	(0.5)
Provisions	101.3	76.1
Share-based compensation expense	17.8	12.8
Exchange differences	(91.1)	(120.5)
Net loss on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	0.7	2.6
Gain on lease remeasurement	-	(1.8)
Fuel hedging ineffectiveness	-	(0.5)
Finance charges	217.3	207.9
Interest income	(334.1)	(102.8)
Surplus on disposal of aircraft, spares and spare engines	(30.5)	(2.5)
Dividends from long-term investments	-	(4.0)
Other non-operating items	0.4	3.1
Share of profits of joint venture companies	(15.7)	(17.2)
Share of (profits)/losses of associated companies	(7.0)	79.6
Operating cash flow before working capital changes	<u>2,662.0</u>	<u>2,227.6</u>
(Decrease)/Increase in trade and other creditors	(96.8)	686.8
Increase in sales in advance of carriage	291.6	2,053.1
(Increase)/Decrease in trade debtors	(256.6)	73.9
Increase in deposits and other debtors	(16.7)	(19.7)
Increase in prepayments	(14.9)	(30.7)
Increase in inventories	(17.0)	(24.0)
Increase/(Decrease) in deferred revenue	15.4	(53.5)
Cash generated from operations	<u>2,567.0</u>	<u>4,913.5</u>
Income taxes paid	(6.4)	(2.8)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>2,560.6</u></u>	<u><u>4,910.7</u></u>

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023 (in \$ million)**

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(647.7)	(916.1)
Purchase of intangible assets	(51.8)	(40.6)
Proceeds from disposal of aircraft and other property, plant and equipment	12.2	0.1
Proceeds from disposal of assets held for sale	40.0	4.8
Proceeds from sale and leaseback transactions	-	117.6
Proceeds from disposal of long-term investments	11.1	10.7
Purchase of short-term investments	(70.2)	(90.7)
Proceeds from disposal of short-term investments	19.8	92.6
Dividends received from associated and joint venture companies	8.4	6.7
Dividends received from investments	-	4.0
Interest received from investments and deposits	361.9	57.9
Proceeds from finance leases	2.2	4.6
Acquisition of subsidiary company, net of cash acquired	-	(4.2)
Investments in associated companies	(3.0)	-
Return of capital from an associated company	13.5	-
NET CASH USED IN INVESTING ACTIVITIES	(303.6)	(752.6)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(832.8)	-
Dividends paid by subsidiary companies to non-controlling interests	(14.6)	(1.2)
Interest paid	(144.9)	(148.9)
Redemption of mandatory convertible bonds	(3,353.8)	-
Proceeds from borrowings	367.5	3.0
Repayment of borrowings	(918.7)	(293.9)
Repayment of lease liabilities	(368.5)	(344.0)
Payment of transaction costs related to borrowings	(1.0)	-
NET CASH USED IN FINANCING ACTIVITIES	(5,266.8)	(785.0)
NET CASH (OUTFLOW)/INFLOW	(3,009.8)	3,373.1
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	16,327.6	13,762.7
Effect of exchange rate changes	171.4	314.6
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	13,489.2	17,450.4
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	9,445.8	14,151.1
Cash and bank balances	4,043.4	3,299.3
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	13,489.2	17,450.4

Significant non-cash transactions

During the previous financial period, the Group made pre-delivery payments for certain aircraft amounting to \$204.3 million through financing from a third-party financier.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Half Year Ended 30 September 2023

1 Corporate Information

Singapore Airlines 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") and is a subsidiary company of Temasek Holdings (Private) Limited ("Temasek"), incorporated in the Republic of Singapore.

The condensed interim financial statements ("interim financial statements") of the Group as at and for the six months ended 30 September 2023 comprise the Company and its subsidiary companies (together referred to as "the Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

The principal activities of the Group consist of passenger and cargo air transportation, engineering services, training of pilots, air charters, tour activities, sale of merchandise and related activities. The principal activity of the Company consists of passenger and cargo air transportation.

2 Basis of Preparation

These interim financial statements for the six months ended 30 September 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore and IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 March 2023 ("last annual financial statements"). They do not include all of the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The Group has applied the same accounting policies and methods of computation in the preparation of the interim financial statements for the current reporting period as the last audited financial statements except for the adoption of SFRS(I) and International Financial Reporting Standards ("IFRS") that are mandatory for financial year beginning on or after 1 April 2023. The adoption of these SFRS(I) and IFRS have no significant impact on the financial statements. All references to SFRS(I)s and IFRSs are subsequently referred to as IFRS in the financial statements.

The Group revised the estimated useful lives and residual values of certain of its aircraft and spare engines. The effect of the changes is a decrease in depreciation expense of approximately \$14.8 million for the six months ended 30 September 2023.

3 Significant Accounting Estimates and Critical Judgements

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4 Seasonal Operations

The Group's passenger and cargo businesses are exposed to seasonality. Passenger business is generally better during the summer season and year end peaks in the second and third quarters, while cargo business has a pronounced peak at the end of the calendar year. The stronger performance of the Group in this second quarter was driven by the robust summer travel demand.

5 Segment Information (in \$ million)

Management has determined that the Group has the following reportable segments:

- (i) The Full Service Carrier ("FSC") segment provides passenger and cargo air transportation under the Singapore Airlines brand with a focus on full-service passenger segment serving short and long haul markets.
- (ii) The Low-Cost Carrier ("LCC") segment provides passenger air transportation under the Scoot brand with a focus on the low-cost passenger segment.
- (iii) Engineering services segment provides airframe maintenance and overhaul services, line maintenance, technical ground handling services and fleet management. It also manufactures aircraft cabin equipment, refurbishes aircraft galleys, provides technical and non-technical handling services and repair and overhaul of hydro-mechanical aircraft equipment.

Other services provided by the Group, such as tour activities and sale of merchandise, have been aggregated under the segment "Others". None of these segments meets any of the quantitative thresholds for determining reportable segments in 1H FY2023/24 or 1H FY2022/23.

Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the interim financial statements.

Transactions carried out between operating segments during the financial period are in the normal course of business.

5 Segment Information (in \$ million) (continued)

Business segments

The Group's business is organised and managed separately according to the nature of the services provided. The following table presents revenue and profit information regarding business segments for the half years ended 30 September 2023 and 2022 and certain assets and liabilities information of the business segments as at those dates.

