



# **SIA Group Analyst/Media Briefing**

**FY22/23 Full Year Results  
(Ended 31 March 2023)**

**17 May 2023**

PRESENTATION BY:

**Executive Vice President  
Finance & Strategy**

**Mr. Tan Kai Ping**



# Group Financial Results

## Key Takeaways

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### **FY22/23**

#### **Record operating profit of \$2,692.1 million, a reversal of \$3,301.8 million from last year**

- Passenger revenue rose \$10,559.7 million on the back of record PLF and RASK
- Cargo revenue fell \$735.6 million with lower loads and yields as demand for air freight declined
- Fuel cost increased on higher fuel prices and volumes uplifted

#### **Net profit of \$2,156.8 million, a \$3,118.8 million swing from the net loss of \$962.0 million last year**

- Better operating performance, lower net finance charges (+\$338.4 million), and partially offset by tax expense against credit last year (-\$615.4 million)

#### **Robust near term forward passenger sales across all cabin classes**

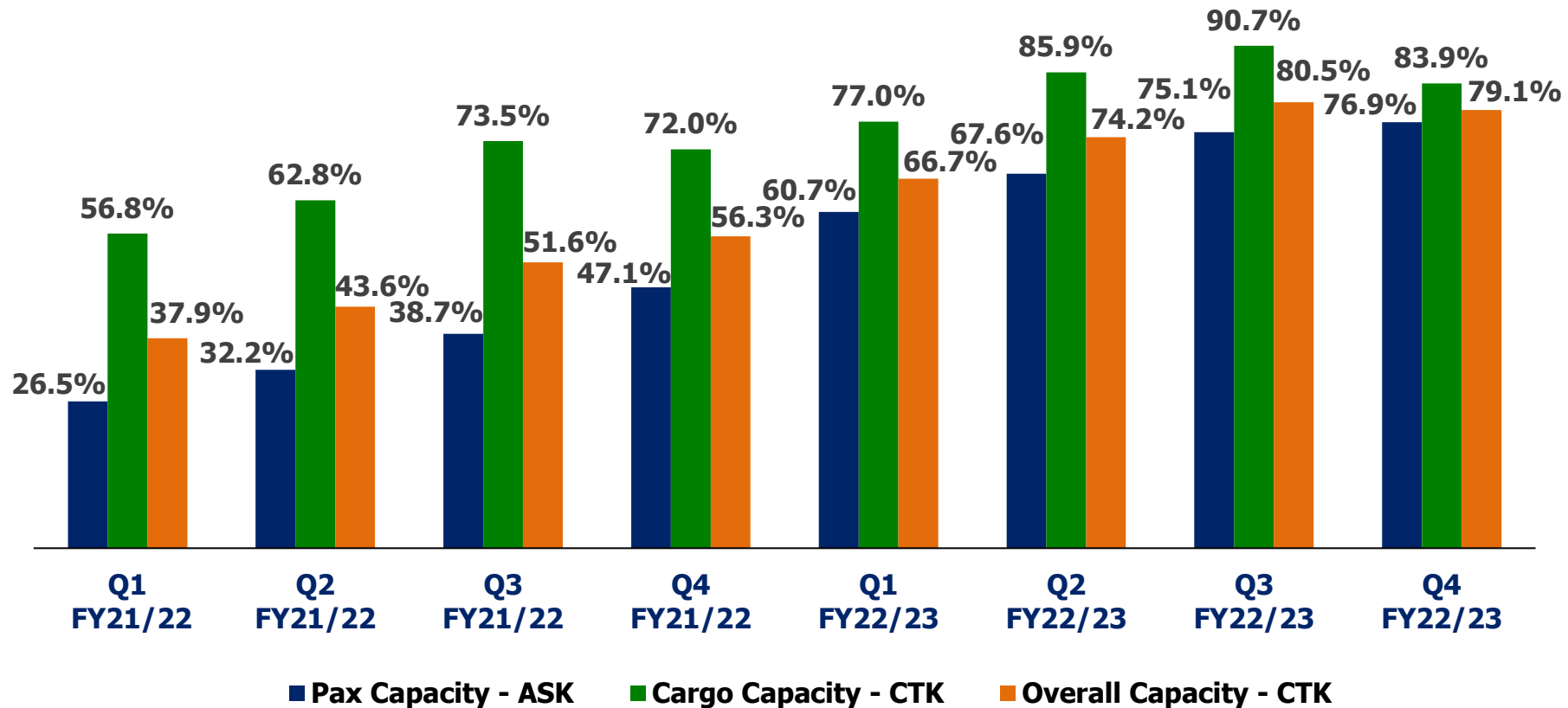
#### **Airline industry continues to navigate geopolitical and economic uncertainties, high cost inflation, and increasing global passenger capacity**

#### **Proposed final dividend of 28 cents per share**

# Group Operating Statistics

The Group's passenger capacity reached 79% of pre-Covid levels in March 2023

Percentage vs pre-Covid (January 2020)



**ASK**  
**Q4 QoQ**  
**+2.4%**  
**2H vs 1H**  
**+18.5%**  
**FY22/23 YoY**  
**+94.0%**

**Overall CTK**  
**Q4 QoQ**  
**-1.7%**  
**2H vs 1H**  
**+13.3%**  
**FY22/23 YoY**  
**+58.7%**

# Group Financial Results

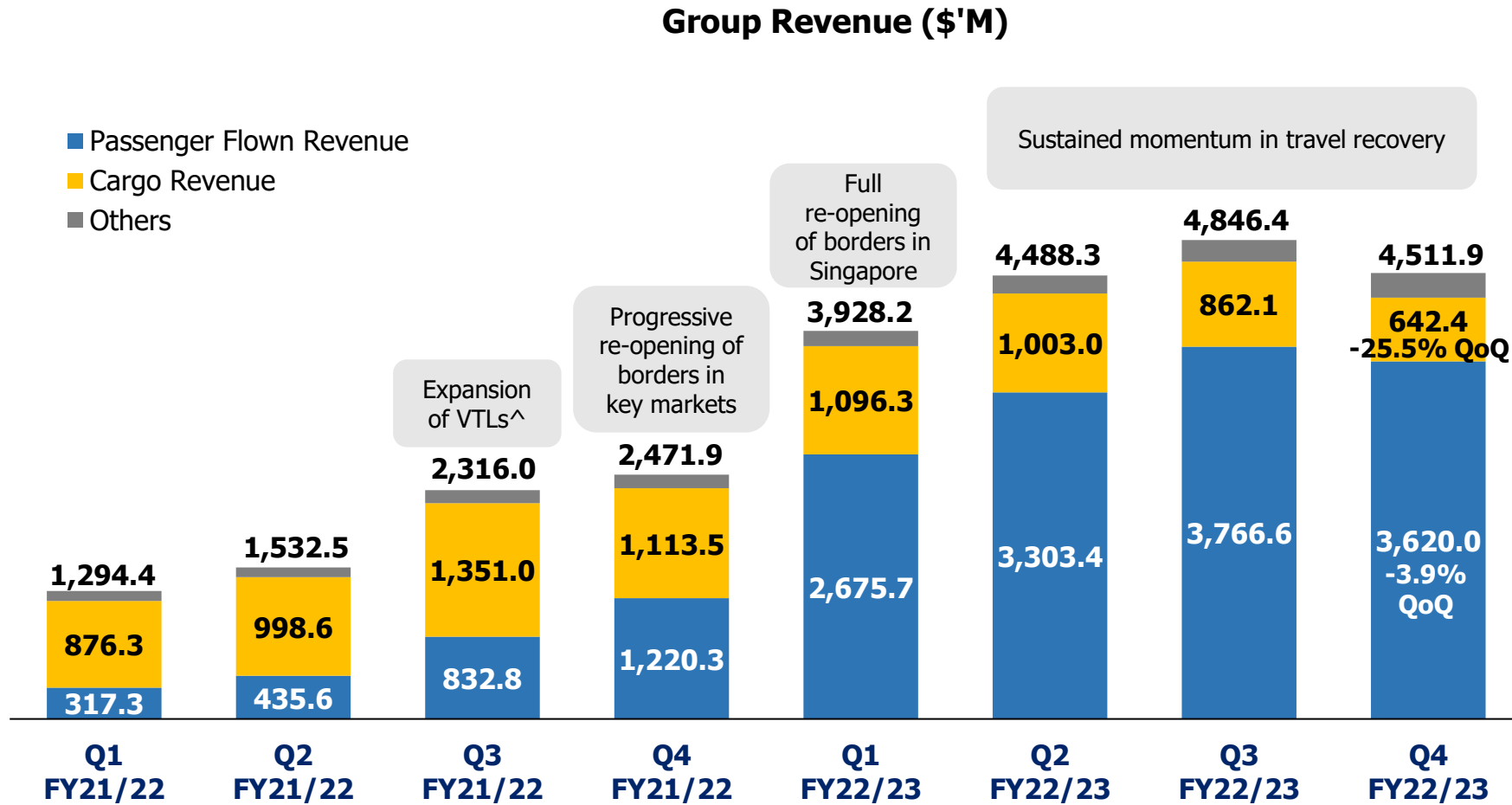
	FY22/23 (\$'M)	FY21/22 (\$'M)	Better/ (Worse) (\$'M)	Better/ (Worse) (%)	2H FY22/23 (\$'M)	1H FY22/23 (\$'M)	Better/ (Worse) (\$'M)	Better/ (Worse) (%)
<b>Total Revenue</b>	<b>17,774.8</b>	<b>7,614.8</b>	<b>10,160.0</b>	<b>133.4</b>	<b>9,358.3</b>	<b>8,416.5</b>	<b>941.8</b>	<b>11.2</b>
<b>Total Expenditure</b>	<b>15,082.7</b>	<b>8,224.5</b>	<b>(6,858.2)</b>	<b>(83.4)</b>	<b>7,900.6</b>	<b>7,182.1</b>	<b>(718.5)</b>	<b>(10.0)</b>
-- Net fuel cost	5,209.4	2,189.3	(3,020.1)	(137.9)	2,513.5	2,695.9	182.4	6.8
<i>Fuel cost (before hedging)</i>	<i>5,958.3</i>	<i>2,408.5</i>	<i>(3,549.8)</i>	<i>(147.4)</i>	<i>2,845.1</i>	<i>3,113.2</i>	<i>268.1</i>	<i>8.6</i>
<i>Fuel hedging gain</i>	<i>(748.9)</i>	<i>(219.2)</i>	<i>529.7</i>	<i>n.m.</i>	<i>(331.6)</i>	<i>(417.3)</i>	<i>(85.7)</i>	<i>(20.5)</i>
-- Fair value gain on fuel derivatives	(0.5)	(78.2)	(77.7)	(99.4)	-	(0.5)	(0.5)	(100.0)
-- Non-fuel expenditure	9,873.8	6,113.4	(3,760.4)	(61.5)	5,387.1	4,486.7	(900.4)	(20.1)
<b>Operating Profit/(Loss)</b>	<b>2,692.1</b>	<b>(609.7)</b>	<b>3,301.8</b>	<b>n.m.</b>	<b>1,457.7</b>	<b>1,234.4</b>	<b>223.3</b>	<b>18.1</b>
<b>Net Profit/(Loss)</b>	<b>2,156.8</b>	<b>(962.0)</b>	<b>3,118.8</b>	<b>n.m.</b>	<b>1,229.9</b>	<b>926.9</b>	<b>303.0</b>	<b>32.7</b>

