



FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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The full year financial results set out in Sections 1 to 5, 8, 12 and 13 of this announcement have been extracted from the audited financial statements for the full year ended 31 March 2023. The audited financial statements of the Company and its subsidiaries for the full year ended 31 March 2023 is attached to this announcement.

**1. CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 MARCH 2023 (in \$ million)**

	The Group		The Group	
	2 nd Half 2022/23	2 nd Half 2021/22	FY 2022/23	FY 2021/22
REVENUE	9,358.3	4,787.9	17,774.8	7,614.8
EXPENDITURE				
Staff costs	1,696.1	809.9	3,055.8	1,473.6
Fuel costs	2,513.5	1,379.1	5,209.4	2,189.3
Fuel hedging ineffectiveness	-	0.6	(0.5)	(78.2)
Depreciation	1,017.5	971.9	2,004.9	1,927.6
Amortisation of intangible assets	38.1	37.2	75.6	72.0
Aircraft maintenance and overhaul costs	301.5	241.8	527.2	453.4
Commission and incentives	250.6	96.6	488.3	117.8
Landing, parking and overflying charges	350.4	259.9	657.2	451.9
Handling charges	513.8	364.7	951.5	646.8
Rentals on leased aircraft	10.2	12.8	23.7	16.9
Inflight meals	234.7	68.9	423.9	89.5
Advertising and sales costs	176.5	86.3	326.1	120.9
Company accommodation and utilities	22.3	16.8	43.2	35.4
Other passenger costs	90.3	37.3	151.4	56.6
Crew expenses	54.3	37.5	100.2	56.1
Other operating expenses	630.8	356.9	1,044.8	594.9
	<u>7,900.6</u>	<u>4,778.2</u>	<u>15,082.7</u>	<u>8,224.5</u>
OPERATING PROFIT/(LOSS)	1,457.7	9.7	2,692.1	(609.7)
Finance charges	(212.0)	(198.0)	(419.9)	(391.6)
Interest income	309.8	26.4	412.6	45.9
Write-back of impairment/(Impairment) of aircraft	44.4	(35.5)	57.2	(50.5)
Write-back of impairment/(Impairment) of base maintenance assets	1.7	(8.4)	1.7	(8.4)
Impairment of goodwill	(14.0)	-	(14.0)	-
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(9.8)	73.1	(7.3)	85.9
Dividends from long-term investments	-	-	4.0	4.0
Other non-operating items	(55.3)	(1.5)	(58.4)	(49.5)
Share of profits of joint venture companies	14.6	24.2	31.8	29.8
Share of profits/(losses) of associated companies	16.6	(32.4)	(63.0)	(145.9)
PROFIT/(LOSS) BEFORE TAXATION	1,553.7	(142.4)	2,636.8	(1,090.0)
TAXATION	(323.0)	25.9	(473.5)	141.9
PROFIT/(LOSS) FOR THE PERIOD	<u>1,230.7</u>	<u>(116.5)</u>	<u>2,163.3</u>	<u>(948.1)</u>
PROFIT/(LOSS) ATTRIBUTABLE TO:				
OWNERS OF THE COMPANY	1,229.9	(125.2)	2,156.8	(962.0)
NON-CONTROLLING INTERESTS	0.8	8.7	6.5	13.9
	<u>1,230.7</u>	<u>(116.5)</u>	<u>2,163.3</u>	<u>(948.1)</u>
EARNINGS/(LOSS) PER SHARE (CENTS)	21.7	(1.9)	35.6	(16.2)
DILUTED EARNINGS/(LOSS) PER SHARE (CENTS)	21.4	(1.9)	35.1	(16.2)

**2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 MARCH 2023 (in \$ million)**

	The Group		The Group	
	2 nd Half 2022/23	2 nd Half 2021/22	FY 2022/23	FY 2021/22
PROFIT/(LOSS) FOR THE PERIOD	1,230.7	(116.5)	2,163.3	(948.1)
OTHER COMPREHENSIVE INCOME:				
<u>Items that are or may be reclassified subsequently to profit or loss:</u>				
Currency translation differences	(60.7)	(7.1)	(15.7)	1.7
Net fair value changes on cash flow hedges	(381.2)	576.4	(573.1)	1,253.3
Share of other comprehensive income of associated and joint venture companies	15.1	3.7	7.7	3.1
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial gain on revaluation of defined benefit plans	5.2	0.2	5.2	0.2
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>(421.6)</u>	<u>573.2</u>	<u>(575.9)</u>	<u>1,258.3</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>809.1</u>	<u>456.7</u>	<u>1,587.4</u>	<u>310.2</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
OWNERS OF THE COMPANY	819.2	448.5	1,583.9	294.9
NON-CONTROLLING INTERESTS	<u>(10.1)</u>	<u>8.2</u>	<u>3.5</u>	<u>15.3</u>
	<u>809.1</u>	<u>456.7</u>	<u>1,587.4</u>	<u>310.2</u>

3. STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023 (in \$ million)

	The Group		The Company	
	31-Mar 2023	31-Mar 2022	31-Mar 2023	31-Mar 2022
EQUITY ATTRIBUTABLE TO OWNERS				
OF THE COMPANY				
Share capital	7,180.2	7,180.2	7,180.2	7,180.2
Mandatory convertible bonds	6,195.1	9,691.2	6,195.1	9,691.2
Treasury shares	(73.8)	(106.5)	(73.8)	(106.5)
Other reserves	6,556.8	5,647.0	7,808.2	6,730.3
	19,858.3	22,411.9	21,109.7	23,495.2
NON-CONTROLLING INTERESTS	391.5	388.5	-	-
TOTAL EQUITY	20,249.8	22,800.4	21,109.7	23,495.2
DEFERRED ACCOUNT	55.8	95.4	55.8	95.4
DEFERRED TAXATION	1,430.2	1,064.3	1,475.0	1,082.8
LONG-TERM LEASE LIABILITIES	3,560.6	3,114.8	2,363.7	2,387.4
BORROWINGS	8,613.7	11,405.5	8,408.0	11,155.5
OTHER LONG-TERM LIABILITIES	381.9	1,077.7	381.9	1,077.7
PROVISIONS	1,047.1	1,144.4	524.7	503.1
DEFINED BENEFIT PLANS	91.2	99.9	91.2	99.9
	35,430.3	40,802.4	34,410.0	39,897.0
Represented by:-				
PROPERTY, PLANT AND EQUIPMENT	23,832.5	24,570.6	21,034.4	20,642.7
RIGHT-OF-USE ASSETS	3,854.5	3,290.1	2,413.5	2,458.5
INTANGIBLE ASSETS	297.5	303.2	235.4	231.0
SUBSIDIARY COMPANIES	-	-	5,582.0	5,539.6
ASSOCIATED COMPANIES	757.3	805.8	540.0	485.2
JOINT VENTURE COMPANIES	265.0	233.4	32.3	32.3
LONG-TERM INVESTMENTS	39.4	42.6	36.7	39.9
OTHER LONG-TERM ASSETS	755.7	1,737.2	674.2	1,615.8
CURRENT ASSETS				
Derivative assets	662.7	1,402.0	659.8	1,402.0
Inventories	227.0	187.4	171.9	142.0
Trade debtors	1,192.7	1,566.4	1,028.4	1,407.2
Amounts owing by subsidiary companies	-	-	0.1	0.2
Deposits and other debtors	284.0	202.5	226.5	164.0
Prepayments	105.0	93.2	68.3	72.9
Other short-term assets	70.5	30.4	68.3	21.6
Investments	403.9	406.4	351.7	352.5
Cash and bank balances	16,327.6	13,762.7	15,975.7	13,557.9
Assets held for sale	25.9	37.1	0.1	4.4
	19,299.3	17,688.1	18,550.8	17,124.7
Less: CURRENT LIABILITIES				
Borrowings	2,547.7	606.8	2,482.4	539.2
Lease liabilities	617.3	567.7	363.3	350.1
Current tax payable	128.1	153.3	38.9	38.8
Trade and other creditors	4,039.8	2,733.3	3,020.9	2,068.9
Amounts owing to subsidiary companies	-	-	3,009.3	1,629.8
Sales in advance of carriage	4,631.4	2,107.8	4,275.6	1,997.0
Deferred revenue	866.3	925.7	866.3	925.7
Deferred account	51.0	15.9	48.1	15.1
Derivative liabilities	399.0	574.7	399.0	571.1
Provisions	390.3	183.4	185.5	137.0
	13,670.9	7,868.6	14,689.3	8,272.7
NET CURRENT ASSETS	5,628.4	9,819.5	3,861.5	8,852.0
	35,430.3	40,802.4	34,410.0	39,897.0

**4. STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 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
Comprehensive income											
Currency translation differences	-	-	-	-	(11.7)	-	-	-	(11.7)	(4.0)	(15.7)
Net fair value changes on cash flow hedges	-	-	-	-	-	-	(573.1)	-	(573.1)	-	(573.1)
Actuarial gain on revaluation of defined benefit plans	-	-	-	-	-	-	-	5.2	5.2	-	5.2
Share of other comprehensive income of associated and joint venture companies	-	-	-	7.4	(4.5)	-	3.8	-	6.7	1.0	7.7
Other comprehensive income for the financial year, net of tax	-	-	-	7.4	(16.2)	-	(569.3)	5.2	(572.9)	(3.0)	(575.9)
Profit for the financial year	-	-	-	-	-	-	-	2,156.8	2,156.8	6.5	2,163.3
Total comprehensive income for the financial year	-	-	-	7.4	(16.2)	-	(569.3)	2,162.0	1,583.9	3.5	1,587.4
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Redemption of mandatory convertible bonds	-	(3,496.1)	-	-	-	-	-	(363.9)	(3,860.0)	-	(3,860.0)
Changes in ownership interest without loss of control	-	-	-	-	-	(3.8)	-	(0.6)	(4.4)	(0.1)	(4.5)
Share-based compensation expense	-	-	-	-	-	23.5	-	-	23.5	-	23.5
Treasury shares reissued pursuant to equity compensation plans	-	-	32.7	(16.1)	-	(16.1)	-	-	0.5	-	0.5
Acquisition of a subsidiary company with non-controlling interests	-	-	-	-	-	-	-	-	-	1.2	1.2
Dividends	-	-	-	-	-	-	-	(297.1)	(297.1)	(1.6)	(298.7)
Total transactions with owners	-	(3,496.1)	32.7	(16.1)	-	3.6	-	(661.6)	(4,137.5)	(0.5)	(4,138.0)
Balance at 31 March 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

**4. STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (in \$ million)**

The Group	Attributable to Owners of the Company										
	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
Balance at 1 April 2021	7,180.2	3,496.1	(133.2)	(96.8)	(16.9)	20.8	(178.6)	5,634.3	15,905.9	372.2	16,278.1
Comprehensive income											
Currency translation differences	-	-	-	-	0.7	-	-	-	0.7	1.0	1.7
Net fair value changes on cash flow hedges	-	-	-	-	-	-	1,253.3	-	1,253.3	-	1,253.3
Actuarial gain on revaluation of defined benefit plans	-	-	-	-	-	-	-	0.2	0.2	-	0.2
Share of other comprehensive income of associated and joint venture companies	-	-	-	1.2	-	-	1.5	-	2.7	0.4	3.1
Other comprehensive income for the financial year, net of tax	-	-	-	1.2	0.7	-	1,254.8	0.2	1,256.9	1.4	1,258.3
(Loss)/Profit for the financial year	-	-	-	-	-	-	-	(962.0)	(962.0)	13.9	(948.1)
Total comprehensive income for the financial year	-	-	-	1.2	0.7	-	1,254.8	(961.8)	294.9	15.3	310.2
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Issue of mandatory convertible bonds	-	6,195.1	-	-	-	-	-	-	6,195.1	-	6,195.1
Changes in ownership interest without loss of control	-	-	-	-	-	(2.5)	-	1.1	(1.4)	2.4	1.0
Share-based compensation expense	-	-	-	-	-	17.0	-	-	17.0	-	17.0
Treasury shares reissued pursuant to equity compensation plans	-	-	26.7	(11.7)	-	(14.6)	-	-	0.4	-	0.4
Dividends	-	-	-	-	-	-	-	-	-	(1.4)	(1.4)
Total transactions with owners	-	6,195.1	26.7	(11.7)	-	(0.1)	-	1.1	6,211.1	1.0	6,212.1
Balance at 31 March 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

**4. STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 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	-	-	-	-	-	(471.6)	-	(471.6)
Actuarial gain on revaluation of defined benefit plans	-	-	-	-	-	-	4.6	4.6
Other comprehensive income for the financial year, net of tax	-	-	-	-	-	(471.6)	4.6	(467.0)
Profit for the financial year	-	-	-	-	-	-	2,218.9	2,218.9
Total comprehensive income for the financial year	-	-	-	-	-	(471.6)	2,223.5	1,751.9
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Redemption of mandatory convertible bonds	-	(3,496.1)	-	-	-	-	(363.9)	(3,860.0)
Share-based compensation expense	-	-	-	-	19.2	-	-	19.2
Treasury shares reissued pursuant to equity compensation plans	-	-	32.7	(16.1)	(16.1)	-	-	0.5
Dividends	-	-	-	-	-	-	(297.1)	(297.1)
Total transactions with owners	-	(3,496.1)	32.7	(16.1)	3.1	-	(661.0)	(4,137.4)
Balance at 31 March 2023	7,180.2	6,195.1	(73.8)	(897.7)	19.8	467.9	8,218.2	21,109.7

