



SIA Group Analyst/Media Briefing

1H FY24/25 Results
(Ended 30 September 2024)

11 November 2024

PRESENTATION BY:

Divisional Vice President Financial Services
Mr. Balagopal Kunduvara

Group Financial Results

Key Highlights

Operating profit of \$795.6 million for 1H FY24/25, 48.8% lower than a year ago

**Revenue
9,497 million**

+3.7% YoY

**Expenditure
8,702 million**

+14.4% YoY

**Pax Flown Revenue
7,668 million**

+1.6% YoY

**Cargo Revenue
1,102 million**

+3.9% YoY

**Net Fuel Costs
2,730 million**

+19.6% YoY




**Non-Fuel Costs
5,972 million**

+12.1% YoY

Net profit of \$742.0 million, down 48.5% YoY

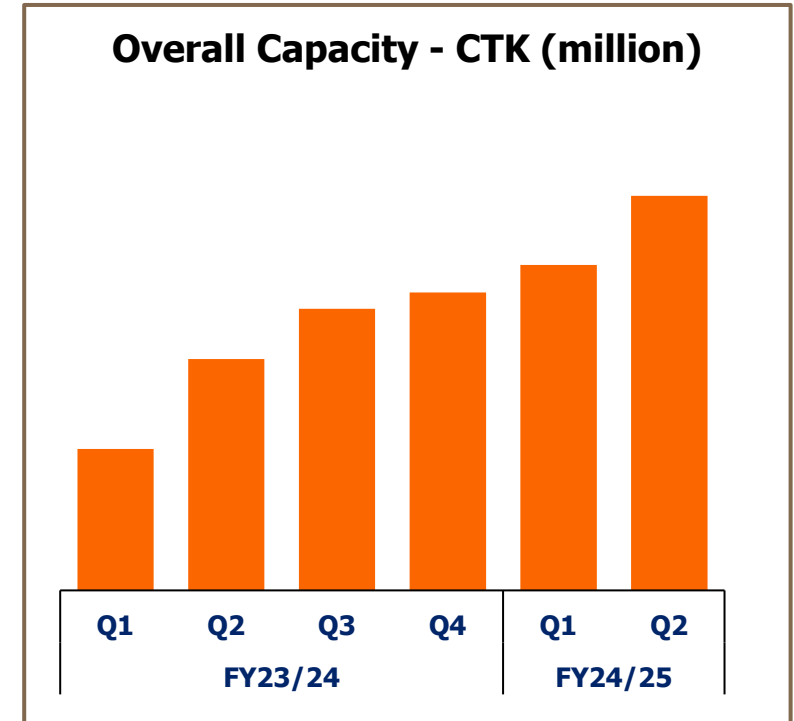
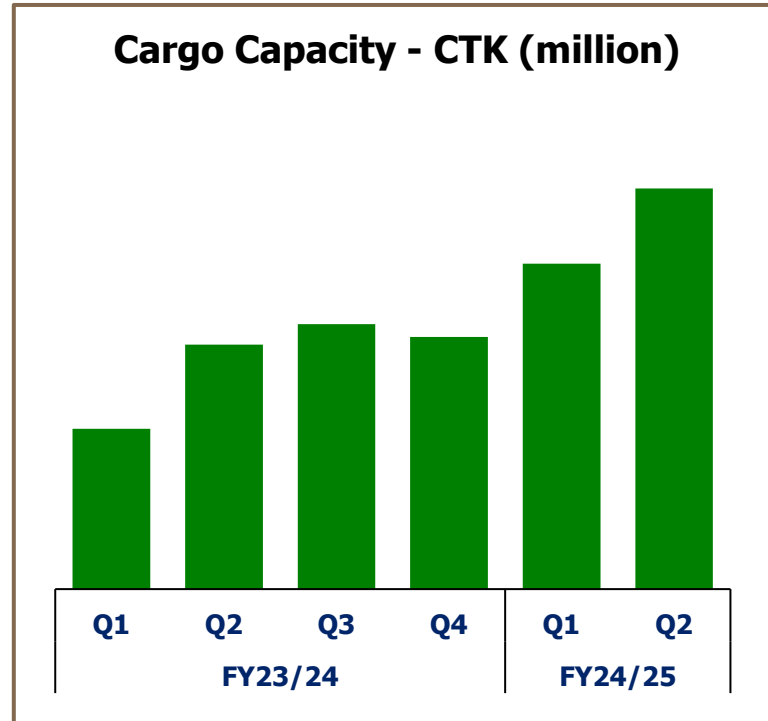
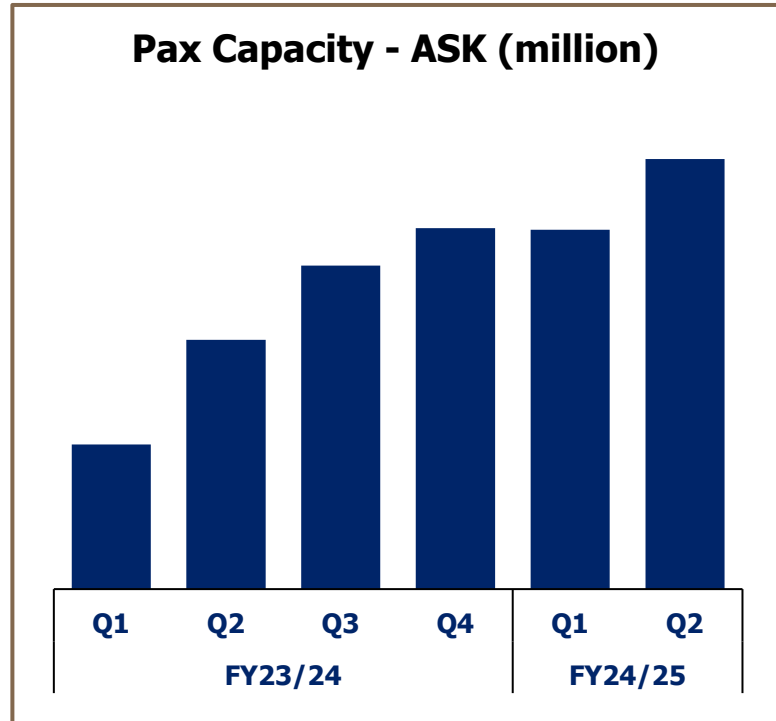
Interim dividend maintained at 10.0 cents per share, to be paid on 11 December 2024