1st Half FY2023/24	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	7,791.6	1,126.1	207.5	37.2	9,162.4	-	9,162.4
Inter-segment revenue	25.0	41.8	306.5	43.6	416.9	(416.9)	-
	<u>7,816.6</u>	<u>1,167.9</u>	<u>514.0</u>	<u>80.8</u>	<u>9,579.3</u>	<u>(416.9)</u>	<u>9,162.4</u>
RESULTS							
Segment result	1,512.2	58.2	0.1	(16.4)	1,554.1	(0.3)	1,553.8
Finance charges	(231.8)	(48.4)	(2.1)	(0.8)	(283.1)	65.8	(217.3)
Interest income	348.3	32.2	12.3	5.9	398.7	(64.6)	334.1
Impairment of aircraft	(2.4)	-	-	-	(2.4)	-	(2.4)
Surplus on disposal of aircraft, spares and spare engines	22.1	8.4	-	-	30.5	-	30.5
Other non-operating items	(0.6)	-	0.2	-	(0.4)	-	(0.4)
Share of profits of joint venture companies	0.7	-	15.0	-	15.7	-	15.7
Share of (losses)/profits of associated companies	(28.0)	-	35.0	-	7.0	-	7.0
Taxation	(267.2)	4.2	(1.2)	(4.2)	(268.4)	-	(268.4)
Profit/(Loss) for the financial period	<u>1,353.3</u>	<u>54.6</u>	<u>59.3</u>	<u>(15.5)</u>	<u>1,451.7</u>	<u>0.9</u>	<u>1,452.6</u>
Attributable to:							
Owners of the Company							1,441.1
Non-controlling interests							<u>11.5</u>
							<u>1,452.6</u>

* *Relates to inter-segment transactions eliminated on consolidation.*

5 Segment Information (in \$ million) (continued)**Business segments (continued)**

1st Half FY2022/23	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	7,558.9	693.5	130.6	33.5	8,416.5	-	8,416.5
Inter-segment revenue	20.2	72.8	231.6	39.9	364.5	(364.5)	-
	<u>7,579.1</u>	<u>766.3</u>	<u>362.2</u>	<u>73.4</u>	<u>8,781.0</u>	<u>(364.5)</u>	<u>8,416.5</u>
RESULTS							
Segment result	1,308.4	(40.2)	(10.8)	(19.8)	1,237.6	(3.2)	1,234.4
Finance charges	(189.9)	(63.8)	(1.0)	(0.6)	(255.3)	47.4	(207.9)
Interest income	144.5	0.9	3.1	1.3	149.8	(47.0)	102.8
Write-back of impairment of aircraft	12.8	-	-	-	12.8	-	12.8
Surplus on disposal of aircraft, spares and spare engines	2.5	-	-	-	2.5	-	2.5
Dividends from long-term investments	4.0	-	-	-	4.0	-	4.0
Other non-operating items	(3.8)	0.7	-	-	(3.1)	-	(3.1)
Share of profits of joint venture companies	0.4	-	16.8	-	17.2	-	17.2
Share of (losses)/profits of associated companies	(104.2)	-	24.6	-	(79.6)	-	(79.6)
Taxation	(163.4)	13.2	(0.1)	(0.2)	(150.5)	-	(150.5)
Profit/(Loss) for the financial period	<u>1,011.3</u>	<u>(89.2)</u>	<u>32.6</u>	<u>(19.3)</u>	<u>935.4</u>	<u>(2.8)</u>	<u>932.6</u>
Attributable to:							
Owners of the Company							926.9
Non-controlling interests							<u>5.7</u>
							<u>932.6</u>

* *Relates to inter-segment transactions eliminated on consolidation.*

5 Segment Information (in \$ million) (continued)

Business segments (continued)

OTHER INFORMATION

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 30 SEPTEMBER 2023							
Segment assets	40,428.9	6,113.9	1,270.2	833.0	48,646.0	(3,066.7)	45,579.3
Investments in associated and joint venture companies	305.6	-	733.7	-	1,039.3	-	1,039.3
Long-term investments	36.7	-	-	2.7	39.4	-	39.4
Total assets	40,771.2	6,113.9	2,003.9	835.7	49,724.7	(3,066.7)	46,658.0
Segment liabilities	12,159.2	1,153.0	208.2	159.9	13,680.3	(3,074.6)	10,605.7
Lease liabilities	2,697.3	1,267.6	109.8	7.9	4,082.6	(56.7)	4,025.9
Long-term liabilities	261.8	-	-	-	261.8	-	261.8
Provisions	713.3	736.4	1.8	2.4	1,453.9	-	1,453.9
Defined benefit plans	88.4	-	-	-	88.4	-	88.4
Borrowings	10,387.8	226.5	4.7	17.7	10,636.7	-	10,636.7
Tax liabilities	1,803.1	(27.2)	(10.3)	86.1	1,851.7	-	1,851.7
Total liabilities	28,110.9	3,356.3	314.2	274.0	32,055.4	(3,131.3)	28,924.1

* *Relates to inter-segment transactions eliminated on consolidation.*

5 Segment Information (in \$ million) (continued)

Business segments (continued)

OTHER INFORMATION

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 31 MARCH 2023							
Segment assets	42,908.3	5,999.0	1,280.4	777.2	50,964.9	(2,925.4)	48,039.5
Investments in associated and joint venture companies	337.0	-	685.3	-	1,022.3	-	1,022.3
Long-term investments	36.7	-	-	2.7	39.4	-	39.4
Total assets	43,282.0	5,999.0	1,965.7	779.9	52,026.6	(2,925.4)	49,101.2
Segment liabilities	11,675.0	1,014.7	182.9	132.7	13,005.3	(2,962.0)	10,043.3
Lease liabilities	2,727.0	1,331.0	112.7	8.8	4,179.5	(1.6)	4,177.9
Long-term liabilities	381.9	-	-	-	381.9	-	381.9
Provisions	710.2	722.9	1.8	2.5	1,437.4	-	1,437.4
Defined benefit plans	91.2	-	-	-	91.2	-	91.2
Borrowings	10,890.4	250.3	2.5	18.2	11,161.4	-	11,161.4
Tax liabilities	1,513.9	(27.2)	(10.9)	82.5	1,558.3	-	1,558.3
Total liabilities	27,989.6	3,291.7	289.0	244.7	31,815.0	(2,963.6)	28,851.4

* *Relates to inter-segment transactions eliminated on consolidation.*

5 Segment Information (in \$ million) (continued)

Geographical segments

The following table presents revenue information on airline operations by geographical areas for the half years ended 30 September 2023 and 2022.