Slide 5

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# Group Revenue

FY22/23: Pax flown revenue rebounded to record high; cargo revenue moderated, albeit 83% above pre-Covid levels



**QoQ**  
**\$334.5M**  
 (-6.9%)

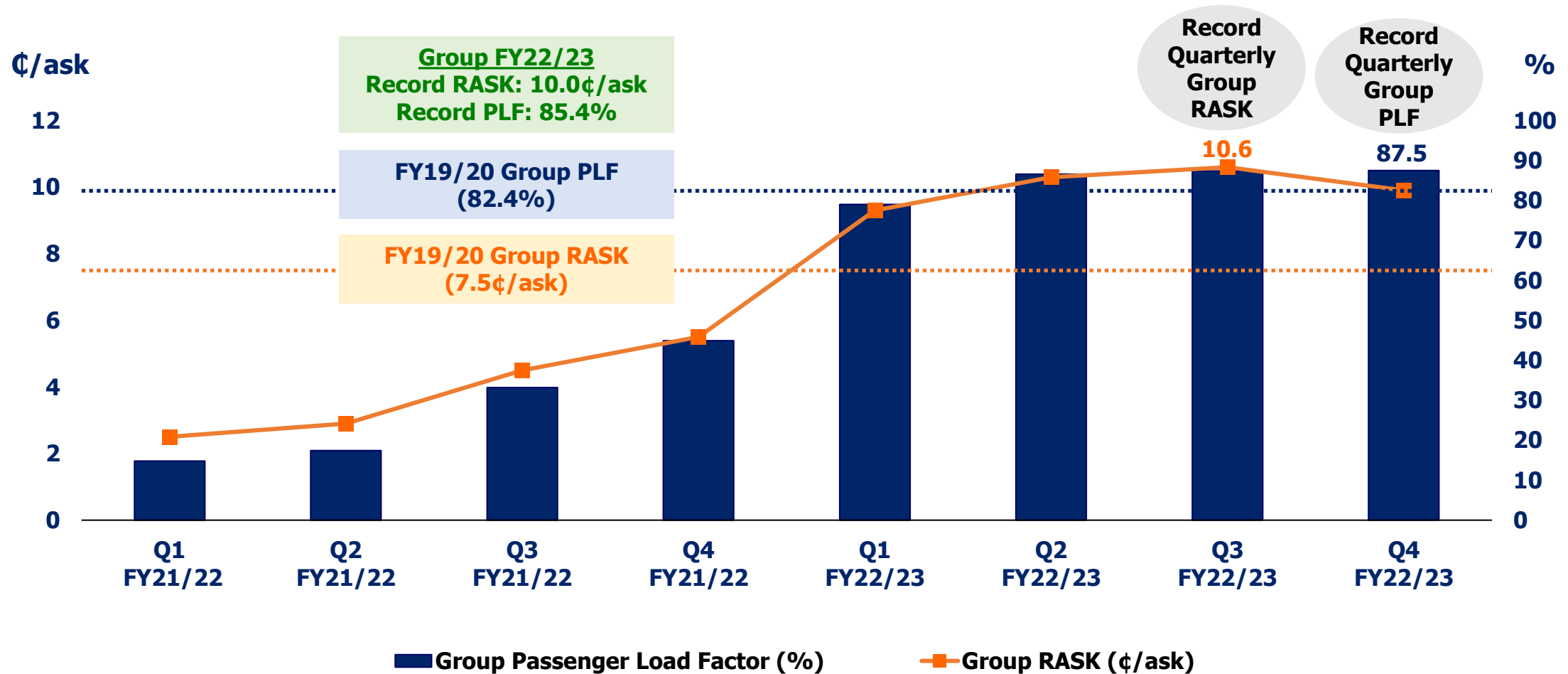
**2H vs 1H**  
**\$941.8M**  
 (+11.2%)

**FY22/23**  
**\$17,774.8M**  
**YoY**  
**\$10,160.0M**  
 (+133.4%)

^ VTLs refers to Vaccinated Travel Lanes. Singapore launched its first VTL arrangement in September 2021.

# Group Operating Statistics - Passenger

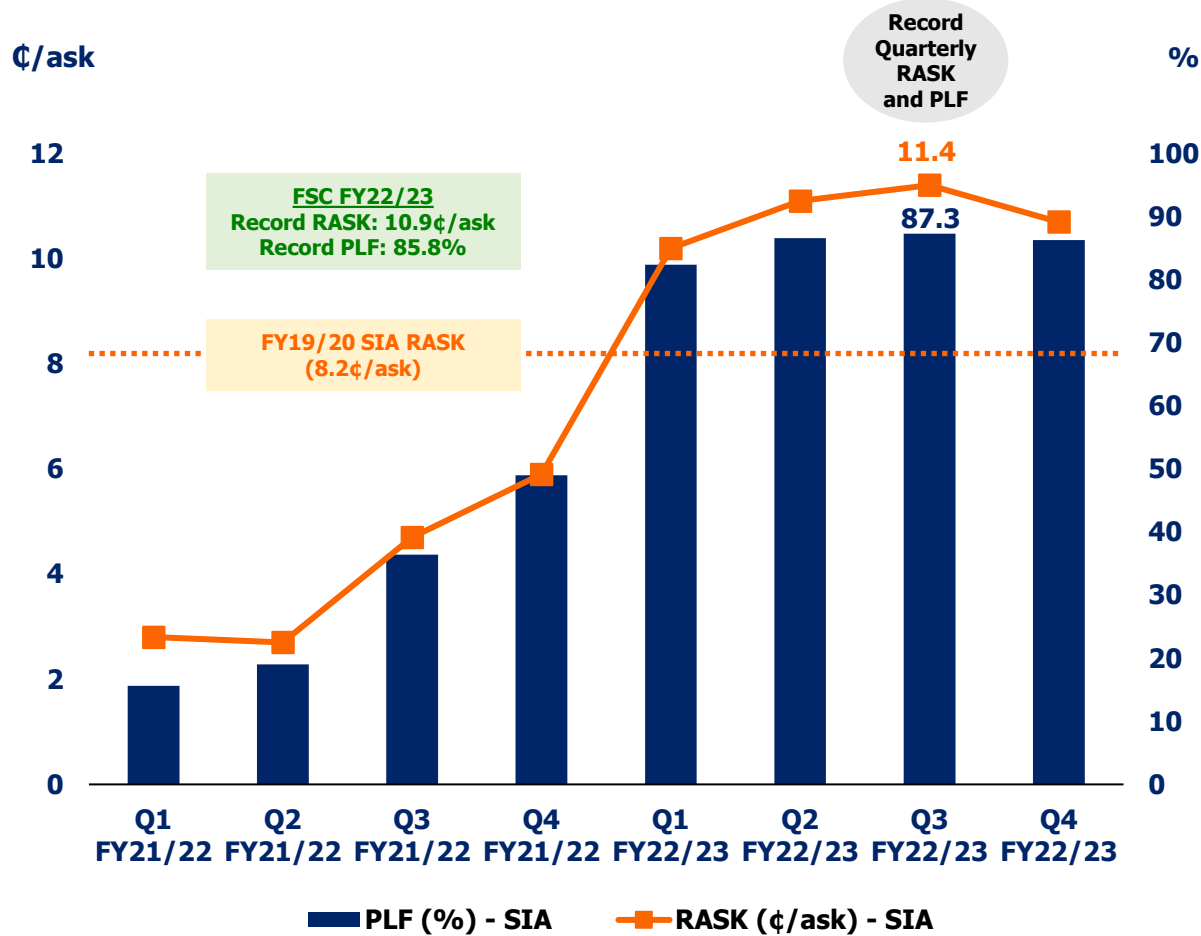
FY22/23: Strong rebound in passenger demand with record RASK and PLF



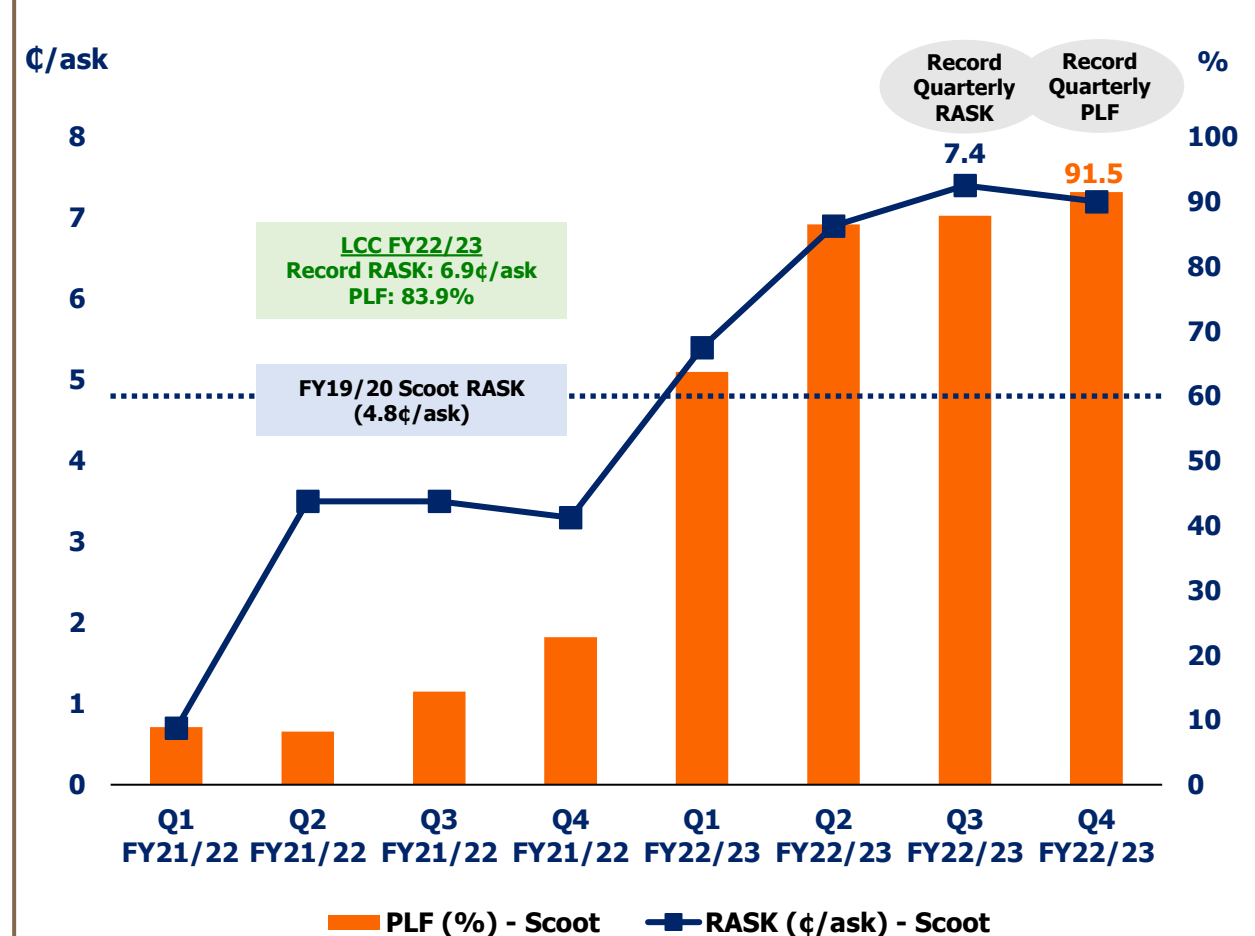
# SIA and Scoot Operating Statistics - Passenger