**4. STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 2021	7,180.2	3,496.1	(133.2)	(871.4)	17.1	(136.6)	6,959.7	16,511.9
<u>Comprehensive income</u>								
Net fair value changes on cash flow hedges	-	-	-	-	-	1,076.1	-	1,076.1
Actuarial gain on revaluation of defined benefit plans	-	-	-	-	-	-	0.2	0.2
Effects of integration of SilkAir (Singapore) Private Limited ("SilkAir")	-	-	-	1.5	-	-	-	1.5
Other comprehensive income for the financial year, net of tax	-	-	-	1.5	-	1,076.1	0.2	1,077.8
Loss for the financial year	-	-	-	-	-	-	(304.2)	(304.2)
Total comprehensive income for the financial year	-	-	-	1.5	-	1,076.1	(304.0)	773.6
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Issue of mandatory convertible bonds	-	6,195.1	-	-	-	-	-	6,195.1
Share-based compensation expense	-	-	-	-	14.2	-	-	14.2
Treasury shares reissued pursuant to equity compensation plans	-	-	26.7	(11.7)	(14.6)	-	-	0.4
Total transactions with owners	-	6,195.1	26.7	(11.7)	(0.4)	-	-	6,209.7
Balance at 31 March 2022	7,180.2	9,691.2	(106.5)	(881.6)	16.7	939.5	6,655.7	23,495.2

**5. CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (in \$ million)**

	The Group	
	FY 2022/23	FY 2021/22
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	2,636.8	(1,090.0)
Adjustments for:		
Depreciation	2,004.9	1,927.6
(Write-back of impairment)/Impairment of aircraft	(57.2)	50.5
(Write-back of impairment)/Impairment of base maintenance assets	(1.7)	8.4
Impairment of goodwill	14.0	-
Amortisation of intangible assets	75.6	72.0
(Write-back of impairment)/Impairment of trade debtors	(6.1)	4.4
Writedown of inventories	9.3	7.0
Income from short-term investments	(1.0)	(1.2)
Provisions	167.7	213.5
Share-based compensation expense	23.5	17.0
Exchange differences	134.5	(22.9)
Gain on lease remeasurement	(2.5)	(2.2)
Net loss on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	1.2	3.8
Fuel hedging ineffectiveness	(0.5)	(78.2)
Finance charges	419.9	391.6
Interest income	(412.6)	(45.9)
Loss/(Surplus) on disposal of aircraft, spares and spare engines	7.3	(85.9)
Dividends from long-term investments	(4.0)	(4.0)
Other non-operating items	58.4	49.5
Share of profits of joint venture companies	(31.8)	(29.8)
Share of losses of associated companies	63.0	145.9
Operating cash flow before working capital changes	5,098.7	1,531.1
Increase in trade and other creditors	1,191.4	485.3
Increase in sales in advance of carriage	2,523.6	1,539.7
Decrease/(Increase) in trade debtors	422.1	(385.3)
Decrease/(Increase) in deposits and other debtors	16.8	(76.9)
Increase in prepayments	(11.8)	(12.5)
(Increase)/Decrease in inventories	(46.1)	0.5
Decrease in deferred revenue	(59.4)	(32.1)
Cash generated from operations	9,135.3	3,049.8
Income taxes paid	(5.2)	(8.3)
NET CASH PROVIDED BY OPERATING ACTIVITIES	9,130.1	3,041.5

**5. CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (in \$ million)**

	The Group	
	FY 2022/23	FY 2021/22
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(1,601.8)	(3,048.7)
Purchase of intangible assets	(82.2)	(74.4)
(Payments for)/Proceeds from disposal of aircraft and other property, plant and equipment	(3.8)	22.9
Proceeds from disposal of assets held for sale	17.5	277.0
Proceeds from sale and leaseback transactions	1,210.3	760.8
Proceeds from disposal of long-term investments	21.6	21.0
Purchase of short-term investments	(134.5)	(200.6)
Proceeds from disposal of short-term investments	132.6	66.1
Dividends received from associated and joint venture companies	36.7	31.9
Dividends received from investments	4.0	4.0
Interest received from investments and deposits	315.4	33.5
Proceeds from finance leases	9.2	9.0
Investments in an associated company	(54.8)	(152.9)
Acquisition of a subsidiary company, net of cash acquired	(4.2)	-
Proceeds from disposal of an associated company	-	3.8
NET CASH USED IN INVESTING ACTIVITIES	(134.0)	(2,246.6)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(297.1)	-
Dividends paid by subsidiary companies to non-controlling interests	(1.6)	(1.4)
Interest paid	(332.6)	(277.0)
Redemption of mandatory convertible bonds	(3,860.0)	-
Proceeds from borrowings	6.2	8.0
Repayment of borrowings	(988.0)	(697.8)
Repayment of lease liabilities	(740.3)	(677.4)
Proceeds from issuance of mandatory convertible bonds	-	6,196.8
Payment of transaction costs related to issuance of mandatory convertible bonds	-	(1.7)
Repayment of bonds	-	(200.0)
Proceeds from issuance of bonds	-	813.1
Payment of transaction costs from issuance of bonds	-	(1.8)
Payment of transaction costs related to borrowings	-	(1.1)
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(6,213.4)	5,159.7
NET CASH INFLOW	2,782.7	5,954.6
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	13,762.7	7,783.0
Effect of exchange rate changes	(217.8)	25.1
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	16,327.6	13,762.7
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	12,400.0	11,259.3
Cash and bank balances	3,927.6	2,503.4
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	16,327.6	13,762.7

Significant non-cash transactions

During the financial period, the Group made pre-delivery payments for certain aircraft amounting to \$204.3 million (31 March 2022: \$652.2 million) through financing from a third-party financier.

6. **AUDIT**

The financial statements for the full year ended 31 March 2023, which have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") have been audited in accordance with Singapore Standards on Auditing. The auditors' report was dated 16 May 2023.

7. **ACCOUNTING POLICIES**

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2022, the Group adopted all the new and revised standards and interpretations of IFRS ("INT IFRS") that are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Company.

8. **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.
- (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 FY2022/23 or FY2021/22.

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 consolidated financial statements.

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

8. 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 six months and financial years ended 31 March 2023 and 2022, and certain assets and liabilities information of the business segments as at those dates.