	By area of original sale	
	1 st Half FY2023/24	1 st Half FY2022/23
East Asia	4,515.5	4,180.9
Europe	1,122.4	1,206.3
South West Pacific	1,586.5	1,307.3
Americas	666.6	691.1
West Asia and Africa	718.6	690.4
Systemwide	8,609.6	8,076.0
Non-scheduled services and incidental revenue	374.9	269.4
	<u>8,984.5</u>	<u>8,345.4</u>

No single customer contributed to more than 10% of the Group's revenue during the half years ended 30 September 2023 and 2022.

6 Operating Profit (in \$ million)

Operating profit for the financial period was arrived at after charging/(crediting):

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
Interest income from short-term investments	(0.6)	(0.4)
Dividend income from short-term investments	(0.1)	(0.1)
Loss on disposal of short-term investments	-	0.6
Bad debts written off	0.1	0.8
Impairment/(Write-back of impairment) of trade debtors	3.4	(4.9)
Writedown of inventories	5.5	5.0
Exchange (gain)/loss, net	(53.9)	14.0
Currency hedging gain	(6.8)	(2.5)
Fuel hedging gain recognised in "Fuel costs"	(244.2)	(417.3)
Net loss on financial assets mandatorily measured at FVTPL	<u>0.7</u>	<u>2.6</u>

7 Other Non-Operating Items (in \$ million)

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
Write-back of impairment/(Impairment) of long term investments	0.1	(3.2)
Gain/(Loss) on disposal of other property, plant and equipment	0.2	(0.4)
Write-back of provision for expected credit losses on investments and loans	3.2	0.1
Provision for onerous contract	(3.9)	(0.7)
Gain on sale and leaseback transactions	-	0.7
Write-back of headcount rationalisation costs	-	0.4
	<u>(0.4)</u>	<u>(3.1)</u>

8 Taxation (in \$ million)

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the provision for income 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 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 income tax and deferred tax provisions in the period in which such determination is made.

Major components of income tax expense

The major components of income tax expense for the half years ended 30 September 2023 and 2022 are:

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
<u>Current taxation</u>		
Provision for the period	9.9	1.6
Over provision in respect of prior years	-	(0.2)
	<u>9.9</u>	<u>1.4</u>
<u>Deferred taxation</u>		
Movement in temporary differences	273.8	176.5
Over provision in respect of prior years	(15.3)	(27.4)
	<u>258.5</u>	<u>149.1</u>
	<u>268.4</u>	<u>150.5</u>

The Group has tax losses and deductible temporary differences (for which no deferred tax asset has been recognised) of approximately \$544.3 million (31 March 2023: \$555.0 million) that are available for offset against future taxable profits of the companies. This is due to the uncertainty of the recoverability of the deferred tax asset.

The Group's current taxation for 1H FY2023/24 reflects the utilisation of capital allowances that the Group had deferred in prior years.

9 Share Capital (in \$ million)

	The Group and the Company			
	Number of shares		Amount	
	2023	2022	2023	2022
Issued and fully paid share capital				
Ordinary shares				
Balance at 1 April	2,977,543,504	2,977,543,504	7,180.2	7,180.2
Shares issued pursuant to conversion of convertible bonds	46,624	-	0.2	-
Balance at 30 September	<u>2,977,590,128</u>	<u>2,977,543,504</u>	<u>7,180.4</u>	<u>7,180.2</u>
Special share				
Balance at 1 April and 30 September	<u>1</u>	<u>1</u>	<u>#</u>	<u>#</u>

The value is \$0.50

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares, which have no par value, carry one vote per share without restriction. All shares rank equally with regards to the Group's residual assets.

The Company's ability to operate its existing route network and flight frequency is derived solely from and dependent entirely on the Air Service Agreements ("ASAs") concluded between the Government of Singapore and the governments of other countries. ASAs are therefore critical to the Company's operations. In almost all the ASAs, it is a condition that the Company must at all times be "effectively controlled" and "substantially owned" by Singapore nationals for the tenure of the respective ASAs.

In order to comply with the above requirement, one non-tradeable Special Share was issued to the Ministry of Finance ("the Special Member"). The Special Share enjoys all the rights attached to ordinary shares. In addition, pursuant to Article 3A of the Articles of Association, no resolution may be passed on certain matters without prior written approval of the Special Member.

The Company can also issue non-tradeable redeemable cumulative preference shares, which carry full voting rights ("ASA shares"). When issued, the ASA shares will be paid at \$0.01 each and will carry equal voting rights as those of ordinary shares. These shares will be issued only when the Directors determine that the Company's operating rights under any of the ASAs are threatened by reason of the nationality of the majority shareholders.

As at 30 September 2023, none of the Company's subsidiaries held any shares in the Company (31 March 2023: Nil).

Share-based Incentive Plans

The SIA Restricted Share Plan 2014 ("RSP") and the SIA Performance Share Plan 2014 ("PSP") are share-based incentive plans for senior executives and key Senior Management, which were approved by the shareholders of the Company at the Extraordinary General Meeting held on 30 July 2014.

The RSP awards fully paid ordinary shares of the Company, conditional on position and individual performance targets set at the start of the performance period based on medium-term Group and Company objectives.

In respect of FY2023/24 Strategic Share Award ("SSA") under the RSP, the award made in July 2023 to Senior Management (Senior Vice Presidents and above) was based on Board Compensation & Industrial Relations Committee assessment of SIA Management's Covid-19 recovery for FY2022/23.

The FY2023/24 RSP award was made in July 2023 on a contingent performance basis to Senior Management and other key executives (Vice Presidents and Divisional Vice Presidents).

9 Share Capital (in \$ million) (continued)

Share-based Incentive Plans (continued)

The PSP awards fully paid ordinary shares of the Company, conditional on performance targets set at the start of a three-year overlapping performance period based on stretched long-term total shareholder return objectives.

The FY2023/24 PSP award was made in July 2023 on a contingent performance basis to Senior Management.