FY22/23: Strong recovery for both airlines. Record RASK and PLF for FSC; Record RASK and elevated PLF for LCC

### FSC: SIA Operating Statistics



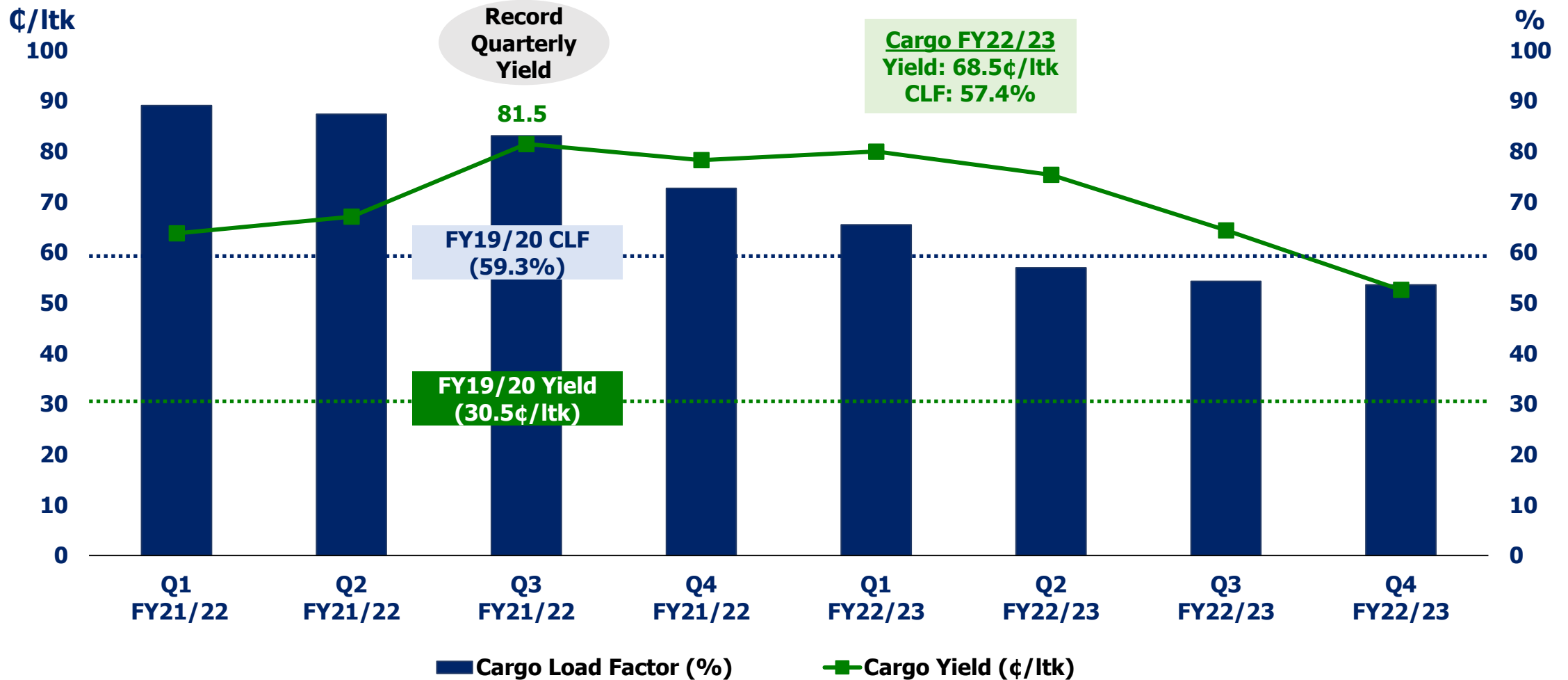
### LCC: Scoot Operating Statistics





# Group Operating Statistics - Cargo

FY22/23: Weaker performance as demand softened while bellyhold capacity increased; cargo yields remain elevated

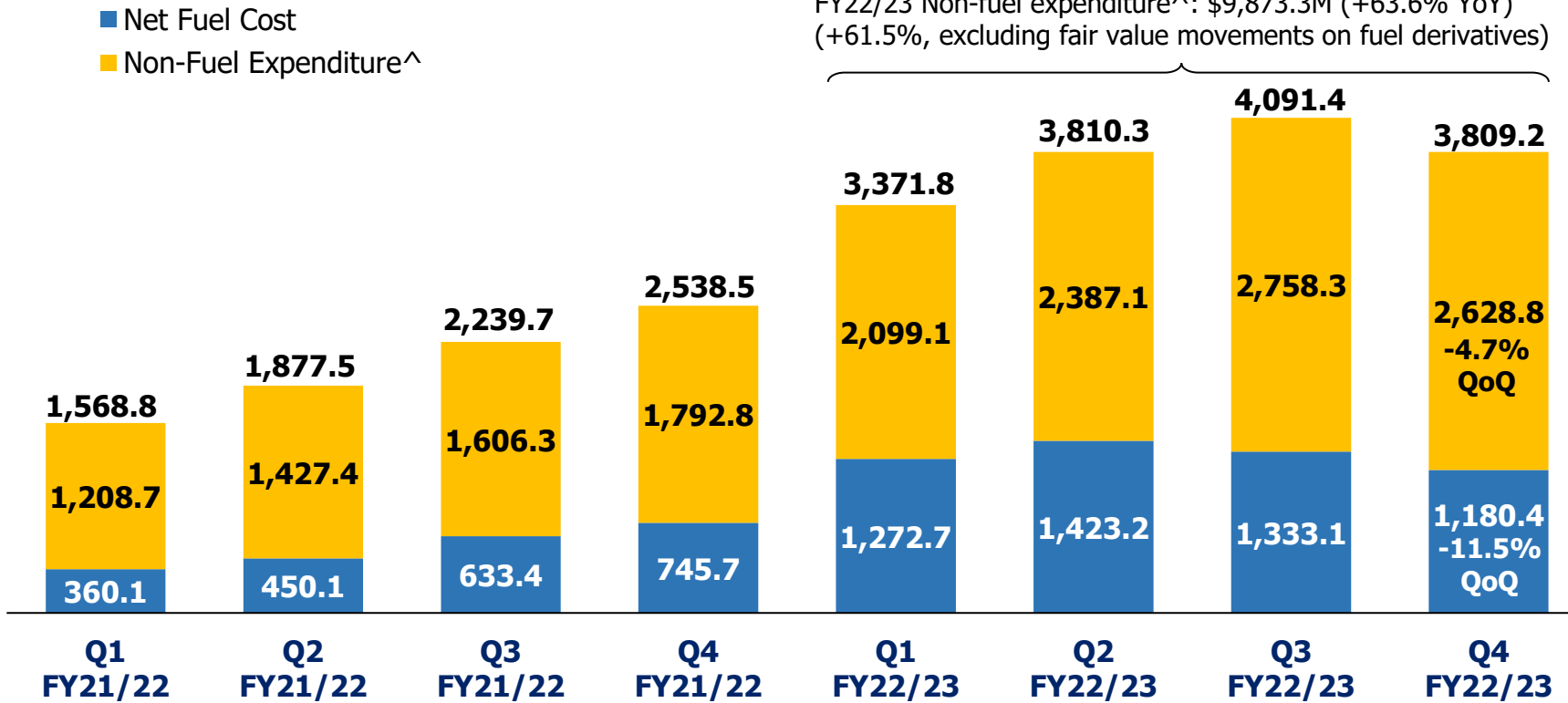


# Group Expenditure

FY22/23: Group expenditure increased 83.4% YoY on expansion of operations

## Group Expenditure (\$'M)

FY22/23 Net fuel cost : \$5,209.4M (+137.9% YoY)  
 FY22/23 Non-fuel expenditure^: \$9,873.3M (+63.6% YoY)  
 (+61.5%, excluding fair value movements on fuel derivatives)



**QoQ**  
**\$282.2M**  
 (-6.9%)

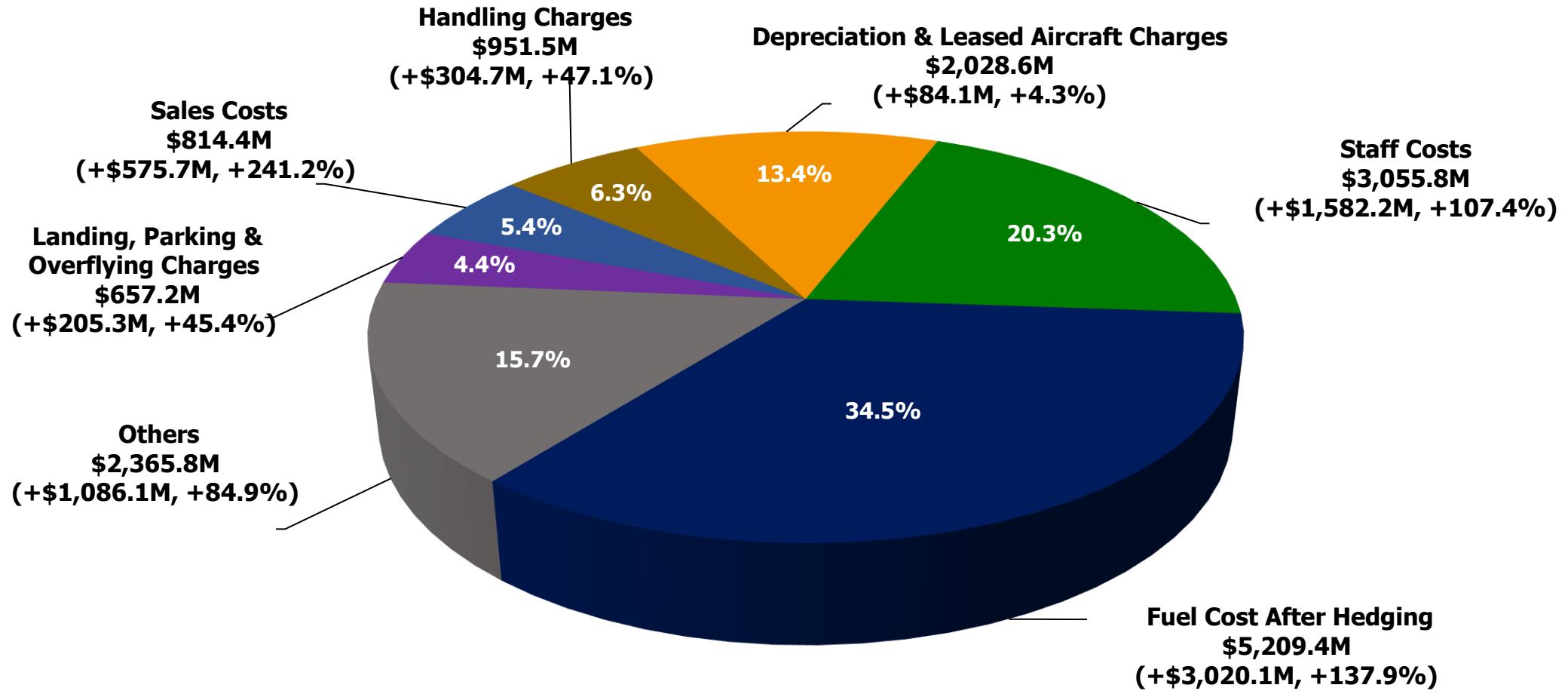
**2H vs 1H**  
**\$718.5M**  
 (+10.0%)

