

## CHANGI AIRPORT GROUP RETURNS TO PROFITABILITY

The following table summarises the consolidated financial information of Changi Airport Group (Singapore) Pte. Ltd. (“CAG” or the “Company”) and its subsidiaries (the “Group”) for the year ended 31 March 2023 (FY2022/23).

| (S\$'million)                                               | FY2022/23            | FY2021/22            | Change (%)        |
|-------------------------------------------------------------|----------------------|----------------------|-------------------|
| <b>Profit and Loss Statement (P&amp;L)</b>                  |                      |                      |                   |
| Total revenue                                               | 1,883                | 944                  | 99%               |
| Total expenses<br>(including depreciation and amortisation) | (1,856)              | (1,526)              | 22%               |
| EBITDA                                                      | 751                  | 232                  | 224%              |
| Profit/(loss) attributable to shareholder of the Company    | 33                   | (838)                | n.m.              |
|                                                             |                      |                      |                   |
| <b>Financial Position</b>                                   | <b>31 March 2023</b> | <b>31 March 2022</b> | <b>Change (%)</b> |
| Assets                                                      | 13,313               | 12,750               | 4%                |
| Liabilities                                                 | 7,170                | 6,628                | 8%                |
| Cash and marketable securities                              | 2,062                | 1,888                | 9%                |
| Loans and borrowings                                        | 1,972                | 2,016                | -2%               |
| Equity attributable to shareholder of the Company           | 6,259                | 6,218                | 1%                |

### Group Operating Revenue

Following the relaxation of Singapore’s border restrictions in April 2022, passenger traffic through Changi Airport rose steadily to reach 82% of pre-Covid levels by March 2023. For the whole of FY2022/23, passenger movements saw an eightfold increase year-on-year (yoy) to 42.6 million, or 62% of pre-Covid levels, while air traffic movements doubled yoy to 257,000, or 67% of pre-Covid levels, supporting the partial recovery in revenues from airport services and airport concessions. At Jewel, with the resumption of international travel, footfall more than doubled, while the mall was close to approaching full occupancy. Overall, revenue for the Group doubled to S\$1.9 billion (FY2021/22: S\$0.9 billion).

### Group Operating Expenses

Excluding depreciation and amortisation charges of S\$0.7 billion, the Group incurred operating expenses (Opex) of S\$1.2 billion in FY2022/23 (FY2021/22: S\$0.8 billion), an increase of 42% yoy.

The Group reopened the revamped southern wing of Terminal 2 and Terminal 4 of Changi Airport to provide additional capacity for the travel recovery. Core operating, maintenance and manpower costs rose in tandem with increased level of business activities, while energy prices surged more than three times during the year, driving up electricity costs. Covid-related government support was also progressively scaled down with traffic recovery. To address the escalation in its cost structure, the Group continues to leverage technology and innovation to drive productivity and efficiency in its operations.

### EBITDA and Net Profit

With recovery in Changi Airport's passenger traffic, the Group's EBITDA grew to S\$751 million in FY2022/23 (FY2021/22: S\$232 million) and returned to profitability with a net profit attributable to the shareholder of the Company of S\$33 million (FY2021/22: net loss of S\$838 million).

### Financial Position

As at 31 March 2023, total equity attributable to the shareholder of the Company was S\$6.3 billion (FY2021/22: S\$6.2 billion). The liquidity position of the Group remained healthy with cash and marketable securities totalling S\$2.1 billion (FY2021/22: S\$1.9 billion).

## **Remarks by the Chairman and CEO**

Mr Tan Gee Paw, Chairman of CAG, said: “2022 was a significant year of recovery for the aviation industry and Changi Airport. With the reopening of borders in Singapore and around the world, global travel has witnessed a strong rebound. CAG prepared well for this and we successfully ramped up operations to meet the increase in passenger numbers. With the planned reopening of Terminal 2 North, we will have four fully operating terminals by October 2023.”

“Today, not only has Changi maintained its position as the leading air hub in the region, we continue to be recognised for delivering the best airport experience for our passengers. This would not have been possible without the solidarity of all our partners and staff. We are therefore deeply appreciative of the support and collaboration from everyone in our airport community.”

Mr Lee Seow Hiang, CEO of CAG, said: “To cater to the surge in travel demand last year, we worked hard to reopen our terminals in a timely manner and carried out a fundamental and crucial rebalancing of airlines across our four terminals to optimise Changi Airport’s operations. Amid stiff challenges to secure the necessary manpower resources, we stayed agile and focused on driving transformation to strengthen our operational capabilities and keep our service levels high.”

“Leveraging the current growth momentum, we are optimistic that passenger traffic can reach pre-Covid levels by 2024. However, as we approach a return to normalcy, we are cognisant of new frictions and hurdles that can hamper growth. These include aircraft availability and long-term changes to travelling behaviour. For these reasons, we remain vigilant and will continue to pave the way forward with our emphasis on sustainable travel and building for the future through innovation.”