2nd Half 2022/23	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	7,985.4	1,151.7	180.7	40.5	9,358.3	-	9,358.3
Inter-segment revenue	25.6	47.0	253.1	17.7	343.4	(343.4)	-
	<u>8,011.0</u>	<u>1,198.7</u>	<u>433.8</u>	<u>58.2</u>	<u>9,701.7</u>	<u>(343.4)</u>	<u>9,358.3</u>
RESULTS							
Segment result	1,292.8	188.3	(15.5)	(10.9)	1,454.7	3.0	1,457.7
Finance charges	(208.4)	(96.8)	(1.0)	(0.8)	(307.0)	95.0	(212.0)
Interest income	370.7	17.9	9.2	6.9	404.7	(94.9)	309.8
Write-back of impairment of aircraft	44.4	-	-	-	44.4	-	44.4
Write-back of impairment of base maintenance assets	-	-	1.7	-	1.7	-	1.7
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(11.3)	1.5	-	-	(9.8)	-	(9.8)
Impairment of goodwill	-	-	-	(14.0)	(14.0)	-	(14.0)
Other non-operating items	(57.1)	(0.5)	2.0	(0.3)	(55.9)	0.6	(55.3)
Share of profits of joint venture companies	2.1	-	12.5	-	14.6	-	14.6
Share of (losses)/profits of associated companies	(7.3)	-	23.9	-	16.6	-	16.6
Taxation	(342.6)	22.3	1.1	(3.8)	(323.0)	-	(323.0)
Profit/(Loss) for the financial period	<u>1,083.3</u>	<u>132.7</u>	<u>33.9</u>	<u>(22.9)</u>	<u>1,227.0</u>	<u>3.7</u>	<u>1,230.7</u>
Attributable to:							
Owners of the Company							1,229.9
Non-controlling interests							<u>0.8</u>
							<u>1,230.7</u>

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

8. SEGMENT INFORMATION (in \$ million) (continued)

Business segments (continued)

2nd Half 2021/22	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	4,426.1	208.9	113.5	39.4	4,787.9	-	4,787.9
Inter-segment revenue	15.3	74.0	189.1	13.2	291.6	(291.6)	-
	<u>4,441.4</u>	<u>282.9</u>	<u>302.6</u>	<u>52.6</u>	<u>5,079.5</u>	<u>(291.6)</u>	<u>4,787.9</u>
RESULTS							
Segment result	274.6	(236.6)	(15.2)	(12.0)	10.8	(1.1)	9.7
Finance charges	(177.7)	(56.5)	(1.3)	(0.4)	(235.9)	37.9	(198.0)
Interest income	62.8	0.3	0.8	0.2	64.1	(37.7)	26.4
Impairment of aircraft	(35.5)	-	-	-	(35.5)	-	(35.5)
Impairment of base maintenance assets	-	-	(8.4)	-	(8.4)	-	(8.4)
Surplus on disposal of aircraft, spares and spare engines	71.6	0.4	-	1.1	73.1	-	73.1
Other non-operating items	(2.9)	-	1.4	-	(1.5)	-	(1.5)
Share of profits of joint venture companies	0.2	-	24.0	-	24.2	-	24.2
Share of (losses)/profits of associated companies	(60.7)	0.1	28.2	-	(32.4)	-	(32.4)
Taxation	(34.3)	47.2	13.3	(0.3)	25.9	-	25.9
Profit/(Loss) for the financial period	<u>98.1</u>	<u>(245.1)</u>	<u>42.8</u>	<u>(11.4)</u>	<u>(115.6)</u>	<u>(0.9)</u>	<u>(116.5)</u>
Attributable to:							
Owners of the Company							(125.2)
Non-controlling interests							8.7
							<u>(116.5)</u>

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

8. SEGMENT INFORMATION (in \$ million) (continued)

Business segments (continued)

FY2022/23	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	15,544.3	1,845.2	311.3	74.0	17,774.8	-	17,774.8
Inter-segment revenue	45.8	119.8	484.7	57.6	707.9	(707.9)	-
	<u>15,590.1</u>	<u>1,965.0</u>	<u>796.0</u>	<u>131.6</u>	<u>18,482.7</u>	<u>(707.9)</u>	<u>17,774.8</u>
RESULTS							
Segment result	2,601.2	148.1	(26.3)	(30.7)	2,692.3	(0.2)	2,692.1
Finance charges	(398.3)	(160.6)	(2.0)	(1.4)	(562.3)	142.4	(419.9)
Interest income	515.2	18.8	12.3	8.2	554.5	(141.9)	412.6
Write-back of impairment of aircraft	57.2	-	-	-	57.2	-	57.2
Write-back of impairment of base maintenance assets	-	-	1.7	-	1.7	-	1.7
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(8.8)	1.5	-	-	(7.3)	-	(7.3)
Impairment of goodwill	-	-	-	(14.0)	(14.0)	-	(14.0)
Dividends from long-term investments	4.0	-	-	-	4.0	-	4.0
Other non-operating items	(60.9)	0.2	2.0	(0.3)	(59.0)	0.6	(58.4)
Share of profits of joint venture companies	2.5	-	29.3	-	31.8	-	31.8
Share of (losses)/profits of associated companies	(111.5)	-	48.5	-	(63.0)	-	(63.0)
Taxation	(506.0)	35.5	1.0	(4.0)	(473.5)	-	(473.5)
Profit/(Loss) for the financial year	<u>2,094.6</u>	<u>43.5</u>	<u>66.5</u>	<u>(42.2)</u>	<u>2,162.4</u>	<u>0.9</u>	<u>2,163.3</u>
Attributable to:							
Owners of the Company							2,156.8
Non-controlling interests							<u>6.5</u>
							<u>2,163.3</u>

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

8. SEGMENT INFORMATION (in \$ million) (continued)

Business segments (continued)