**FY22/23**  
**\$15,082.7M**  
**YoY**  
**\$6,858.2M**  
 (+83.4%)

^includes fair value movements on fuel derivatives

# Group Expenditure

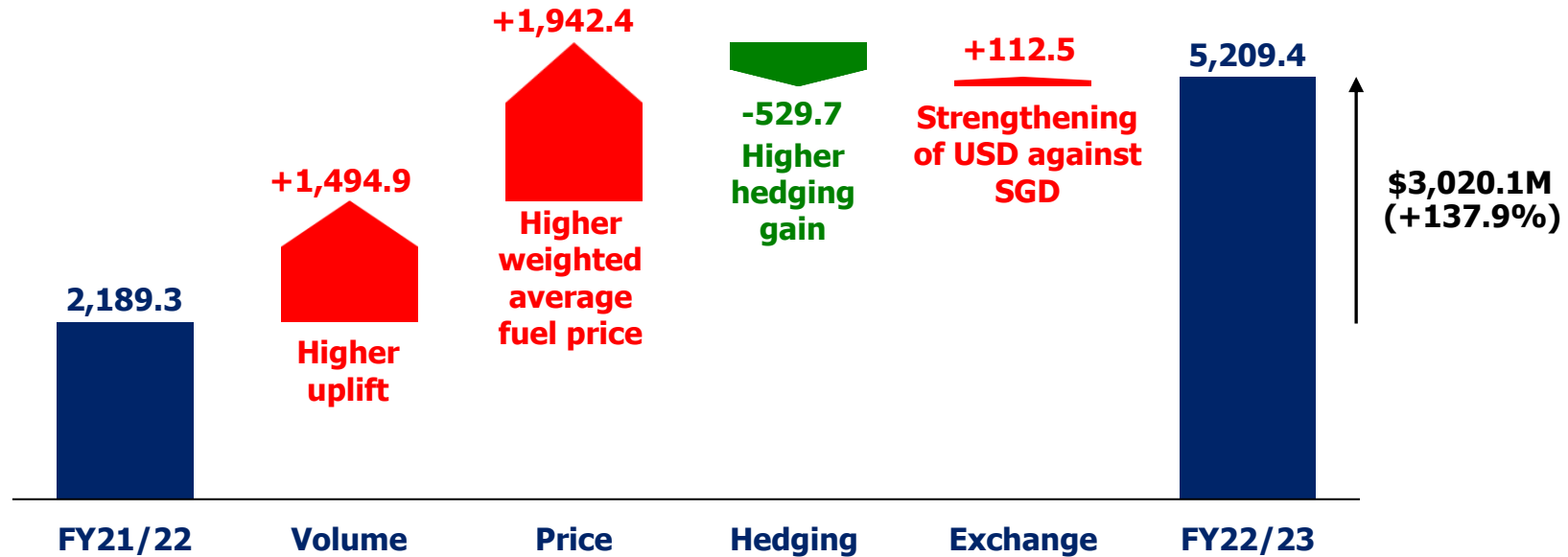
FY22/23: Group expenditure increased 83.4% YoY on expansion of operations



# Net Fuel Cost and Fuel Hedging

YoY increase driven by a 49.6% increase in fuel prices and higher uplift, partially offset by higher hedging gains

Group Fuel Cost Analysis (\$'M)



USD/BBL	FY22/23	FY21/22
Fuel price (before hedging)	135.10	90.31
Fuel price (after hedging)	118.16	82.11

## Fuel Hedging Status

Group has hedges in place up to Q3 FY24/25, with additional gains locked in from closed-out trades

Fuel Hedging Position (as at 5 May 2023)	Percentage Hedged (%)		Average Hedged Price (USD/BBL)	
	Brent	MOPS	Brent	MOPS
Q1 FY23/24 <sup>^</sup>	40	-	60	-
Q2 - Q4 FY23/24	10	29	79	93
Q1 - Q3 FY24/25	10	2	75	88

<sup>^</sup> These hedges were contracted prior to Covid-19 as part of the Group's long-term fuel hedging programme

	Gains from Closed-out Trades (USD'M) <sup>^^</sup>
FY23/24	66
FY24/25	44

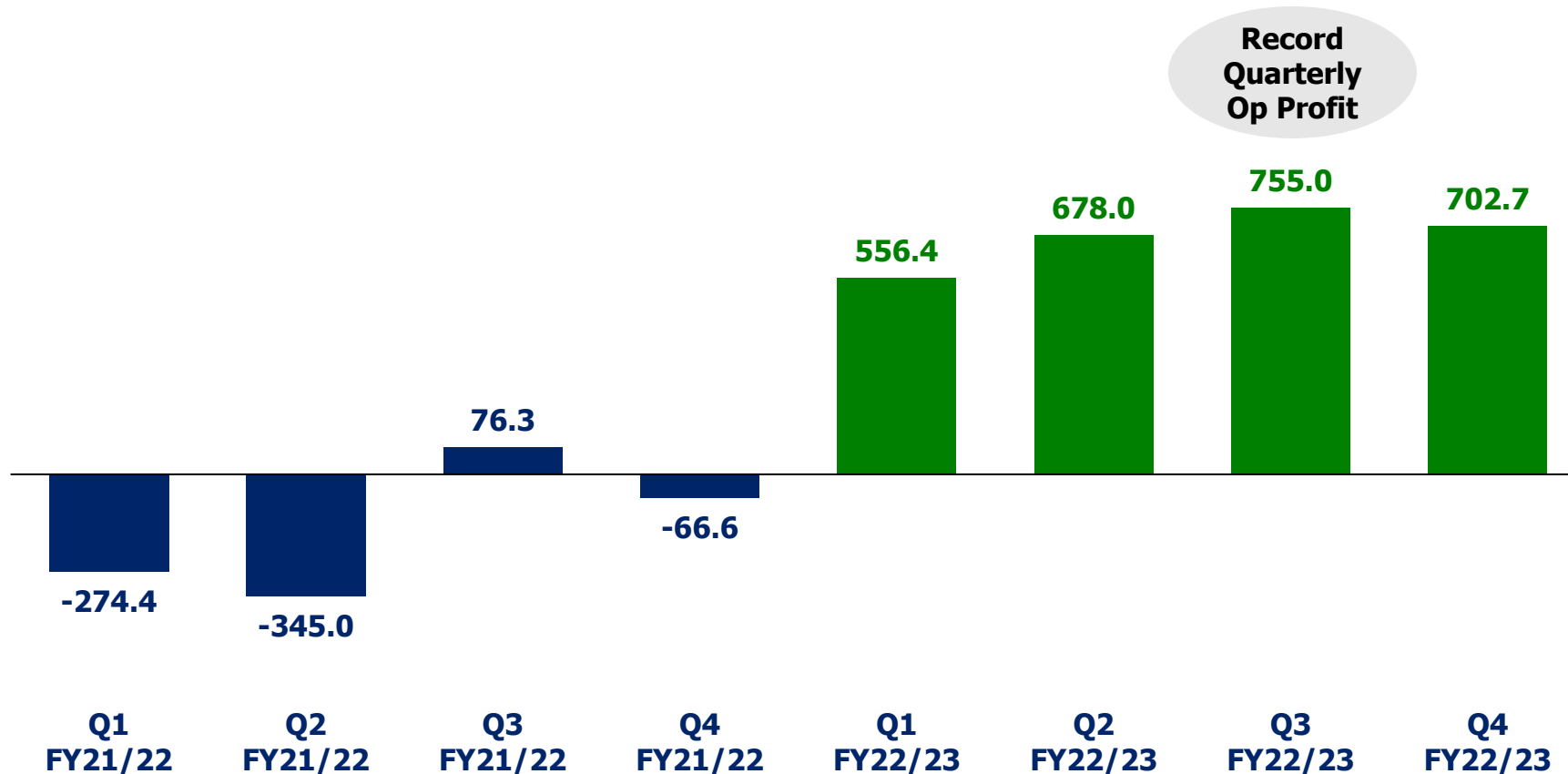
<sup>^^</sup> Gains are both on accounting and cash settled basis



# Group Operating Performance

FY22/23: Record operating profit

Group Operating Performance (\$'M)



**QoQ**  
↓ **\$52.3M**  
**(-6.9%)**

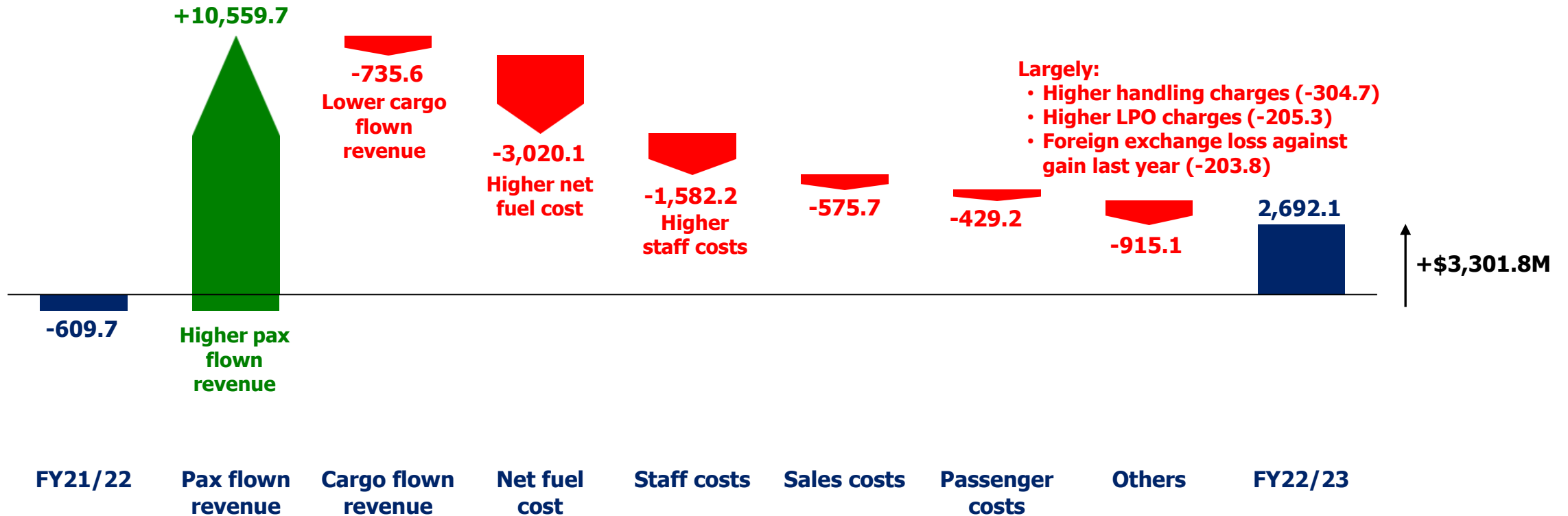
**2H vs 1H**  
↑ **\$223.3M**  
**(+18.1%)**