Movement of share awards during the financial period

Date of grant	Number of Share Awards					Balance at 30 September 2023
	Balance at 1 April 2023	Granted	Adjustment	Cancelled	Vested	
RSP						
16.07.2020	432,848	-	-	-	(432,848)	-
15.07.2021	1,359,380	-	-	-	(699,894)	659,486
14.07.2022	1,856,506	-	117,704 #	-	(694,021)	1,280,189
18.07.2023	-	1,549,361	-	(27,403)	-	1,521,958
	<u>3,648,734</u>	<u>1,549,361</u>	<u>117,704</u>	<u>(27,403)</u>	<u>(1,826,763)</u>	<u>3,461,633</u>
PSP						
16.07.2020	605,600	-	(82,780) #	-	(522,820)	-
15.07.2021	717,293	-	-	-	-	717,293
14.07.2022	666,516	-	-	-	-	666,516
18.07.2023	-	519,796	-	(22,420)	-	497,376
	<u>1,989,409</u>	<u>519,796</u>	<u>(82,780)</u>	<u>(22,420)</u>	<u>(522,820)</u>	<u>1,881,185</u>
SSA						
05.02.2021	9,825	-	-	-	(9,825)	-
15.07.2021	205,075	-	171,920 ^	-	(376,995)	-
14.07.2022	482,450	-	-	-	(241,225)	241,225
23.12.2022	36,300	-	-	-	(18,150)	18,150
18.07.2023	-	1,324,200	-	(33,350)	(662,100)	628,750
	<u>733,650</u>	<u>1,324,200</u>	<u>171,920</u>	<u>(33,350)</u>	<u>(1,308,295)</u>	<u>888,125</u>

Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

^ Adjustment at the end of the performance period relating to an additional equity kicker during the financial year.

10 Mandatory Convertible Bonds (“MCBs”) (in \$ million)

The Company partially redeemed \$3,098.4 million of the Mandatory Convertible Bonds that were issued in June 2021 (“2021 MCBs”) on 26 June 2023. The accreted principal amount payable by SIA, being 108.243% of the principal amount of the 2021 MCBs, amounted to \$3,353.8 million.

On 3 August 2023, the Company adjusted the conversion price of the MCBs to \$4.5186 per share following the payment of the FY2022/23 final dividend. The adjustment resulted in an increase of 55,622,591 shares in the number of ordinary shares to be issued on conversion.

The Company has \$3,096.7 million of MCBs outstanding as at 30 September 2023. They will mandatorily convert into ordinary shares of the Company on 8 June 2030. The MCBs shall be convertible on the conversion date only. The MCBs may be redeemable at the option of the Company in whole or in part on every six-month anniversary of the issue date at fixed amounts.

The total number of ordinary shares to be issued on 8 June 2030, the end of the 10-year tenure of the MCBs is 1,164,295,921 (31 March 2023: 2,217,345,476 ordinary shares).

11 Treasury Shares (in \$ million)

	The Group and the Company	
	Number of shares	Amount
Balance at 1 April 2023	6,967,078	(73.8)
Treasury shares transferred on vesting of share-based incentive plans	(3,657,878)	38.7
Treasury shares transferred on payment of Directors’ remuneration	(73,200)	0.8
Balance at 30 September 2023	3,236,000	(34.3)

Treasury shares relate to ordinary shares of the Company that are held by the Company.

During the financial period, the Company did not purchase any treasury shares (FY2022/23: nil).

As at 30 September 2023, the number of ordinary shares in issue was 2,977,590,128 of which 3,236,000 were held by the Company as treasury shares (31 March 2023: 2,977,543,504 ordinary shares of which 6,967,078 were held as treasury shares).

12 Borrowings (in \$ million)

	The Group	
	30 September 2023	31 March 2023
Amount repayable in one year or less, or on demand		
<u>Secured</u>		
Loans	595.2	1,183.1
<u>Unsecured</u>		
Notes payable	1,649.8	1,349.4
Loans	15.9	15.2
	<u>2,260.9</u>	<u>2,547.7</u>
Amount repayable after one year		
<u>Secured</u>		
Loans	3,537.8	3,523.7
<u>Unsecured</u>		
Notes payable	4,019.6	4,282.7
Loans	6.5	3.5
Convertible bonds	811.9	803.8
	<u>4,838.0</u>	<u>5,090.0</u>
	<u>8,375.8</u>	<u>8,613.7</u>
Total Borrowings	<u>10,636.7</u>	<u>11,161.4</u>

Details of any collateral

The secured bank loans are secured via mortgage of certain aircraft.

Lease Liabilities

Excluded from the borrowings above are lease liabilities of \$4,025.9 million (31 March 2023: \$4,177.9 million) which are secured over the right-of-use assets.

Convertible Bonds

The convertible bonds bear interest at 1.625% per annum, payable semi-annually in arrears. The initial conversion price is \$5.743 and is subject to adjustments under certain events set out in the Trust Deed for the convertible bonds. The bonds are convertible at the option of the holder, at the prevailing conversion price from 13 January 2021 to 24 November 2025 (both dates inclusive).

On 3 August 2023, the Company adjusted the conversion price of the convertible bonds to \$5.362 per share following the payment of the FY2022/23 final dividend. The adjustment resulted in an increase of 7,570,161 shares in the number of ordinary shares to be issued on conversion.

On 18 August 2023, \$250,000 of bonds were converted to 46,624 shares at the prevailing conversion price of \$5.362 per share, pursuant to a conversion notice submitted by an investor.

The total number of ordinary shares to be issued following the adjustment to the initial conversion price and the \$250,000 conversion of convertible bond is 158,476,315 (31 March 2023: 150,952,778 ordinary shares).

The equity conversion component on initial recognition of the convertible bonds is \$74.3 million.