FY2021/22	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	7,041.1	298.4	196.8	78.5	7,614.8	-	7,614.8
Inter-segment revenue	27.0	134.4	369.3	41.3	572.0	(572.0)	-
	<u>7,068.1</u>	<u>432.8</u>	<u>566.1</u>	<u>119.8</u>	<u>8,186.8</u>	<u>(572.0)</u>	<u>7,614.8</u>
RESULTS							
Segment result	(111.9)	(453.6)	(21.9)	(17.1)	(604.5)	(5.2)	(609.7)
Finance charges	(357.2)	(95.0)	(2.6)	(0.6)	(455.4)	63.8	(391.6)
Interest income	106.0	0.9	1.8	0.4	109.1	(63.2)	45.9
Impairment of aircraft	(50.5)	-	-	-	(50.5)	-	(50.5)
Impairment of base maintenance assets	-	-	(8.4)	-	(8.4)	-	(8.4)
Surplus on disposal of aircraft, spares and spare engines	84.4	0.4	-	1.1	85.9	-	85.9
Dividends from long-term investments	4.0	-	-	-	4.0	-	4.0
Other non-operating items	(58.7)	8.0	1.2	-	(49.5)	-	(49.5)
Share of profits of joint venture companies	0.4	-	29.4	-	29.8	-	29.8
Share of (losses)/profits of associated companies	(182.8)	-	49.7	-	(133.1)	(12.8)	(145.9)
Taxation	63.4	61.8	18.6	(1.9)	141.9	-	141.9
(Loss)/Profit for the financial year	<u>(502.9)</u>	<u>(477.5)</u>	<u>67.8</u>	<u>(18.1)</u>	<u>(930.7)</u>	<u>(17.4)</u>	<u>(948.1)</u>
Attributable to:							
Owners of the Company							(962.0)
Non-controlling interests							<u>13.9</u>
							<u>(948.1)</u>

* Relates to inter-segment transactions eliminated on consolidation.

8. SEGMENT INFORMATION (in \$ million) (continued)

Business segments (continued)

	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
Capital expenditure	1,451.5	100.9	48.6	0.8	1,601.8	-	1,601.8
Purchase of intangible assets	64.9	4.1	11.0	2.2	82.2	-	82.2
Depreciation	1,636.4	323.1	59.3	3.1	2,021.9	(17.0)	2,004.9
Write-back of impairment of aircraft	(57.2)	-	-	-	(57.2)	-	(57.2)
Write-back of impairment of base maintenance assets	-	-	(1.7)	-	(1.7)	-	(1.7)
Impairment of goodwill	-	-	-	14.0	14.0	-	14.0
Amortisation of intangible assets	60.5	3.5	4.7	6.9	75.6	-	75.6
Non-cash items other than depreciation, impairment of property, plant and equipment and amortisation of intangible assets	114.9	(5.6)	6.0	(1.5)	113.8	-	113.8

* Relates to inter-segment transactions eliminated on consolidation.

8. SEGMENT INFORMATION (in \$ million) (continued)

Business segments (continued)

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 31 MARCH 2022							
Segment assets	42,074.9	5,217.5	1,169.4	286.5	48,748.3	(1,159.1)	47,589.2
Investments in associated and joint venture companies	388.0	-	651.2	-	1,039.2	-	1,039.2
Long-term investments	39.9	-	-	2.7	42.6	-	42.6
Total assets	42,502.8	5,217.5	1,820.6	289.2	49,830.1	(1,159.1)	48,671.0
Segment liabilities	6,784.2	732.4	139.1	97.0	7,752.7	(1,299.9)	6,452.8
Lease liabilities	2,737.5	886.0	66.9	10.5	3,700.9	(18.4)	3,682.5
Long-term liabilities	1,077.7	-	-	-	1,077.7	-	1,077.7
Provisions	642.5	682.3	3.0	-	1,327.8	-	1,327.8
Defined benefit plans	99.9	-	-	-	99.9	-	99.9
Borrowings	11,694.7	298.0	2.8	16.8	12,012.3	-	12,012.3
Tax liabilities	1,226.4	0.2	(12.6)	3.6	1,217.6	-	1,217.6
Total liabilities	24,262.9	2,598.9	199.2	127.9	27,188.9	(1,318.3)	25,870.6
Capital expenditure	2,747.6	281.7	18.4	1.0	3,048.7	-	3,048.7
Purchase of intangible assets	60.7	4.4	4.9	4.4	74.4	-	74.4
Depreciation	1,599.4	282.0	59.8	3.3	1,944.5	(16.9)	1,927.6
Impairment of aircraft	50.5	-	-	-	50.5	-	50.5
Impairment of base maintenance assets	-	-	8.4	-	8.4	-	8.4
Amortisation of intangible assets	58.9	3.2	3.5	6.4	72.0	-	72.0
Non-cash items other than depreciation, impairment of property, plant and equipment and amortisation of intangible assets	11.4	4.0	6.5	1.1	23.0	-	23.0

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

8. SEGMENT INFORMATION (in \$ million) (continued)

Geographical segments

The following table presents revenue information on airline operations by geographical areas for the six months and financial years ended 31 March 2023 and 2022.

	By area of original sale			
	2 nd Half 2022/23	2 nd Half 2021/22	FY 2022/23	FY 2021/22
East Asia	4,583.7	2,757.3	8,764.6	4,447.6
Europe	1,477.9	745.8	2,684.2	1,158.2
South West Pacific	1,408.0	432.7	2,715.3	677.3
Americas	728.7	292.6	1,419.8	427.2
West Asia and Africa	689.3	290.1	1,379.7	435.9
Systemwide	8,887.6	4,518.5	16,963.6	7,146.2
Non-scheduled services and incidental revenue	322.1	205.8	591.5	354.7
	9,209.7	4,724.3	17,555.1	7,500.9

No single customer contributed to more than 10% of the Group's revenue during the six months and financial years ended 31 March 2023 and 2022.

9. BREAKDOWN OF REVENUE AND RESULTS (in \$ million)

The Group	FY2022/23	FY2021/22	% Change
First Half			
Revenue reported for the first half-year	8,416.5	2,826.9	197.7
Profit/(Loss) after tax reported for the first half-year	932.6	(831.6)	n.m.
Second Half			
Revenue reported for the second half-year	9,358.3	4,787.9	95.5
Profit/(Loss) after tax reported for the second half-year	1,230.7	(116.5)	n.m.

Seasonal Operations

The Group's businesses are affected by seasonal and cyclical factors during the financial period. In addition, the easing of pandemic-related travel restrictions and re-opening of borders has resulted in a strong recovery in demand, which led to a significant rise in the performance of the Group.

10. NET ASSET VALUE

	The Group		The Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Net asset value per ordinary share (\$)	6.68	7.55	7.11	7.92

11. BORROWINGS AND DEBT SECURITIES

Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 March 2023		As at 31 March 2022	
Secured	Unsecured	Secured	Unsecured
\$1,183.1M	\$1,364.6M	\$587.1M	\$19.7M

Amount repayable after one year

As at 31 March 2023		As at 31 March 2022	
Secured	Unsecured	Secured	Unsecured
\$3,523.7M	\$5,090.0M	\$4,966.7M	\$6,438.8M

Details of any collateral

The secured bank loans are secured via mortgage of certain aircraft. Excluded from the borrowings above are lease liabilities of \$4,177.9 million (2022: \$3,682.5 million) which are secured over the right-of-use assets.