**FY22/23**  
**\$2,692.1M**  
**YoY**  
↑ **\$3,301.8M**  
**(n.m.)**

# Group Operating Performance (YoY progression)




Reversal from operating loss to operating profit driven by strong improvement in revenue

Group Operating Performance (\$'M)



# Operating Results for the Main Companies of the Group

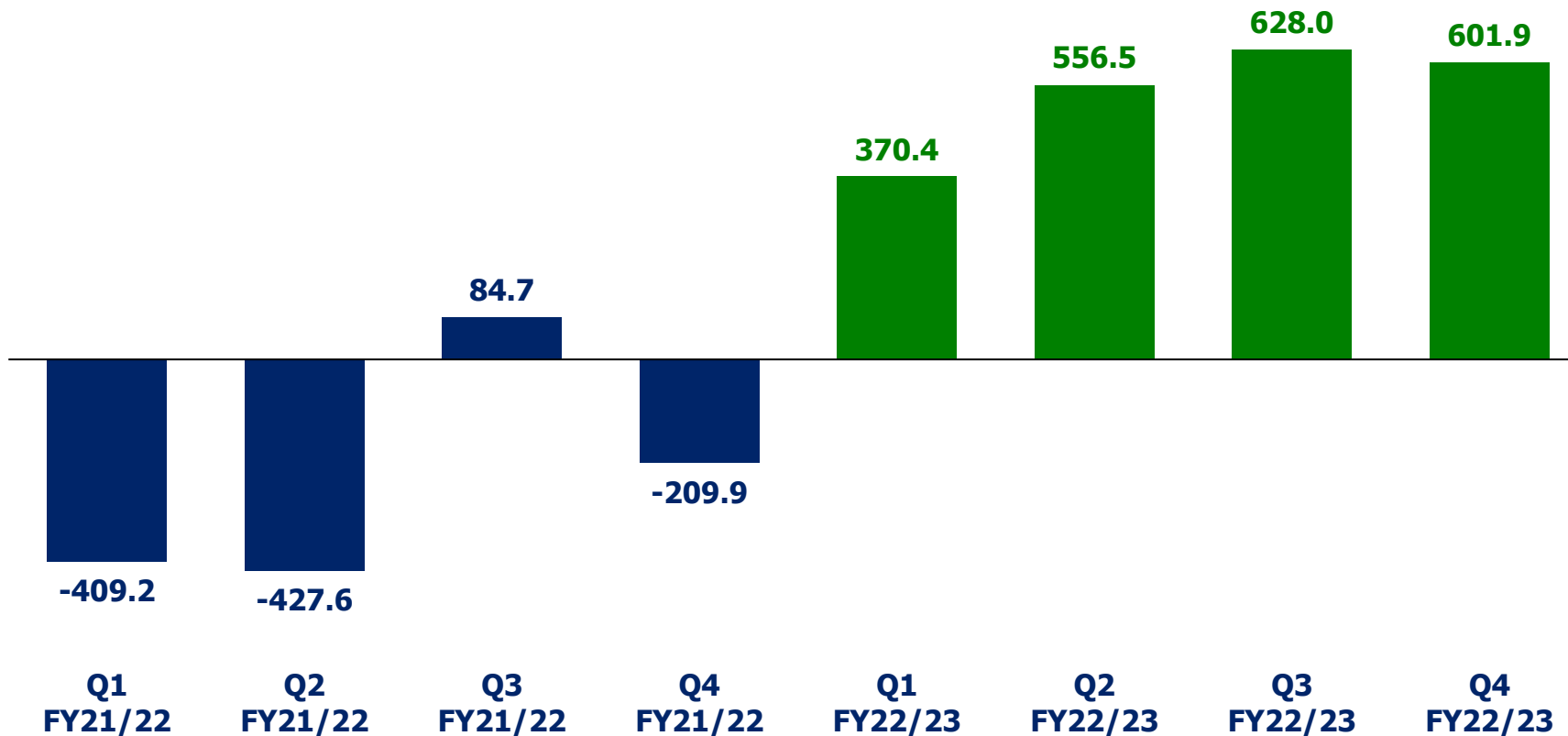
FY22/23: Record revenue and operating profits for SIA and Scoot

		FY22/23 (\$M)	FY21/22 (\$M)	Better/ (Worse) \$M	Better/ (Worse) (%)	2H FY22/23 (\$M)	1H FY22/23 (\$M)	Better/ (Worse) \$M	Better/ (Worse) (%)
 <b>SINGAPORE AIRLINES</b>	<b>Full-service carrier</b>	<b>2,601.2</b>	<b>(111.9)</b>	<b>2,713.1</b>	<b>n.m.</b>	<b>1,292.8</b>	<b>1,308.4</b>	<b>(15.6)</b>	<b>(1.2)</b>
 <b>scoot</b>	<b>Low-cost carrier</b>	<b>148.1</b>	<b>(453.6)</b>	<b>601.7</b>	<b>n.m.</b>	<b>188.3</b>	<b>(40.2)</b>	<b>228.5</b>	<b>n.m.</b>
 <b>SIA ENGINEERING COMPANY</b>	<b>SIAEC Group</b>	<b>(26.3)</b>	<b>(21.8)</b>	<b>(4.5)</b>	<b>(20.6)</b>	<b>(15.5)</b>	<b>(10.8)</b>	<b>(4.7)</b>	<b>(43.5)</b>

# Group Net Performance

FY22/23: Record net profit

Group Net Performance (\$'M)



**QoQ**  
↓ **\$26.1M**  
**(-4.2%)**

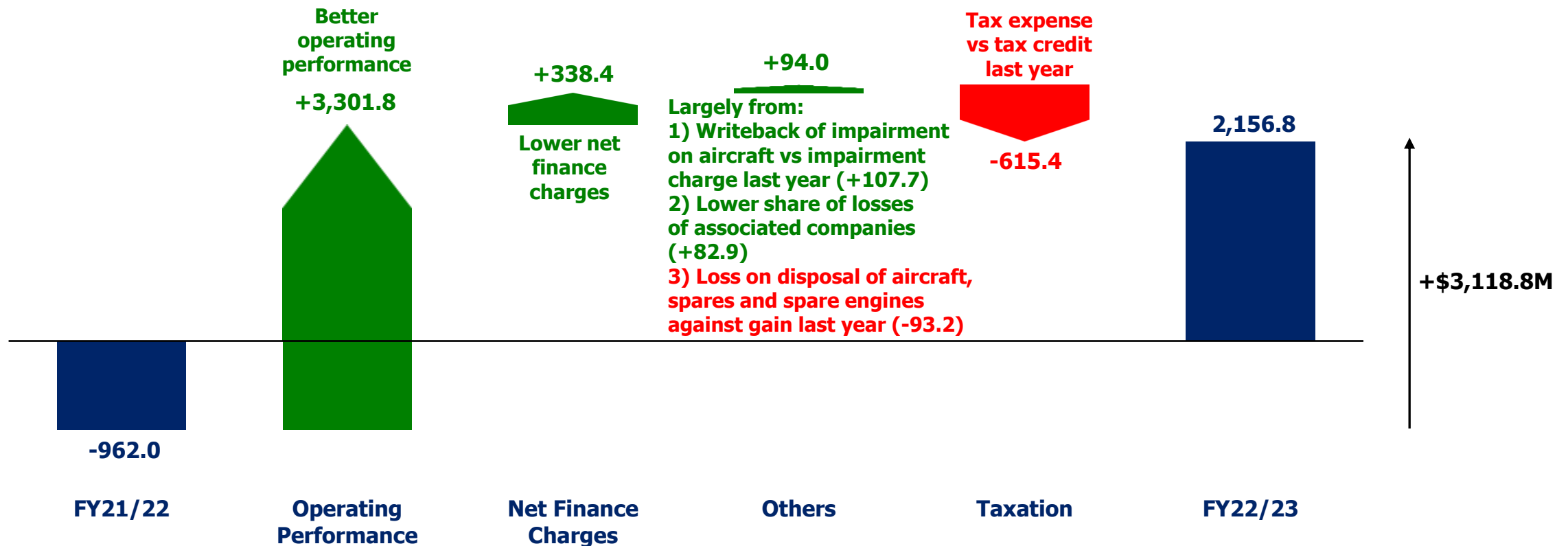
**2H vs 1H**  
↑ **\$303.0M**  
**(+32.7%)**

**FY22/23**  
**\$2,156.8M**  
**YoY**  
↑ **\$3,118.8M**  
**(n.m.)**

# Group Net Performance (YoY progression)

Turnaround from net loss to record net profit; driven by better operating performance and lower net finance charges, and partially offset by tax expense vs tax credit last year

## Group Net Performance (\$'M)





# Group Financial Results

	FY22/23	FY21/22
<b>Earnings / (Loss) Per Share (cents)</b>		
- Basic <sup>R1</sup>	35.6	(16.2)
- Adjusted Basic <sup>R2</sup>	72.6	(32.4)
- Diluted <sup>R3</sup>	35.1	(16.2)
<b>EBITDA (\$ million) <sup>R4</sup></b>	<b>5,137.2</b>	<b>1,301.2</b>
<b>EBITDA margin (%) <sup>R5</sup></b>	<b>28.9</b>	<b>17.1</b>
<b>Dividend Per Share (cents)</b>		
- Interim	10.0	-
- Final (Proposed)	28.0	-
<b>Dividend cover (times) <sup>R6</sup></b>	<b>1.9</b>	<b>-</b>

<sup>R1</sup> Earnings/(Loss) Per Share (basic) is computed by dividing profit/(loss) 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.

<sup>R2</sup> Earnings/(Loss) Per Share (adjusted basic) is computed by dividing profit/(loss) 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.