13 Property, Plant and Equipment (in \$ million)

The Group

	Aircraft	Aircraft spares and spare engines	Advance and progress payments	Others	Total
Cost					
At 1 April 2023	22,613.7	895.8	8,816.5	1,885.2	34,211.2
Additions	109.3	16.1	452.3	10.1	587.8
Transfers	1,427.3	65.0	(1,499.2)	6.9	-
Disposals	(125.4)	(0.6)	(14.5)	(29.0)	(169.5)
Exchange differences	39.7	0.1	-	1.9	41.7
At 30 September 2023	24,064.6	976.4	7,755.1	1,875.1	34,671.2
Accumulated depreciation and impairment losses					
At 1 April 2023	7,809.1	556.8	388.2	1,624.6	10,378.7
Depreciation	699.3	20.3	-	36.8	756.4
Impairment losses	-	-	2.4	-	2.4
Disposals	(119.7)	(0.3)	-	(28.9)	(148.9)
Exchange differences	-	0.1	-	1.1	1.2
At 30 September 2023	8,388.7	576.9	390.6	1,633.6	10,989.8
Net book value					
At 1 April 2023	14,804.6	339.0	8,428.3	260.6	23,832.5
At 30 September 2023	15,675.9	399.5	7,364.5	241.5	23,681.4

Impairment of aircraft

During the financial period, the Group recorded an impairment loss of \$2.4 million to write-off certain progress payments related to aircraft which have been cancelled from the order book.

During the previous financial period, the Group recorded a write-back of \$12.8 million on previously impaired aircraft with updates in estimated provisions required.

Assets held for sale

Following the review of the Group's fleet plan, certain aircraft was classified as held for sale as the Group had decided to sell the aircraft. The remaining assets held for sale continue to be actively marketed.

	The Group
At 1 April 2023	25.9
Additions	5.3
Disposals	(21.5)
At 30 September 2023	9.7

14 Right-of-Use Assets (in \$ million)

The Group

	Aircraft	Aircraft spare engines	Others	Total
At 1 April 2023	3,450.0	218.7	185.8	3,854.5
Additions	-	-	25.7	25.7
Reassessment and modifications	-	-	(55.5)	(55.5)
Depreciation	(234.3)	(13.8)	(27.4)	(275.5)
At 30 September 2023	3,215.7	204.9	128.6	3,549.2

15 Subsidiary Companies

During the financial period:

1. The Company capitalised \$3,000.0 million of shareholder loans to Scoot into equity. There is no change to the Group's shareholdings in Scoot.
2. The Company injected \$15.0 million and converted \$10.5 million of its shareholder loan into equity in KrisShop Pte. Ltd ("KrisShop"). As a result, the Group's shareholdings in KrisShop increased from 70.0% to 89.5%.
3. The Company injected \$6.0 million in Kris+ Pte. Ltd.
4. The Company injected \$25.0 million in Encounters Pte. Ltd.
5. SIA Engineering Company ("SIAEC") incorporated a wholly-owned subsidiary company, Base Maintenance Malaysia Sdn. Bhd.
6. The Company transferred its Kris+ lifestyle rewards business to its subsidiary company, Kris+ Pte. Ltd. on 1 August 2023.

16 Associated Companies

During the financial period, SIAEC acquired 49% of the share capital of Pos Aviation Engineering Services Sdn Bhd ("PAES") for approximately \$1.2 million cash consideration. As a result, PAES became an associated company of the Group. Subsequently, SIAEC further invested approximately \$1.8 million in PAES.

17 Sales in Advance of Carriage and Deferred Revenue (in \$ million)

Sales in advance of carriage and deferred revenue are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer. The significant changes in these liabilities during the period are as follows:

	The Group	
	1 st Half FY2023/24	1 st Half FY2022/23
Revenue recognised that was included in the balance at the beginning of the period		
- Sales in advance of carriage	3,066.6	2,107.8
- Deferred revenue	527.5	446.3
Movements due to cash received, excluding amounts recognised as revenue during the period		
- Sales in advance of carriage	3,358.2	4,160.9
- Deferred revenue	542.9	392.8

Deferred revenue relates to KrisFlyer miles expected to be redeemed. The Group expects the majority of these miles to be redeemed by the end of their validity dates, which have been extended due to Covid-19.

All tickets sold at any given point of time typically have travel dates extending up to 12 months. However, certain modifications have been made to extend the validity of some tickets due to Covid-19. As a result, the balance of the sales in advance of carriage liability represents activity that will typically be recognised in the next 12 months.

18 Significant Commitment and Contingent Liabilities

There have been no significant changes to the Group's and Company's contingent liabilities and capital expenditure from the last annual financial statements.

19 Financial Instruments (in \$ million)

Classification and fair values of financial instruments

Financial assets are measured on an ongoing basis at amortised cost, fair value through other comprehensive income ("FVOCI") or FVTPL. Financial liabilities are measured on an ongoing basis at either amortised cost or FVTPL. The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as per the following tables.

Financial assets and financial liabilities that are classified as measured at amortised cost with carrying amounts being a reasonable approximation of their fair values are not presented in these tables. These financial assets include trade debtors, deposits and other debtors, amounts owing by subsidiary companies and cash and bank balances. These financial liabilities include trade and other creditors, amounts owing to subsidiary companies and loans.

19 Financial Instruments (in \$ million) (continued)

Classification and fair values of financial instruments (continued)

The Group

	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
30 September 2023							
<u>Financial assets</u>							
Long-term investments							
Quoted							
Non-equity investments	0.5	-	-	0.5	0.5	-	-
Unquoted							
Equity investments	-	37.6	1.3	38.9	-	-	38.9
Other long-term receivables	209.7	-	-	209.7	-	-	207.2
Derivative assets*	-	1,675.2	-	1,675.2	-	1,675.2	-
Investments							
Quoted							
Equity investments	-	1.7	-	1.7	1.7	-	-
Non-equity investments*	-	50.8	-	50.8	50.8	-	-
Non-equity investments	403.5	-	-	403.5	403.5	-	-
	613.7	1,765.3	1.3	2,380.3	456.5	1,675.2	246.1
<u>Financial liabilities</u>							
Derivative liabilities*							
	-	984.1	-	984.1	-	984.1	-
Notes payable	5,669.4	-	-	5,669.4	5,488.5	-	-
Convertible bonds	811.9	-	-	811.9	1,052.8	-	-
	6,481.3	984.1	-	7,465.4	6,541.3	984.1	-

* Mandatorily measured at FVTPL

19 Financial Instruments (in \$ million) (continued)

Classification and fair values of financial instruments (continued)