12. 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 rights issue	-	-	-	-
Balance at 31 March	<u>2,977,543,504</u>	<u>2,977,543,504</u>	<u>7,180.2</u>	<u>7,180.2</u>
Special share				
Balance at 1 April and 31 March	<u>1</u>	<u>1</u>	<u>#</u>	<u>#</u>
#	<i>The value is \$0.50</i>			

No shares were issued (FY2021/22: nil) during the year.

As at 31 March 2023, none of the Company's subsidiaries held any shares in the Company (31 March 2022: nil).

The Company has outstanding mandatory convertible bonds amounting to \$6,195.1 million (2022: \$9,691.2 million), which will be convertible to 2,217,345,476 ordinary shares (2022: 3,478,587,238 ordinary shares) on 8 June 2030. Additionally, the Company has issued \$850 million in principal amount of convertible bonds, which are convertible to 150,952,778 ordinary shares (2022: 148,006,268 ordinary shares) upon conversion.

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 Group and Company objectives.

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.

In respect of FY2022/23 Strategic Share Award ("SSA") under the RSP, the award made in July 2022 to Senior Management (Senior Vice Presidents and above) was based on BCIRC assessment of SIA Management's Covid-19 response and recovery for FY2021/22.

The key terms and conditions of the share-based incentive plans issued in FY2022/23 are set out in the latest SIA annual report covering FY2022/23.

12. SHARE CAPITAL (in \$ million) (continued)

Share-based Incentive Plans (continued)

Movement of share awards during the financial period

Date of grant	Balance at 1 April 2022	Number of Share Awards			Balance at 31 March 2023
		Granted	Adjustment	Vested	
<u>RSP</u>					
19.07.2019	179,950	-	-	(179,950)	-
16.07.2020	893,076	-	-	(460,228)	432,848
15.07.2021	1,640,725	-	463,875 #	(745,220)	1,359,380
14.07.2022	-	1,856,506	-	-	1,856,506
	<u>2,713,751</u>	<u>1,856,506</u>	<u>463,875</u>	<u>(1,385,398)</u>	<u>3,648,734</u>
<u>PSP</u>					
19.07.2019	608,880	-	(150,290) #	(458,590)	-
16.07.2020	605,600	-	-	-	605,600
15.07.2021	717,293	-	-	-	717,293
14.07.2022	-	666,516	-	-	666,516
	<u>1,931,773</u>	<u>666,516</u>	<u>(150,290)</u>	<u>(458,590)</u>	<u>1,989,409</u>
<u>Transformation Share Award</u>					
19.07.2019	13,500	-	10,800 ^	(24,300)	-
	<u>13,500</u>	<u>-</u>	<u>10,800</u>	<u>(24,300)</u>	<u>-</u>
<u>SSA</u>					
16.07.2020	239,000	-	191,200 ^	(430,200)	-
05.02.2021	19,650	-	-	(9,825)	9,825
15.07.2021	410,150	-	-	(205,075)	205,075
14.07.2022	-	964,900	-	(482,450)	482,450
23.12.2022	-	36,300	-	-	36,300
	<u>668,800</u>	<u>1,001,200</u>	<u>191,200</u>	<u>(1,127,550)</u>	<u>733,650</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.

13. TREASURY SHARES (in \$ million)

The Group and the Company		
	Number of shares	Amount
Balance at 1 April 2022	10,048,816	(106.5)
Treasury shares transferred on vesting of share-based incentive plans	(2,995,838)	31.8
Treasury shares transferred on payment of Directors' remuneration	(85,900)	0.9
Balance at 31 March 2023	<u>6,967,078</u>	<u>(73.8)</u>

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 (FY2021/22: nil).

As at 31 March 2023, the number of ordinary shares in issue was 2,977,543,504 of which 6,967,078 were held by the Company as treasury shares (2022: 2,977,543,504 ordinary shares of which 10,048,816 were held as treasury shares). The treasury shares held represents 0.2% (2022: 0.3%) of the total number of issued shares (excluding treasury shares).

14. PERFORMANCE REVIEW

GROUP FINANCIAL PERFORMANCE

Financial Year FY2022/23 – Profit and Loss

The Group's financial performance for the financial year FY2022/23 is summarised as follows:

Group Financial Results	FY2022/23 (\$ million)	FY2021/22 (\$ million)	Better/ (Worse) (%)	2 nd Half FY2022/23 (\$ million)	1 st Half FY2022/23 (\$ million)	Better/ (Worse) (%)
Total Revenue	17,775	7,615	133.4	9,358	8,417	11.2
Total Expenditure	15,083	8,225	(83.4)	7,901	7,182	(10.0)
Net Fuel Cost	5,209	2,189	(138.0)	2,514	2,696	6.8
<i>Fuel Cost (before hedging)</i>	5,958	2,409	(147.3)	2,845	3,113	8.6
<i>Fuel Hedging Gain</i>	(749)	(219)	242.0	(332)	(417)	(20.4)
Fair Value Gain on Fuel Derivatives	(1)	(78)	(98.7)	-	(1)	(100.0)
Non-fuel Expenditure	9,874	6,113	(61.5)	5,387	4,487	(20.1)
Operating Profit/(Loss)	2,692	(610)	n.m.	1,458	1,234	18.2
Net Profit/(Loss)	2,157	(962)	n.m.	1,230	927	32.7

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

At the onset of the Covid-19 pandemic in 2020, the Group acted swiftly and decisively to shore up liquidity and build its financial resilience. This strong liquidity position, and the confidence it engendered, enabled the Group to take a long term view and make several strategic decisions ahead of the recovery in global air travel. SIA and Scoot retained most of their talented staff, who were ready to step up when called upon. A large proportion of the Group's aircraft fleet were kept operational, albeit at low utilisation levels in the early phase of the recovery, ensuring that they were properly maintained and fully functional. The Group built up a strong base network in a deliberate and calibrated manner, ensuring that SIA and Scoot were in position to ramp up ahead of any return in passenger traffic.

14. PERFORMANCE REVIEW (continued)

GROUP FINANCIAL PERFORMANCE (continued)

Financial Year FY2022/23 – Profit and Loss (continued)

As a result, when the demand for air travel surged in FY2022/23 after Singapore fully reopened its borders in April 2022, and as restrictions on international air travel eased globally, SIA and Scoot could ramp up operations at short notice. Working collaboratively with key members of Singapore's aviation ecosystem, both carriers were among the first to launch flights as borders reopened, and captured the pent-up demand as air travel returned.

Group passenger capacity reached 79% of pre-Covid¹ levels in March 2023, higher than the 58%² level for international scheduled services of Asia-Pacific airlines. SIA and Scoot collectively carried 26.5 million passengers, up six-times from a year before. The passenger load factor (PLF) jumped 55.3 percentage points to 85.4%, the highest in the Group's history. SIA achieved a record PLF of 85.8%, while Scoot delivered a PLF of 83.9%.