<sup>R3</sup> Earnings/(Loss) Per Share (diluted) is computed by dividing profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue less treasury shares, adjusted for the dilutive effect of the vesting of all outstanding share-based incentive awards granted, in accordance with IAS 33.

<sup>R4</sup> EBITDA denotes earnings before interest, taxes, depreciation, and amortisation.

<sup>R5</sup> EBITDA margin is computed by dividing EBITDA by the total revenue.

<sup>R6</sup> Dividend cover is profit/(loss) attributable to owners of the Company divided by total dividends.

# Group Financial Position

	As at 31 March 2023	As at 31 March 2022
<b>Total assets (\$'M)</b>	<b>49,101.2</b>	<b>48,671.0</b>
<b>Total debt (\$'M)</b>	<b>15,339.3</b>	<b>15,694.8</b>
<b>Total cash and bank balances (\$'M)</b>	<b>16,327.6</b>	<b>13,762.7</b>
<b>Total liabilities (\$'M)</b>	<b>28,851.4</b>	<b>25,870.6</b>
<b>Equity attributable to Owners of the Company (\$'M)</b>	<b>19,858.3</b>	<b>22,411.9</b>
<b>Debt : Equity ratio (times) <sup>R7</sup></b>	<b>0.77</b>	<b>0.70</b>
<b>Net Asset Value Per Share (\$) <sup>R8</sup></b>	<b>6.68</b>	<b>7.55</b>
<b>Adjusted Net Asset Value Per Share (\$) <sup>R9</sup></b>	<b>3.72</b>	<b>3.40</b>
<b>Return on equity holders' funds (%) <sup>R10</sup></b>	<b>10.2</b>	<b>(5.0)</b>

<sup>R7</sup> Debt : Equity ratio is total debt divided by equity attributable to owners of the Company.

<sup>R8</sup> 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.

<sup>R9</sup> 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 all mandatory convertible bonds and convertible bonds.

<sup>R10</sup> Return on equity holders' funds is profit/(loss) attributable to the Company expressed as a percentage of the average equity holders' funds.

# Redemption of Mandatory Convertible Bonds (MCBs)

50% redemption of the MCBs issued in 2021, on 26 June 2023

**Principal Amount**  
(\$3,098 mil)

108.243%

**Accreted principal amount**  
(\$3,354 mil)

Significant step to **recalibrate liquidity levels** after taking into account the recovery trajectory and other macroeconomic considerations

	FY22/23	FY22/23 Proforma After Redemption
<b>Earnings Per Share (cents)</b>		
- Basic <sup>R1</sup>	35.6	43.6
- Adjusted Basic <sup>R2</sup>	72.6	no change
- Diluted <sup>R3</sup>	35.1	42.7
<b>EBITDA (\$ million) <sup>R4</sup></b>	5,137.2	no change
<b>EBITDA margin (%) <sup>R5</sup></b>	28.9	no change
<b>Dividend cover (times) <sup>R6</sup></b>	1.9	no change
	As at 31 March 2023	As at 31 March 2023 Proforma After Redemption
<b>Total assets (\$'M)</b>	49,101.2	45,747.4
<b>Total debt (\$'M)</b>	15,339.3	no change
<b>Total cash and bank balances (\$'M)</b>	16,327.6	12,973.8
<b>Total liabilities (\$'M)</b>	28,851.4	no change
<b>Equity attributable to Owners of the Company (\$'M)</b>	19,858.3	16,504.5
<b>Debt : Equity ratio (times) <sup>R7</sup></b>	0.77	0.93
<b>Net Asset Value Per Share (\$) <sup>R8</sup></b>	6.68	5.56
<b>Adjusted Net Asset Value Per Share (\$) <sup>R9</sup></b>	3.72	3.90
<b>Return on equity holders' funds (%) <sup>R10</sup></b>	10.2	11.1

Note: Please refer to prior slides for footnotes R1 to R10

# Group Fleet Development

Net increase of six aircraft by the end of FY23/24

	Operating Fleet	As at 31 March 2023	In	Out	As at 31 March 2024
<b>SIA</b>	<b>777-300ER</b>	<b>23</b>		<b>-2</b>	<b>21</b>
	<b>A380-800</b>	<b>12</b>			<b>12</b>
	<b>A350-900</b>	<b>61</b>	<b>+2<sup>R1</sup></b>		<b>63</b>
	<b>787-10</b>	<b>15</b>	<b>+8<sup>R2</sup></b>		<b>23</b>
	<b>737-800</b>	<b>7</b>			<b>7</b>
	<b>737-8</b>	<b>15</b>	<b>+1<sup>R3</sup></b>		<b>16</b>
	<b>747-400F</b>	<b>7</b>			<b>7</b>
		<b>Total</b>	<b>140</b>	<b>+11</b>	<b>-2</b>
<b>Scoot</b>	<b>787-8</b>	<b>10</b>	<b>+1<sup>R4</sup></b>		<b>11</b>
	<b>787-9</b>	<b>10</b>			<b>10</b>
	<b>A320ceo</b>	<b>20</b>		<b>-6<sup>R5</sup></b>	<b>14</b>
	<b>A320neo</b>	<b>6</b>			<b>6</b>
	<b>A321neo</b>	<b>9</b>			<b>9</b>
	<b>E190-E2</b>	<b>0</b>	<b>+2<sup>R6</sup></b>		<b>2</b>
		<b>Total</b>	<b>55</b>	<b>+3</b>	<b>-6</b>
<b>GROUP TOTAL</b>		<b>195</b>	<b>+14</b>	<b>-8</b>	<b>201</b>

<sup>R1</sup> SIA expects to take delivery of one A350-900 in FY23/24. The A350-900 operating fleet is expected to expand by two aircraft, which includes one aircraft that was delivered last FY and will enter the operating fleet in FY23/24.

<sup>R2</sup> SIA expects to take delivery of nine 787-10s in FY23/24. The 787-10 operating fleet is expected to expand by eight aircraft during the FY.

<sup>R3</sup> SIA expects to take delivery of one 737-8 in FY23/24. The 737-8 operating fleet is expected to expand by one aircraft, which is the aircraft that was delivered in FY22/23.

<sup>R4</sup> Scoot expects to take delivery of one 787-8 in FY23/24 and this aircraft will be added to the operating fleet within the FY.

<sup>R5</sup> Scoot expects to remove six A320ceos from the operating fleet in FY23/24 in preparation for lease returns in FY23/24 and FY24/25.

<sup>R6</sup> Scoot expects to take delivery of two E190-E2s in FY23/24, and both aircraft are expected to join the operating fleet within the financial year.

# Projected Group Capital Expenditure

Revised guidance due to delays in 777-9s and 787s deliveries, and recent revised order book with Boeing

Projected Capital Expenditure (\$'M)	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28
Aircraft	1,800	3,200	4,100	3,600	3,100
Others	500	200	200	200	200
<b>Total</b>	<b>2,300</b>	<b>3,400</b>	<b>4,300</b>	<b>3,800</b>	<b>3,300</b>



PRESENTATION BY:

**Chief Executive Officer  
Mr. Goh Choon Phong**



**1**

**Rising to the Challenge and Emerging Stronger**

**2**

**Strengthening Foundation for the Future**





# **Rising to the Challenge and Emerging Stronger**

# Rising to the Challenge and Emerging Stronger

Looking back on an exciting and rewarding year

## Emerging strong

### Record Full Year Results for the SIA Group

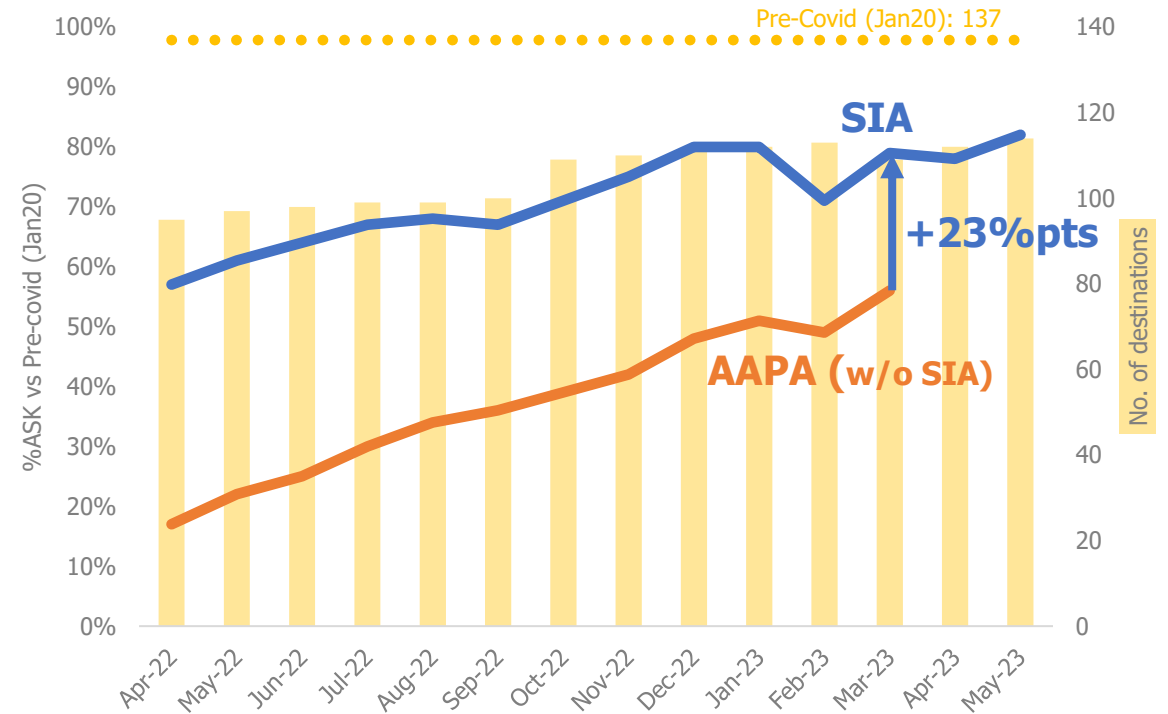
Revenue \$17,775M

Avg Pax Load Factor 85.4%

Operating Profit \$2,692M

Net Profit \$2,157M

## Leading network recovery



Recovered rapidly ahead of the industry with **82%** capacity and **114** destinations resumed in May 2023

# Rising to the Challenge and Emerging Stronger

We said we will emerge strong, and we did

## 30 March 2020

“This crisis has taught us many lessons, including the need to be ultra-nimble and flexible as the situation changes rapidly and abruptly. Even more importantly, it has further deepened our commitment to the SIA family and strengthened our bond with one another. With such passion and unity,

**I have no doubt that we will be first off the blocks when the recovery comes.”**

## 1 May 2020

“We have begun to prepare for the eventual recovery in air travel demand by relooking every aspect of our operations for a post-Covid-19 world, and to ensure that we are ready to seize opportunities that may arise. You will hear more about some of these initiatives in the weeks ahead. Together, we can ensure that SIA continues to be a source of pride to our customers, our people, and of course Singapore,

**and emerges once again as the world’s leading and most admired airline.”**

## 6 June 2020

“With no clear visibility on the timing of recovery, we will continue to stay nimble in our operations and scale up capacity as and when travel sentiments improve... The post Covid-19 world will be a different one. The next chapter of our Transformation journey will focus on how we

**strengthen our position as a global aviation leader in the new world...**

Let us all continue to stay resilient and healthy, and work together to lead in the new world.”