31 March 2023 The Group	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
<u>Financial assets</u>							
Long-term investments							
Quoted							
Non-equity investments	0.5	-	-	0.5	0.5	-	-
Unquoted							
Equity investments	-	37.6	1.3	38.9	-	-	38.9
Other long-term receivables	200.2	-	-	200.2	-	-	197.8
Derivative assets*	-	1,197.3	-	1,197.3	-	1,197.3	-
Investments							
Quoted							
Equity investments	-	1.7	-	1.7	1.7	-	-
Non-equity investments*	-	50.5	-	50.5	50.5	-	-
Non-equity investments	351.7	-	-	351.7	351.7	-	-
	<u>552.4</u>	<u>1,287.1</u>	<u>1.3</u>	<u>1,840.8</u>	<u>404.4</u>	<u>1,197.3</u>	<u>236.7</u>
<u>Financial liabilities</u>							
Derivative liabilities*	-	722.8	-	722.8	-	722.8	-
Notes payable	5,632.1	-	-	5,632.1	5,446.1	-	-
Convertible bonds	803.8	-	-	803.8	916.0	-	-
	<u>6,435.9</u>	<u>722.8</u>	<u>-</u>	<u>7,158.7</u>	<u>6,362.1</u>	<u>722.8</u>	<u>-</u>

* Mandatorily measured at FVTPL

19 Financial Instruments (in \$ million) (continued)

Classification and fair values of financial instruments (continued)

Financial instruments carried at fair value

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 has 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)
- Level 3 – Unobservable inputs for the asset or liability

There has been no transfer between Level 1 and Level 2 during the financial year.

Determination of fair value

The fair values of the financial instruments are determined as follows:

- Jet fuel swap contracts – mark-to-market valuations, adjusted for bilateral counterparty credit risks.
- InterContinental Exchange (“ICE”) Brent swap and Brent-MOPS crack swap contracts – by reference to available market information and the marked-to-market values of these swap contracts, adjusted for bilateral counterparty credit risks. As the Group hedges with ICE Brent and Brent-MOPS crack contracts, the ICE Brent futures contract price and its differential relative to MOPS price are used as the mark-to-market prices.
- Forward currency contracts – by reference to current forward prices for contracts with similar maturity profiles, adjusted for bilateral counterparty credit risks.
- Interest rate swap contracts – by discounting the future cash flows of swap contracts at market interest rate, adjusted for bilateral counterparty credit risks.
- Cross currency swap contracts – by reference to market prices for existing cash flow profiles pre-agreed with counterparties at trade inception, adjusted for bilateral counterparty credit risks.
- Quoted investments – by reference to stock exchange quoted market bid prices at the close of business at the end of the reporting period. For investments where there is no active market, fair value is determined using valuation techniques that are commonly used by market participants.
- Other long-term receivables – by discounting expected future cash flows at market incremental lending rate for similar types of lending at the end of the reporting period.
- Notes payable – by reference to stock exchange quoted market bid prices at the close of business at the end of the reporting period.
- Convertible bonds – by reference to stock exchange quoted market bid prices at the close of business at the end of the reporting period.
- Currency options – by reference to valuations provided by the Company’s counterparties.

20 Related Party Transactions

The balances due from related parties arose from the usual trade transactions.

Key Management Personnel Remuneration of the Group

The remuneration system applied to the Key Management Personnel (the Chief Executive Officer ("CEO") and Executive Vice Presidents ("EVPs")) is set out in the latest SIA annual report covering FY2022/23.

The following changes were made to the compensation schemes in 1H FY2023/24:

Performance Target Bonus ("PTB")

The PTB replaces the previous Profit Sharing Bonus ("PSB"), and rewards Senior Management for delivering on financial and operational objectives, as well as strategic development of the Group. The PTB is targeted at three times of monthly base salary of each Senior Management incumbent, and final payout is based on assessment of the Individual Performance Scorecard ("IPS") of each Senior Management incumbent. An IPS rating is subsequently used to modify the PTB payout within the range of 0 – 150%.

Value Creation Plan ("VCP")

The VCP (renamed from Value Creation Recovery Plan or "VCRP") is an interim incentive extended for a two-year period until the end of FY2024/25 subject to the Board's discretion to motivate Senior Management to maintain profitability of the Company. Under this plan, a percentage of positive Group Net Operating Profit After Taxes ("NOPAT") will be shared with the Senior Management subject to a funding cap.

21 Subsequent Events

On 2 June 2023, SIAEC announced that it entered into a Share Purchase agreement with JAMCO Corporation for the acquisition of additional 10% shareholding in JAMCO Aero Design & Engineering Private Limited ("JADE"). The consideration for the purchase of the additional 10% stake in JADE is approximately \$1.2 million. Following completion of the acquisition in October 2023, the Group's shareholdings in JADE increased from 45% to 55%, thereby obtaining control of JADE.

On 25 October 2023, the Company redeemed all of the S\$600 million 3.16% 5-year Fixed-Rate Notes ("Notes") upon its maturity. Following the redemption, the Notes have been cancelled in their entirety.

On 7 November 2023, the Company announced its intention to redeem 50% of the remaining MCBs that were issued in June 2021. The accreted principal amount payable, being 110.408% of the principal amount of the MCBs, will be \$1,710.4 million. This redemption will be carried out on a pro-rata basis, with the redemption amount to be paid to eligible bondholders on 26 December 2023.

OTHER INFORMATION FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

1 Audit

The financial statements have not been audited nor reviewed by our auditors.

2 Auditors' report

Not applicable.

3 Review of performance of the Group

GROUP FINANCIAL PERFORMANCE

First Half FY2023/24 – Profit and Loss

The SIA Group financial performance for the first half FY2023/24 is summarised as follows:

Group Financial Results	1 st Half FY2023/24 (\$ million)	1 st Half FY2022/23 (\$ million)	Better/ (Worse) (%)	2 nd Quarter FY2023/24 (\$ million)	1 st Quarter FY2023/24 (\$ million)	Better/ (Worse) (%)
Total Revenue	9,162	8,417	8.9	4,683	4,488	4.3
Total Expenditure	7,609	7,182	(5.9)	3,884	3,810	(1.9)
Net Fuel Cost	2,283	2,696	15.3	1,230	1,423	13.6
<i>Fuel Cost (before hedging)</i>	<i>2,527</i>	<i>3,113</i>	<i>18.8</i>	<i>1,373</i>	<i>1,638</i>	<i>16.2</i>
<i>Fuel Hedging Gain</i>	<i>(244)</i>	<i>(417)</i>	<i>(41.5)</i>	<i>(143)</i>	<i>(215)</i>	<i>(33.5)</i>
Non-fuel Expenditure	5,326	4,486	(18.7)	2,654	2,387	(11.2)
Operating Profit/(Loss)	1,554	1,234	25.9	799	678	17.8
Net Profit/(Loss)	1,441	927	55.4	707	557	26.9

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

The robust demand for air travel continued into the Northern Summer travel season, led by the rebound in passenger traffic to North Asia with the full reopening of China, Hong Kong SAR, Japan, and Taiwan. This resulted in record half-year operating and net profits for the SIA Group.