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**1 June 2023**

**CHANGI AIRPORT GROUP (SINGAPORE) PTE. LTD.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED INCOME STATEMENT**

*For the financial year ended 31 March 2023*

|                                                                | <b>Group</b>       |               |
|----------------------------------------------------------------|--------------------|---------------|
|                                                                | <b>2023</b>        | <b>2022</b>   |
|                                                                | <b>\$'000</b>      | <b>\$'000</b> |
| Revenue                                                        | <b>1,882,523</b>   | 944,140       |
| Expenses                                                       |                    |               |
| - Depreciation and amortisation                                | <b>(704,058)</b>   | (715,784)     |
| - Maintenance of land, buildings and equipment                 | <b>(395,531)</b>   | (210,779)     |
| - Services and security related expenses                       | <b>(200,811)</b>   | (156,093)     |
| - Employee compensation                                        | <b>(293,809)</b>   | (234,914)     |
| - CAAS services and licence fees                               | <b>(114,984)</b>   | (5,846)       |
| - Property tax                                                 | <b>(47,283)</b>    | (26,296)      |
| - Other operating expenses                                     | <b>(99,927)</b>    | (176,142)     |
| Total expenses                                                 | <b>(1,856,403)</b> | (1,525,854)   |
| <b>Operating profit/(loss)</b>                                 | <b>26,120</b>      | (581,714)     |
| Finance expenses                                               | <b>(72,361)</b>    | (259,107)     |
| Other income and losses - net                                  | <b>118,064</b>     | (175,935)     |
| Share of results of associated companies<br>and joint ventures | <b>(43,148)</b>    | 21,515        |
| <b>Profit/(loss) before tax</b>                                | <b>28,675</b>      | (995,241)     |
| Income tax (expense)/credit                                    | <b>(19,419)</b>    | 48,112        |
| <b>Profit/(loss) after tax</b>                                 | <b>9,256</b>       | (947,129)     |
| <b>Profit/(loss) after tax attributable to:</b>                |                    |               |
| Equity holder of the Company                                   | <b>32,630</b>      | (837,626)     |
| Non-controlling interests                                      | <b>(23,374)</b>    | (109,503)     |
|                                                                | <b>9,256</b>       | (947,129)     |

**CHANGI AIRPORT GROUP (SINGAPORE) PTE. LTD.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET**

*As at 31 March 2023*

|                                         | <b>Group</b>                        |                                     |
|-----------------------------------------|-------------------------------------|-------------------------------------|
|                                         | <b>31 March<br/>2023<br/>\$'000</b> | <b>31 March<br/>2022<br/>\$'000</b> |
| <b>ASSETS</b>                           |                                     |                                     |
| <b>Current assets</b>                   |                                     |                                     |
| Cash and cash equivalents               | 1,594,954                           | 1,350,855                           |
| Trade and other receivables             | 275,166                             | 195,060                             |
| Other current assets                    | 88,315                              | 195,428                             |
| Other investments                       | 466,833                             | 537,245                             |
| Inventories                             | 8,267                               | 9,942                               |
|                                         | <b>2,433,535</b>                    | <b>2,288,530</b>                    |
| <b>Non-current assets</b>               |                                     |                                     |
| Other non-current assets                | 53,664                              | 58,049                              |
| Property, plant and equipment           | 8,494,751                           | 8,033,935                           |
| Intangible assets                       | 6,772                               | 5,228                               |
| Right-of-use assets                     | 979,906                             | 1,030,960                           |
| Associated companies and joint ventures | 22,250                              | 27,297                              |
| Investment property                     | 1,217,843                           | 1,269,984                           |
| Other investments                       | 67,102                              | 17,937                              |
| Derivatives                             | 13,592                              | 4,981                               |
| Deferred tax assets                     | 23,950                              | 13,305                              |
|                                         | <b>10,879,830</b>                   | <b>10,461,676</b>                   |
| <b>Total assets</b>                     | <b>13,313,365</b>                   | <b>12,750,206</b>                   |
| <b>LIABILITIES</b>                      |                                     |                                     |
| <b>Current liabilities</b>              |                                     |                                     |
| Trade and other payables                | 900,108                             | 805,448                             |
| Lease liabilities                       | 76,378                              | 76,940                              |
| Derivatives                             | 227                                 | -                                   |
| Deferred income                         | 75,444                              | 79,624                              |
| Current tax liabilities                 | 26,160                              | 62,695                              |
|                                         | <b>1,078,317</b>                    | <b>1,024,707</b>                    |
| <b>Non-current liabilities</b>          |                                     |                                     |
| Trade and other payables                | 183,146                             | 182,720                             |
| Loans and borrowings                    | 1,971,824                           | 2,016,313                           |
| Lease liabilities                       | 972,300                             | 1,007,670                           |
| Derivatives                             | 100,000                             | 100,000                             |
| Deferred income                         | 2,774,009                           | 2,265,297                           |
| Deferred tax liabilities                | 90,792                              | 31,618                              |
|                                         | <b>6,092,071</b>                    | <b>5,603,618</b>                    |
| <b>Total liabilities</b>                | <b>7,170,388</b>                    | <b>6,628,325</b>                    |
| <b>NET ASSETS</b>                       | <b>6,142,977</b>                    | <b>6,121,881</b>                    |
| <b>EQUITY</b>                           |                                     |                                     |
| Share capital and reserves              | 3,820,758                           | 3,811,576                           |
| Retained profits                        | 2,438,232                           | 2,406,446                           |
|                                         | <b>6,258,990</b>                    | <b>6,218,022</b>                    |
| Non-controlling interests               | (116,013)                           | (96,141)                            |
| <b>Total equity</b>                     | <b>6,142,977</b>                    | <b>6,121,881</b>                    |