## 1 November 2020

“...the Transformation initiatives would ensure that the Group emerges stronger and fitter from the crisis and attains long-term financial sustainability... We must now work even closer together, leverage our strong foundations, and continue to roll out our transformation programme in a creative manner. I am confident we are in a

**strong position to weather the current headwinds, and be in the pole position among our competitors when the pandemic is over.”**

## 4 January 2021

“We must also be ready to take these knocks in our stride, and persevere. Success depends on us working more closely than ever before, staying resilient, adjusting our mindsets to adapt to the new challenges, and remaining steadfast in the face of adversity. We need to stay nimble and flexible, and be ready to be

**first off the blocks to seize opportunities as they arise. We have what it takes to lead the new world.”**



# Rising to the Challenge and Emerging Stronger

Our quick and strong recovery is a testament of our people's resilience and hard work

## Shoring up our finances



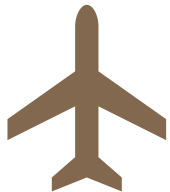
### Building liquidity

- Announced plans for Rights Issue to raise up to **\$15B** in liquidity, underwritten by Temasek, as early as 26 Mar 2020.
- Raised a total of **\$23.5B** in liquidity since Apr 2020.



### Reduced expenditure

- All **discretionary expenditure was cut** from as early as Mar 2020.
- **Renegotiated contracts** with suppliers and service providers.



### Renegotiated aircraft contracts

- Agreements with Airbus and Boeing to **revise aircraft deliveries and orders**.
- Deferred more than **\$4B of near-term capex**.

## Preserving core capabilities



### Staff measures

- **Hiring freeze, compulsory no-pay leave, pay cuts.**
- Over 2,000 crew took up positions in key community sectors such as healthcare and transport under the **Ambassador Programme**.



### Currency training

- Recency for cabin crew clocked **through online tests** at the height of the pandemic.
- **Routine simulator training** for pilots to retain their skills even when crewing requirement was low.



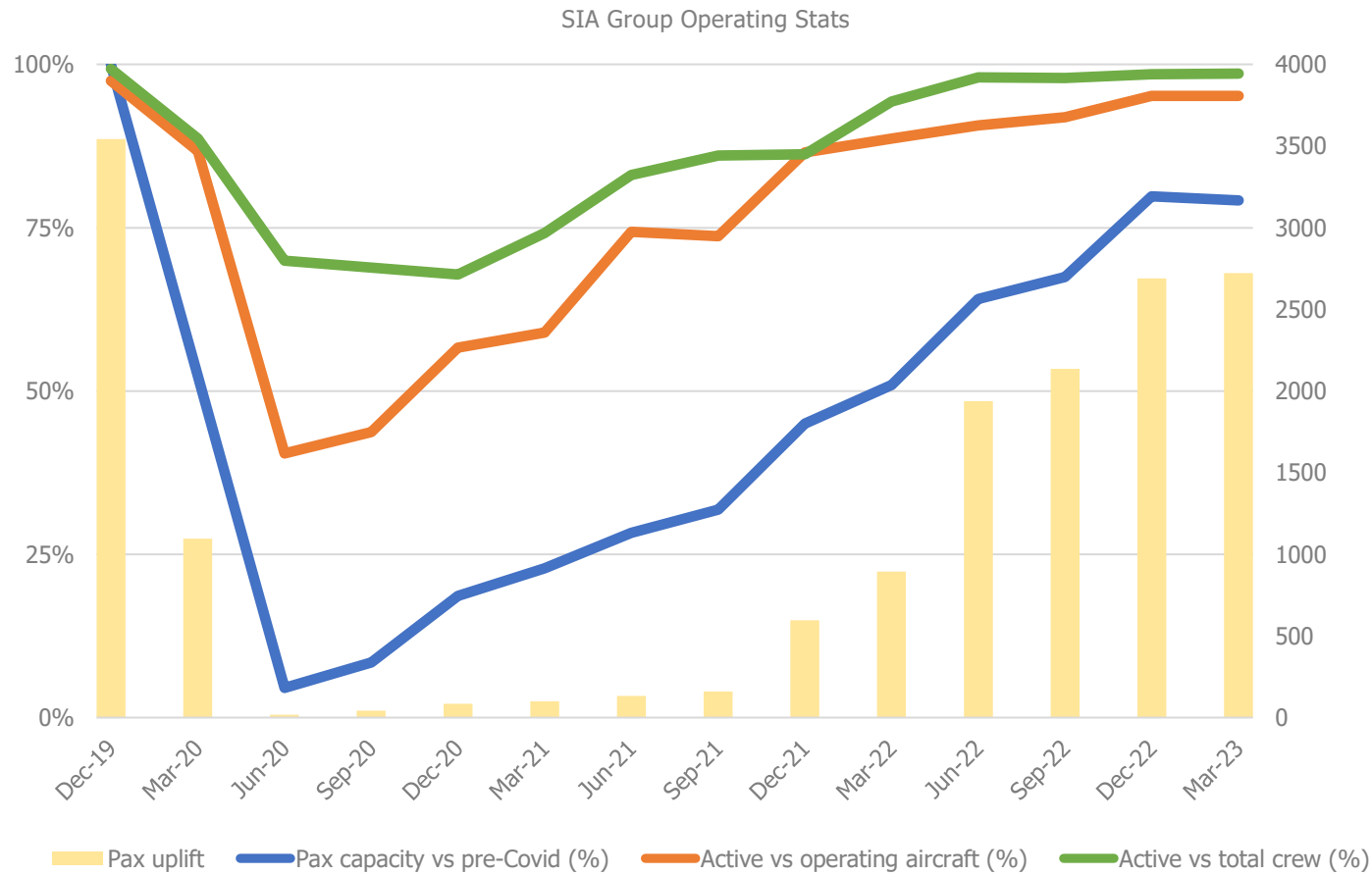
### Upskilling our staff

- **Enrichment Day** for staff to participate in online courses
- HR-assigned courses

# Rising to the Challenge and Emerging Stronger

Our quick and strong recovery is a testament of our people's resilience and hard work

## Gearing up for recovery



### Maintaining our fleet

- **Parked 60%** of our aircraft in long term storage at the height of the pandemic.
- **Progressively reactivated aircraft early on**, operating at lower utilisation levels.



### Resumed hiring early

- Resumed hiring of cabin crew even before border restrictions started to ease.
- Ramped up recruitment to support the network and **successfully recruited the targeted 3000** cabin crew by end of FY22/23.

**Able to inject capacity ahead to capture pent-up demand**

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# Strengthening Foundation for the Future



# Strengthening Foundation for the Future

The airline industry continues to face challenges



**Other airlines adding international capacity**



**Weakening cargo demand**



**Inflationary pressures**



**War in Ukraine and escalating US-China tensions**



**High fuel cost**

# Strengthening Foundation for the Future

Staying true to the three pillars of our SIA brand promise



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# Strengthening Foundation for the Future

## Service Excellence



### Providing seamless and personalised customer experience

- **Award-winning cabin crew** providing warm and caring service.
- **Voice of Customer** data and analytics to identify and address customer pain points.
- The **Customer Experience Management** system has over **75 million** customer records which facilitate targeted engagements.

### Leveraging technology to enhance service standards

- The **Customer Insights Portal** uses **AI modeling** search feature with future application of **Generative AI**.
- The **Crew Journey App** lets cabin crew share their experiences and give suggestions to improve customer's experience.
- **Auto check-in, e-boarding pass** on mobile phones, and **self check-in counters** at airports.





# Strengthening Foundation for the Future

## Product Leadership



### Investments to delight customers on the ground

- ~\$50M invested to upgrade our **flagship SilverKris Lounge at Changi Terminal 3**. Capacity increased by 30% with thoughtful designed spaces and carefully curated products.
- **Refurbished SilverKris Lounge in Changi Terminal 2** reopened in Oct 2023.
- Plans are underway to upgrade some of our overseas SilverKris Lounges.



### Constant innovation to elevate the inflight dining experience

- **The Singapore Showcase** enhanced SIA's popular local fare options in the premium cabin classes by working with renowned local hawker brands.
- **New dining concept in economy class** on select routes to offer soupy and gravy-rich dishes, including local Singapore favourites such as mee siam, laksa, and congee.
- **All customer feedback** is **carefully evaluated to improve** our inflight offerings and experience.