The cargo segment's performance moderated year-on-year as the demand for air freight declined, and as supply chain disruptions brought about by the Covid-19 pandemic subsided. Macroeconomic headwinds dampened consumer demand, while high inventory levels led to a slowdown in new orders. Cargo yields fell year-on-year as industry bellyhold capacity increased with the progressive restoration of passenger flights. Nevertheless, cargo revenue remained 83% above the pre-Covid level recorded in calendar year 2019.

Group revenue increased by \$10,160 million (+133.4%) year-on-year to a record \$17,775 million. Passenger flown revenue rose \$10,560 million (+376.3%) to \$13,366 million as traffic grew 449.9%, outpacing the capacity expansion of 94.0%. Revenue per available seat-kilometre (RASK) was 10.0 cents, the highest yearly RASK in the Group's history. Cargo flown revenue fell \$735 million (-16.9%) to \$3,604 million as a result of lower cargo loads (-11.4%) and yields (-6.2%). Notwithstanding, this was the second-highest annual cargo revenue figure in the Group's history.

Expenditure grew by \$6,858 million (+83.4%) year-on-year to \$15,083 million. This comprised a \$3,020 million increase (+138.0%) in net fuel costs, a \$3,761 million increase (+61.5%) in non-fuel expenditure, and a \$77 million increase from the year-on-year impact of the fair value changes on fuel derivatives. Net fuel cost rose to \$5,209 million, mainly due to the 49.6% increase in fuel prices (+\$1,942 million) and higher volumes uplifted (+\$1,495 million), and this was partially offset by higher fuel hedging gains (-\$530 million). The increase in non-fuel expenditure was well within the 94.0% increase in passenger capacity.

Group operating profit came in at a record \$2,692 million, reversing the \$610 million loss in FY2021/22. Operating profit for SIA was a record \$2,601 million, an increase of \$2,713 million from the previous financial year. Scoot achieved a record operating profit of \$148 million, up \$602 million from FY2021/22.

The Group posted a record net profit of \$2,157 million for the year, versus a \$962 million net loss in the previous year (+\$3,119 million). This was mainly driven by better operating performance (+\$3,302 million) and lower net finance charges (+\$338 million), and partially offset by a tax expense versus a tax credit last year (-\$615 million).

The SIA Group's record financial performance for FY2022/23 is a testament to its proactive strategic initiatives, pre-emptive preparation that was made when borders remained closed, and the hard work, dedication, and sacrifices of its employees.

¹ Pre-Covid refers to January 2020, before the onset of Covid-19 pandemic.

² Based on Association of Asia Pacific Airlines (AAPA) traffic report for March 2023. This report incorporates data from 40 airlines in the Asia-Pacific region, including SIA and Scoot.

14. PERFORMANCE REVIEW (continued)

GROUP FINANCIAL PERFORMANCE (continued)

Second Half FY2022/23 – Profit and Loss

The Group posted a record second half operating profit of \$1,458 million, an improvement of \$224 million (+18.2%) from the first half, as the strong demand for air travel continued into the second half of the financial year.

Revenues rose \$941 million (+11.2%) compared to the previous six months to \$9,358 million, the highest half-year revenue for the SIA Group. Passenger flown revenue increased \$1,408 million (+23.5%) on the back of a 24.8% growth in traffic, outpacing the 18.5% expansion in capacity. PLF rose 4.4 percentage points to a record 87.4%. RASK was 10.2 cents, the highest half-year RASK in the Group's history. Cargo flown revenue fell \$594 million (-28.3%) due to a decline in loads (-5.2%) and yields (-24.3%).

Expenditure grew by \$719 million (+10.0%) half-on-half to \$7,901 million. This comprised a \$900 million rise in non-fuel expenditure (+20.1%) that was partly offset by a \$182 million decrease (-6.8%) in net fuel cost. Net fuel cost fell to \$2,514 million, mainly due to a 17.2% drop in fuel prices (-\$595 million). This was partly offset by higher volumes uplifted (+\$343 million) and lower fuel hedging gain (+\$85 million). The increase in non-fuel expenditure was in line with the increase in passenger and cargo capacity.

The Group posted a second half net profit of \$1,230 million, up \$303 million (+32.7%) from the first half. This was mainly attributable to the better operating performance (+\$224 million), net interest income in the second half versus net finance charges in the first half (+\$203 million), and partially offset by a higher tax expense (-\$172 million).

BALANCE SHEET REVIEW (March 2023 vs March 2022)

Equity attributable to owners of the company decreased by \$2,554 million (-11.4%) to \$19,858 million as at 31 March 2023 largely due to the following:

- redemption of Mandatory Convertible Bonds ("MCB") (-\$3,860 million);
- reduction in fair value gain (-\$569 million) which arose mainly from fuel hedges with the decrease in average forward fuel prices and maturity of contracts during the financial year;
- interim dividend payout (-\$297 million); partially offset by
- net profit of \$2,157 million earned for the financial year.

Total Group assets increased by \$430 million (+0.9%) to \$49,101 million. The increase was mainly attributable to an increase in cash and bank balances (+\$2,565 million), right-of-use assets (+\$564 million), deposits and other debtors (+\$82 million), partially offset by a decrease in derivative assets (-\$1,742 million), property, plant and equipment (-\$738 million) and trade debtors (-\$374 million). The increase in cash and bank balances arose primarily due to net cash generated from operations (+\$9,130 million), as well as proceeds from sale-and-leaseback agreements (+\$1,210 million). These were partly offset by redemption of MCBs (-\$3,860 million), capital expenditure (-\$1,602 million), net repayment of borrowings (-\$982 million), lease payments (-\$740 million) interest payments (-\$333 million), and interim dividend payment (-\$297 million).

Total Group liabilities increased by \$2,981 million (+11.5%) to \$28,851 million, primarily arising from the increase in sales in advance of carriage (+\$2,524 million), trade and other creditors (+1,307 million), lease liabilities (+\$495 million) and deferred taxes (+\$366 million). These were mitigated by a decrease in derivative liabilities (-\$928 million) and borrowings (-\$851 million).

14. PERFORMANCE REVIEW (continued)

Variance between forecast, or a prospect statement, that has been previously disclosed to shareholders and the actual results

Not applicable.

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

The demand for air travel remains robust in the first quarter of FY2023/24, underpinned by the recovery in air travel in East Asia. Forward sales remain healthy across all cabin classes, led by a strong pick up in bookings to China, Japan, and South Korea. The Group will monitor the demand for air travel, and adjust its capacity accordingly.