SIA and Scoot carried 17.4 million passengers in the first six months of FY2023/24, an increase of 52.3% year-on-year. Passenger traffic grew 38.0% from a year before, outpacing the capacity expansion of 29.0%. As a result, the Group passenger load factor (PLF) improved by 5.8 percentage points to 88.8%, the highest ever half yearly PLF. SIA and Scoot achieved record PLFs of 88.0% and 91.3% respectively.

The demand for air freight remained soft due to inventory overhang, as well as geopolitical and macroeconomic headwinds. The cargo load factor fell 8.4 percentage points to 52.7% year-on-year as cargo loads dipped 6.0%, while capacity grew 8.9% mainly due to increased passenger aircraft bellyhold space. Increased competition and softer demand also contributed to the downward pressure on cargo yields, which fell by 46.2% from a year before. Nevertheless, at 41.8 cents per load tonne-kilometre, cargo yields remained 37.0% above pre-pandemic levels¹.

¹ Based on cargo yield of 30.5 cents per load tonne-kilometre in FY2019/20.

3 Review of performance of the Group (continued)

GROUP FINANCIAL PERFORMANCE (CONTINUED)

First Half FY2023/24 – Profit and Loss (continued)

Group revenue rose \$745 million (+8.9%) to \$9,162 million, with the \$1,571 million (+26.3%) increase in passenger flown revenue to \$7,550 million partially offset by a \$1,039 million (-49.5%) decline in cargo flown revenue to \$1,060 million.

Expenditure increased by \$427 million (+5.9%) to \$7,609 million, with the rise in non-fuel expenditure of \$840 million (+18.7%) partially offset by a \$413 million decrease (-15.3%) in net fuel cost. Net fuel cost fell to \$2,283 million mainly due to a 29.2% decrease in fuel prices (-\$1,077 million), despite higher volume uplifted (+\$566 million) and lower fuel hedging gain (+\$173 million). The 18.7% increase in non-fuel expenditure was in-line with the 19.9% increase in overall passenger and cargo capacity.

Overall, the Group recorded an operating profit of \$1,554 million, \$320 million higher than a year before.

The Group posted a net profit of \$1,441 million, \$514 million more than the previous year (+55.4%), on the strong operating performance. The improvement in the bottom line was also aided by the net interest income versus net finance charges last year (+\$222 million) and share of profits versus share of losses of associated companies last year (+\$87 million), partially offset by a higher tax expense (-\$118 million).

Second Quarter FY2023/24 – Profit and Loss

The Group posted a record quarterly operating profit of \$799 million for the second quarter, an increase of \$121 million (+17.8%) from last year, on the back of the strong demand over the peak summer season.

Group revenue rose \$195 million (+4.3%) year-on-year to \$4,683 million. Passenger flown revenue increased by \$570 million (+17.3%) to \$3,873 million, lifted by the 28.9% growth in traffic. Group PLF increased 2.0 percentage points to 88.6%, as traffic growth outpaced the increase in capacity (+26.0%). Cargo flown revenue dipped 48.3% or \$484 million to \$519 million due to a decline in yield (-48.0%) on weaker demand, coupled with the reinstatement of industry bellyhold cargo capacity. Nonetheless, cargo yields – at 39.2 cents per load tonne-kilometre – were 28.5% above pre-Covid levels¹. Cargo loads remained flat year-on-year (-0.5%) while capacity increased 6.0%, resulting in a 3.5 percentage point drop in cargo load factor to 53.5%.

Group expenditure grew by \$74 million (+1.9%) year-on-year to \$3,884 million. This consisted of a \$267 million increase (+11.2%) in non-fuel expenditure that was partially offset by a \$193 million decrease (-13.6%) in net fuel cost. Net fuel cost fell to \$1,230 million, mainly due to a 25.2% drop in fuel prices (-\$478 million) that was partially offset by higher volume uplifted (+\$262 million) and a lower fuel hedging gain (+\$72 million). The increase in non-fuel expenditure was below the 17.0% increase in overall capacity including cargo.

The Group posted a second quarter net profit of \$707 million, an increase of \$150 million (+26.9%) from a year before. The improvement was mainly due to the better operating performance (+\$121 million), a net interest income versus net finance charges last year (+\$78 million), and a surplus on disposal of aircraft, spares, and spare engines (+\$22 million), and partially offset by higher tax expense (-\$56 million).

3 Review of performance of the Group (continued)

BALANCE SHEET REVIEW **(September 2023 vs March 2023)**

Equity attributable to owners of the company decreased by \$2,525 million (-12.7%) to \$17,333 million as at 30 September 2023 largely due to the following:

- redemption of MCBs (-\$3,354 million);
- payment of FY2022/23 final dividend (-\$833 million);
- net profit attributable to owners of the company for the financial period (+\$1,441 million); and
- increase in fair value gains (+\$196 million) which arose mainly from fuel hedges with the rise in average forward fuel prices.

Total Group assets decreased by \$2,443 million (-5.0%) to \$46,658 million. The decrease was mainly attributable to a decrease in cash and bank balances (-\$2,838 million), right-of-use assets (-\$305 million), property, plant and equipment (-\$151 million), partially offset by an increase in derivative assets (+\$478 million) and trade debtors (+\$217 million). The reduction in cash and bank balances arose primarily due the redemption of MCBs (-\$3,354 million), payment of FY2022/23 final dividend (-\$833 million), capital expenditure (-\$648 million), net repayment of borrowings (-\$551 million), lease payments (-\$369 million), partially offset by net cash generated from operations (+\$2,561 million) and interest received from investments and deposits (+\$362 million).

Total Group liabilities increased by \$73 million (+0.3%) to \$28,924 million, primarily arising from the increase in sales in advance of carriage (+\$292 million), deferred taxes (+\$290 million), derivative liabilities (+\$261 million), partially offset by a decrease in borrowings (-\$525 million), lease liabilities (-\$152 million) and trade and other creditors (-\$69 million).