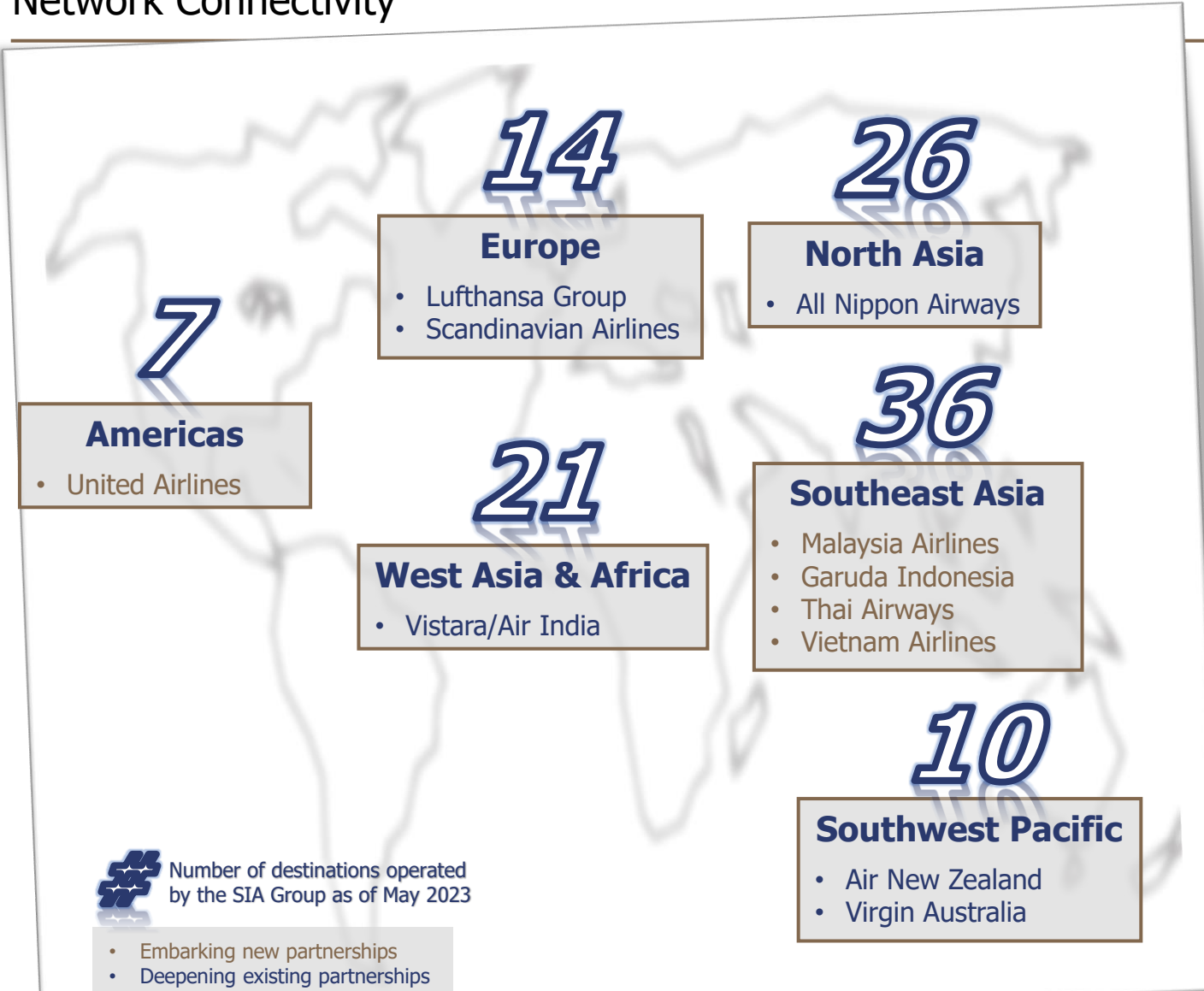


### Relentless pursuit to offer industry-leading inflight products

- 95% of our fleet is equipped with **full lie-flat bed on Business class**, and **seatback IFE monitors** across all classes.
- **Live TV** with sports and news enabled across select fleet. Free **onboard Wi-Fi** for all KrisFlyer members.
- Took delivery of **36 new planes** between FY20/21 to FY22/23
- **93 new generation passenger planes** on firm order, including the Boeing 777-9 which will offer **industry-leading** products.

# Strengthening Foundation for the Future

## Network Connectivity



Enhancing our network to **over 220 destinations** through our **33 codeshare partners**



- Expanded codeshare with **Malaysia Airlines** and **United Airlines** in Nov 2021 and Apr 2022.
- Memorandum of Understanding signed with **Garuda Indonesia**, **Thai Airways**, and **Vietnam Airlines** in Nov 2021, Dec 2022, and Feb 2023 respectively.



# Strengthening Foundation for the Future

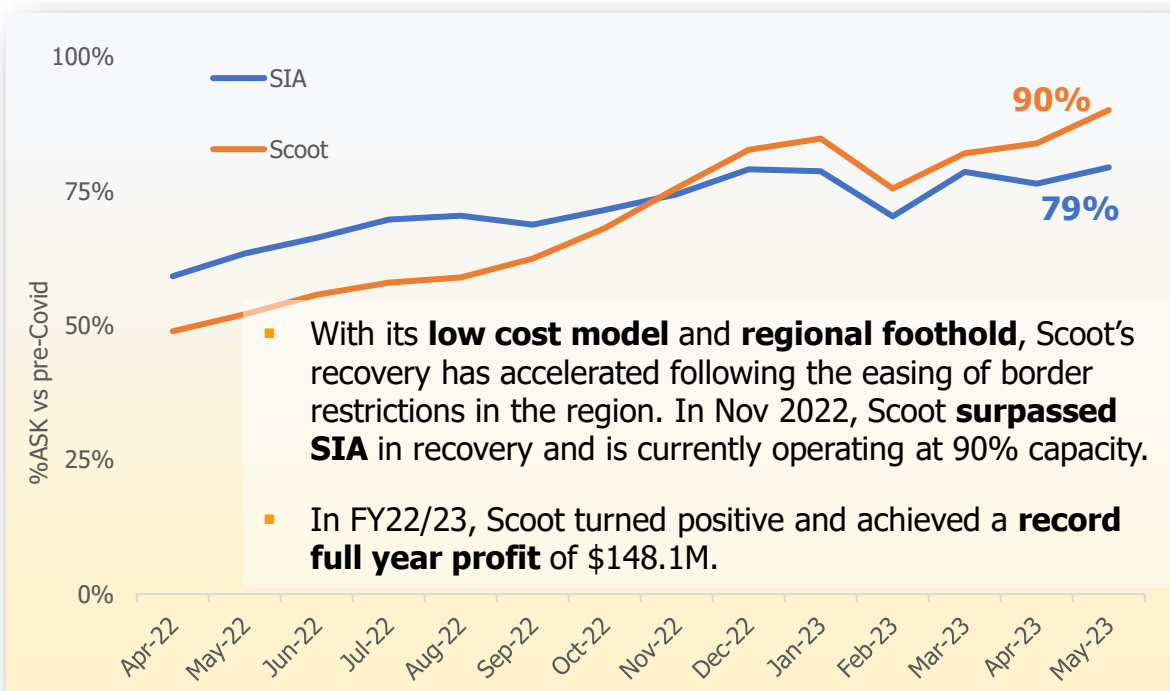
## Stronger as a Group with the Portfolio Strategy



**Flexibility to offer the right products to match demand profile**



**Cross-selling and connectivity between SIA and Scoot networks**



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# Strengthening Foundation for the Future

Continued investments in our Multi-Hub Strategy



## Air India and Vistara

- Projected to become the **third largest economy in the world** by 2027<sup>1</sup>, and already the **world's third largest aviation market**, the India aviation sector holds much untapped potential.
- Our **collaboration with Tata** and the merger of Air India and Vistara enables us to **participate directly** in this exciting growth phase of the Indian aviation market.
- SIA will invest about S\$360m for **25.1% stake** in the enlarged Air India group.
- Subject to regulatory approvals, we aim to complete the merger by the **first quarter of 2024**.

<sup>1</sup>India's Impending Economic Boom (Morgan Stanley, 2022)

# Strengthening Foundation for the Future

Enhancing customer loyalty through the KrisFlyer frequent flyer programme

**KRISFLYER**  
SINGAPORE AIRLINES GROUP



## KrisFlyer – SIA Group Loyalty



### Expanded membership

- 6.7M KrisFlyer members: +44% vs FY19/20
- 11% of new members acquired from other SIA Group entities such as Kris+, Pelago, and KrisShop



### Heightened activity

- Member activity at 110% of pre-Covid levels
- 44% increase (vs FY19/20) in number of KrisFlyer members interacting with >2 SIA Group entities



### Increased revenue

- >\$900M revenue: +19% vs FY19/20
- >80% generated from over 1,300 KrisFlyer brand partners worldwide



# Strengthening Foundation for the Future

Continue to build new revenue streams and expand the SIA Ecosystem

## Additional Revenue Streams

**KRISFLYER**  
SINGAPORE AIRLINES GROUP



### Core Business



As of Mar 2023,

- 1.7 million downloads
- 275K monthly active users
- 495 brands in Singapore
- 491 brands across 17 overseas countries

**Greater non-air opportunities for customers to earn and burn miles**

- Expanded to 21 countries, 81 destinations and over 2,500 experiences
- Completed 106K bookings in 2022
- 1.8M quality visits to Pelago in Q3 FY22/23

**Extending the Singapore Airlines service from the skies to the ground**

# Strengthening Foundation for the Future

## Investments in Digital capabilities

# KRISLAB

5 years on...

 **1,877**  
*Digital ideas  
initiated by staff*

 **2,201**  
*Start-up  
teams engaged*

 **362**  
*Prototypes  
completed*

 **52**  
*POCs completed  
/implemented*

**DELIVER  
BUSINESS  
VALUE TO  
SIA GROUP  
THROUGH  
DIGITAL  
INNOVATION**

### Driving Co-Innovation

- Staff are encouraged to be advocates and collaborators of innovation through events such as **webinars, roadshows, and co-innovation workshops.**
- Staff may pitch their ideas during **Demo Days** to seek approval for funding to co-develop their product.
- More than 1,200 staff** engagements and **68 intrapreneurs** mentored in FY22/23.



### Generative AI

- Taking the world by storm is the advent of **generative AI.**
- Developed in-house, **GPT Studio** harnesses **GPT-3.5/4 technology** and provides a **safe space for staff** to experiment and use in their work.
- Today, there are **close to 1,000 daily usage** and many use cases are being developed. Enhancements are ongoing to enable it to **understand SIA context** better for more useful outcome.

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# Strengthening Foundation for the Future

Care for the Environment, Community, and our People

## Sustainability

**6yrs 9mths**  
(SIA Group fleet age\*)

**15yrs 8mths**  
(Industry average fleet age\*)

\*as at May23



### Net Zero by 2050

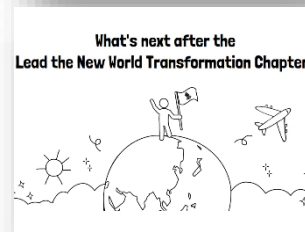
- A young and modern fleet for greater fuel efficiency. The **new A350F** to replace the old B747F cargo freighter will use **40% less fuel** on similar missions.
- Since Jun21, our customers have the option to purchase **quality carbon offsets** via dedicated microsites through the SIA Group voluntary carbon offset programme.
- We continue to work closely with the industry players to promote the development, production, and consumption of **Sustainable Aviation Fuel**.

### Energy and Water Conservation

- All SIA office buildings in Singapore are fitted with **solar panels**. **Ground and rainwater** are harvested for sanitary flushing and irrigation purposes.
- The SIA Training Centre and TechSQ building were awarded the **BCA Green Mark certification** in 2023.



## Community and People



### Corporate Social Responsibility

- In FY22/23, **375 community involvement activities** were organised for our staff to volunteer.
- **Around 2,100 staff** participated in activities such as packing of essential packs, meal delivery, and study buddies to support low-income and underprivileged communities in Singapore.

### Learning and Innovation for Everyone

- The biennial **SIA Group LIFE event** was held in Mar 2023 featuring over 50 activities and attended by more than **5,800 participants**, including activities held overseas for our station staff.
- This year's theme centred on how the Group embeds **sustainability** across multiple facets of our business.

### The next chapter in Transformation

- With the completion of two successful Transformation journeys, the company will transition into a **continuous transformation framework**.

# Strengthening Foundation for the Future

We are well positioned to succeed

## The outlook for passenger demand remains robust in the near term, and the Asia-Pacific remains a dynamic region for growth

“Notwithstanding the relatively slow pace of recovery to date, we anticipate Asia Pacific will be the **fastest growing region over the next two decades.**”

- Global Outlook for Air Transport, IATA, December 2022

“Growth in Asia and the Pacific is projected to increase this year to 4.6 percent, from 3.8 percent in 2022. This means the region would contribute around **70 percent of global growth.**”

- IMF Regional Economic Outlook for Asia and Pacific, May 2023



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**SINGAPORE  
AIRLINES**

**Thank You**