Near term cargo demand is expected to remain soft as the industry navigates headwinds from the macroeconomic environment, and as inventory levels recalibrate to post-Covid conditions. Inflation and weak economic conditions will impact consumer demand and trade. Increased bellyhold capacity amid softer demand continues to exert downward pressure on cargo yields, particularly on key trade lanes.

Geopolitical and macroeconomic uncertainties, as well as high cost inflation, could pose challenges for the airline industry in the months ahead. Even though fuel prices have moderated in recent months, they remain at elevated levels. As competition is expected to increase with more capacity being injected on international routes, the Group will monitor developments closely, and be agile and nimble in its response.

The two chapters of the SIA Group's Transformation programme, the first running from FY2017/18 to FY2019/20 and the second from FY2020/21 to FY2022/23, have strengthened its foundations to help the Group navigate future challenges.

Despite the pandemic, the Group remained committed to its longstanding strategy of buying and operating new generation aircraft. This enables it to drive further operating efficiencies and support ongoing efforts to materially lower carbon emissions. The Group also continued investing in industry-leading products and services to strengthen its premium branding. This included the retrofit of its Airbus A380 and Boeing 737-8 aircraft, the revamp of its flagship lounges at Singapore Changi Airport Terminal 3, and an order for the all-new Airbus A350F freighters.

To prepare for the future, several strategic initiatives were undertaken, including the continued expansion of its network through deeper collaboration with like-minded airlines, the proposed merger of Air India and Vistara to bolster SIA's presence in the fast-growing Indian aviation market, as well as Scoot's decision to lease nine Embraer E190-E2 aircraft and expand its footprint to secondary points in the region.

The Group's robust financial position, commitment to offering best-in-class products and services, agility and resilience, as well as its dedicated and talented staff members, will continue to strengthen its leadership position in the airline industry.

The SIA Group is grateful to all customers, shareholders, partners, staff, and stakeholders for their continued support, which it does not take for granted.

15. DIVIDEND

Current Financial Period Reported on

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share	10 cents per ordinary share	28 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)	Tax-exempt (one-tier)

Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

Date Payable

The final dividend, if so approved by the shareholders, will be paid on 18 August 2023.

Books Closure Date

NOTICE IS HEREBY GIVEN that the Transfer Books and the Register of Members of the Company will be closed on 2 August 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. on 2 August 2023 will be registered to determine shareholders' entitlements to the final 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. on 2 August 2023 will be entitled to the final dividend.

Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Annual Dividend (\$ million)	FY2022/23	FY2021/22
Ordinary Dividend		
- Interim	297.1	-
- Final [#]	831.8	-
Total	1,128.9	-

[#] FY2022/23 Final ordinary dividend is estimated based on number of shares outstanding as at the end of the financial year.

16. OTHER LISTING MANUAL REQUIREMENTS

Interested Person Transactions

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the Financial Year 2022/23 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		-	149,375
- Ascott International Management Japan Company Limited		-	544,423
- Ascott Makati, Inc.		-	114,662
- CapitaLand Integrated Commercial Trust		-	243,792
- Somerset Palace Seoul		-	100,110
Gategroup Holding AG Group	#		
- Compagnie d'Exploitation des Services Auxiliaires Aériens		-	7,502,980
- deSter Asia Pacific Limited		-	170,047
- Gate Gourmet Amsterdam B.V.		-	3,493,382
- Gate Gourmet Denmark APS		-	5,568,460
- Gate Gourmet Services Pty Ltd		-	15,448,489
- Gate Gourmet Spain S.L.		-	357,765
- Gate Gourmet Switzerland GmbH		-	7,597,648
- Gategroup Trading Hong Kong Ltd		-	8,920,811
KrisShop Pte Ltd	#	*12,000,000	10,337,069
SATS Ltd Group	#		
- Air India SATS Airport Services Private Limited		-	7,687,468
- Asia Airfreight Terminal Co Ltd		-	3,241,271
- Ground Team Red Sdn Bhd		-	101,659
- MacroAsia Catering Services Inc.		-	3,526,563
- Mumbai Cargo Service Centre Airport Private Limited		-	3,160,185
- PT Jas Aero-Engineering Services		-	3,013,280
- PT Jasa Angkasa Semesta Tbk		-	7,917,863
- SATS Aero Laundry Pte. Ltd.		-	10,766,434
- SATS HK Limited		-	5,906,551
- SATS Ltd		^320,000	497,488,662
- SATS Security Services Private Limited		-	23,350,756
- Taj SATS Air Catering Limited		-	5,760,606
- TFK Corporation		-	3,460,694

An associate of the Company's controlling shareholder.

* Being the principal amount of unsecured loan of up to SGD 10.5 million from SIA to KrisShop Pte. Ltd. ("KrisShop") and estimated interest payable of SGD 1.5 million by KrisShop to SIA.

^ Being estimated interest payable by KrisShop to SATS Ltd ("SATS") incurred on the borrowing of unsecured shareholder loan of up to SGD 2.25 million from SATS by KrisShop.

16. OTHER LISTING MANUAL REQUIREMENTS (continued)

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\$)
SembCorp Industries Ltd Group - Sembcorp Solar Singapore Pte Ltd	#	-	326,462
Singapore Telecommunications Limited Group - Optus Networks Pty Limited - Singapore Telecommunications Limited	#	- -	307,774 5,927,210
StarHub Ltd Group - Ensign InfoSecurity (Systems) Pte. Ltd. - StarHub Ltd	#	- -	3,676,488 1,572,524
TeleChoice International Limited Group - S & I Systems Pte Ltd	#	-	893,680
Temasek Holdings (Private) Limited and Associates - BDP Asia Pacific Pte Ltd - Certis CISCO Aviation Security Pte. Ltd. - Constellar Venues Pte. Ltd. - Cuscaden Peak Investments Private Limited - Dreamcloud Pte. Ltd. - MediaCorp Pte Ltd - SMM Pte Ltd - SP Services Limited - SPH Media Limited - Sydney Night Patrol & Inquiry Co Pty Ltd - Sygnia Pte Ltd - UST Global (Singapore) Pte. Limited	#	- - - - - - - - - - - - - -	1,038,987 2,976,425 129,635 321,750 420,925 230,590 10,174,161 313,030 645,800 358,724 264,382 551,374
Total Interested Person Transactions		12,320,000	666,060,926

An associate of the Company's controlling shareholder.

16. OTHER LISTING MANUAL REQUIREMENTS (continued)

Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of our knowledge to date, there is no person occupying a managerial position in the Company, or in any of its principal subsidiaries, who is a relative of a Director or the Chief Executive Officer or a Substantial Shareholder of the Company.

By Order of the Board

Brenton Wu
Company Secretary
16 May 2023

Singapore Company Registration No.: 197200078R