Net Asset Value

	The Group		The Company	
	30 September 2023	31 March 2023	30 September 2023	31 March 2023
Net asset value per ordinary share (\$)	5.83	6.68	6.24	7.11

4 Whether a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

5 A commentary at the date of announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

OUTLOOK

While the demand for air travel is expected to remain healthy leading up to the end of the financial year, significant capacity restoration across the industry, especially in the Asia-Pacific region, could put pressure on passenger yields. The Group will closely monitor market conditions and adjust its operations as necessary.

The demand for air freight is expected to remain soft in the traditional peak third quarter of FY2023/24, dampened by excess inventories, geopolitical tensions, and macroeconomic headwinds. Bellyhold cargo capacity will increase with the resumption of more passenger flights, putting downward pressure on cargo yields.

Heightened geopolitical risks and macroeconomic uncertainties continue to pose challenges for the airline industry. High fuel prices due to supply risks in the oil market, and inflationary pressures on non-fuel costs are key concerns. The Group has built strong foundations through its two Transformation programmes. It will continue to leverage the strength of its portfolio of airlines, and deploy the right vehicles to the right markets, with growing connectivity between the SIA and Scoot networks. The Group will also continue to invest in industry-leading products and services and seize revenue and growth opportunities, while maintaining cost discipline.

6 Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	10 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	10 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

(c) Date payable

The interim dividend will be paid on 22 December 2023.

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT the Transfer Books and the Register of Members of the Company will be closed on 8 December 2023 for the preparation of dividend warrants. Duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Share Registrar, M&C Services Private Limited, 112 Robinson Road, #05-01 Singapore 068902 up to 5:00 p.m. (Singapore time) on 7 December 2023 will be registered to determine shareholders' entitlements to the interim dividend.

Shareholders (being depositors) whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with ordinary shares in the capital of the Company as at 5:00 p.m. (Singapore time) on 7 December 2023 will be entitled to the interim dividend. Payment of the interim dividend will be made on 22 December 2023.

7 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

8 Interested Person Transactions

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the first half of the Financial Year 2023/24 are as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
		(S\$)	(S\$)
CapitaLand Investment Limited Group	#		
- Ascendas Hotel Investment Company Pty Limited		-	351,878
- Ascott International Management Japan Company Limited		-	395,629
Gategroup Holding AG Group	#		
- Gate Gourmet Amsterdam B.V.		-	2,064,861
- Gate Gourmet Denmark APS		-	3,035,221
- Gate Gourmet Services Pty Ltd		-	9,983,946
- Gate Gourmet Spain S.L.		-	285,964
- Gate Gourmet Switzerland GmbH		-	4,032,788
- Gategroup Trading Hong Kong Ltd		-	1,475,838
- ServAir SA		-	3,863,633
KrisShop Pte Ltd	#	25,500,000 *	3,740,779
SATS Ltd Group	#		
- Air India SATS Airport Services Private Limited		-	3,672,010
- Asia Airfreight Terminal Co Ltd		-	1,310,411
- FCS Frankfurt Cargo Services GmbH		-	899,280
- France Handling S.A.S.U.		-	779,235
- MacroAsia Catering Services Inc.		-	1,859,702
- Mumbai Cargo Service Centre Airport Private Limited		-	732,421
- PT Jas Aero-Engineering Services		-	2,285,438
- PT Jasa Angkasa Semesta Tbk		-	5,472,764
- SATS Aero Laundry Pte. Ltd.		-	6,723,356
- SATS HK Limited		-	5,621,233
- SATS Ltd		-	273,482,824
- SATS Security Services Private Limited		-	15,431,319
- Taj SATS Air Catering Limited		-	2,830,287
- TFK Corporation		-	2,343,216
- Worldwide Flight Services Belgium NV		-	1,254,828
- Worldwide Flight Services Denmark A/S		-	433,683
- Worldwide Flight Services Fueling (Hong Kong) Limited		-	139,380
- Worldwide Flight Services Limited		-	192,253
- Worldwide Flight Services, Inc		-	1,217,507
SembCorp Industries Ltd Group	#		
- Sembcorp Solar Singapore Pte Ltd		-	180,284

* The aggregate amount of SGD25.5 million consists of (i) conversion of SGD10.5 million shareholder loan due to SIA into equity and the issuance of new 10.5 million shares to SIA; and (ii) subscription of new 15 million ordinary shares in the share capital of KrisShop.

An associate of the Company's controlling shareholder

8 Interested Person Transactions (continued)

Name of Interested Person	Nature of Relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
		(S\$)	(S\$)
Singapore Power Limited Group	#		
- SP PowerGrid Limited		-	140,000
- SP Services Limited		-	408,140
Singapore Telecommunications Limited	#	-	547,085
StarHub Ltd Group	#		
- Ensign InfoSecurity (SmartTech) Pte Ltd		-	542,682
- StarHub Ltd		-	408,510
Temasek Holdings (Private) Limited and Associates	#		
- BDP Asia Pacific Pte Ltd		-	157,413
- Certis CISCO Aviation Security Pte. Ltd.		-	499,390
- Constellar Venues Pte. Ltd.		-	147,920
- Cuscaden Peak Investments Private Limited		-	148,750
- Dreamcloud Pte. Ltd.		-	143,000
- SMM Pte Ltd		-	4,250,419
- Sydney Night Patrol & Inquiry Co Pty Ltd		-	225,156
- Sygnia Pte Ltd		-	550,900
- Temus Pte Ltd		-	120,000
- UST Global (Singapore) Pte. Limited		-	289,536
Total Interested Person Transactions		25,500,000	364,670,869

An associate of the Company's controlling shareholder

9 Confirmation that the Issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

By Order of the Board

Brenton Wu
Company Secretary
7 November 2023

Singapore Company Registration No.: 197200078R

CONFIRMATION BY THE BOARD

We, Peter Seah Lim Huat and Goh Choon Phong, being two directors of Singapore Airlines Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the half year ended 30 September 2023 financial results to be false or misleading in any material respect.

On behalf of the Board,

PETER SEAH LIM HUAT
Chairman

GOH CHOON PHONG
Chief Executive Officer

7 November 2023