Operating Results for the Main Companies of the Group

	1H FY24/25 (\$'M)	1H FY23/24 (\$'M)	Better/ (Worse) (\$'M)	Better/ (Worse) (%)	Q2 FY24/25 (\$'M)	Q2 FY23/24 (\$'M)	Better/ (Worse) (\$'M)	Better/ (Worse) (%)
 Full-service carrier	785.9	1,512.2	(726.3)	(48.0)	317.5	774.7	(457.2)	(59.0)
 Low-cost carrier	6.8	58.2	(51.4)	(88.3)	4.2	34.5	(30.3)	(87.8)
 SIAEC Group	3.4	0.1	3.3	n.m.	2.4	(0.3)	2.7	n.m.

Group Operating Statistics

1H FY24/25: Overall capacity up 10.6% YoY, with passenger capacity up 11.0% and cargo capacity up 10.2%



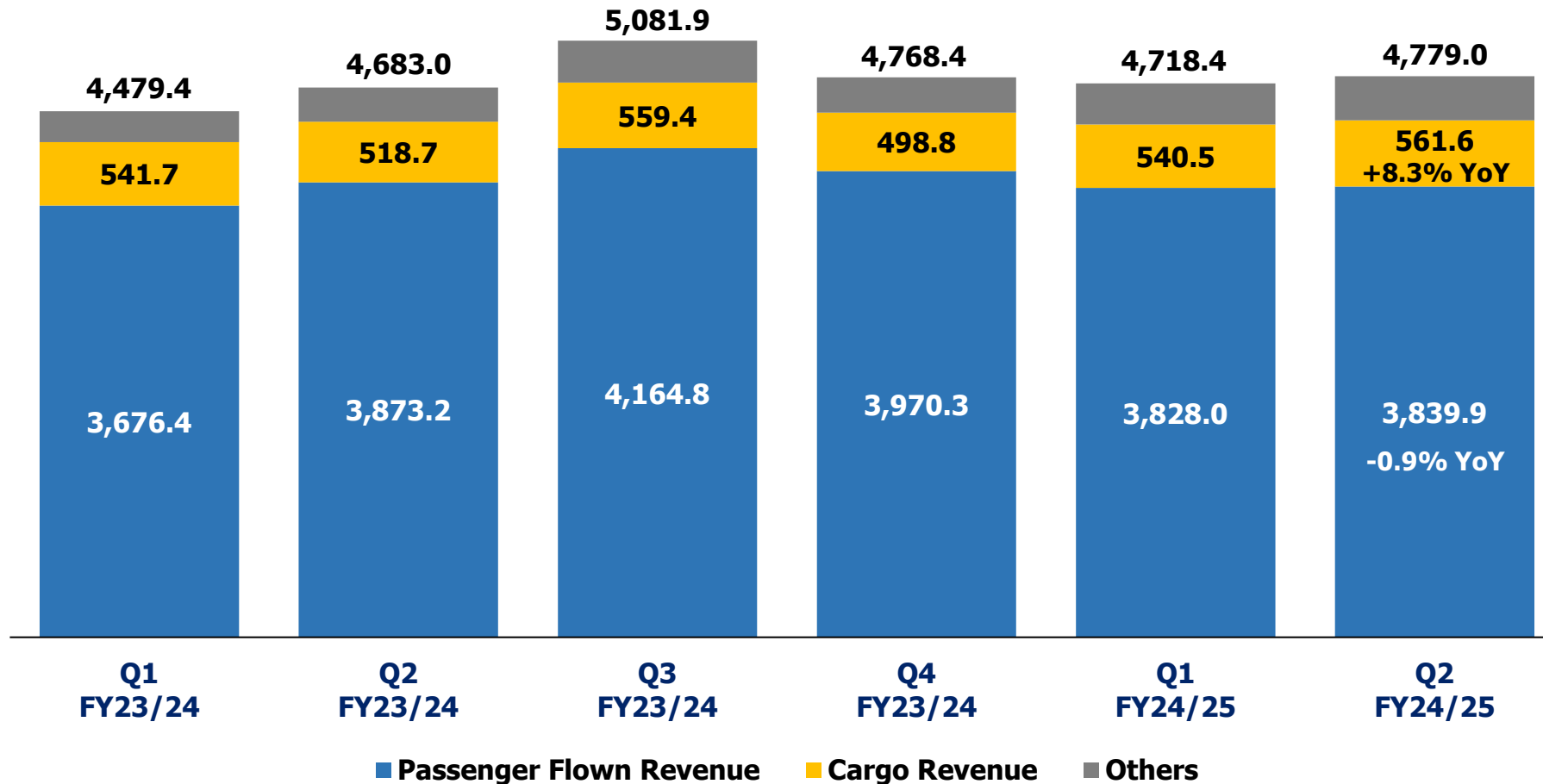
Group Financial Results

	1H FY24/25 (\$'M)	1H FY23/24 (\$'M)	Better/ (Worse) (\$'M)	Better/ (Worse) (%)	Q2 FY24/25 (\$'M)	Q2 FY23/24 (\$'M)	Better/ (Worse) (\$'M)	Better/ (Worse) (%)
Total Revenue	9,497.4	9,162.4	335.0	3.7	4,779.0	4,683.0	96.0	2.0
Total Expenditure	8,701.8	7,608.6	(1,093.2)	(14.4)	4,453.6	3,883.7	(569.9)	(14.7)
-- Net Fuel Cost	2,729.9	2,283.1	(446.8)	(19.6)	1,359.6	1,229.7	(129.9)	(10.6)
<i>Fuel Cost (before hedging)</i>	<i>2,797.8</i>	<i>2,527.3</i>	<i>(270.5)</i>	<i>(10.7)</i>	<i>1,378.7</i>	<i>1,373.1</i>	<i>(5.6)</i>	<i>(0.4)</i>
<i>Fuel Hedging Gain</i>	<i>(67.9)</i>	<i>(244.2)</i>	<i>(176.3)</i>	<i>(72.2)</i>	<i>(19.1)</i>	<i>(143.4)</i>	<i>(124.3)</i>	<i>(86.7)</i>
-- Non-fuel Expenditure	5,971.9	5,325.5	(646.4)	(12.1)	3,094.0	2,654.0	(440.0)	(16.6)
Operating Profit	795.6	1,553.8	(758.2)	(48.8)	325.4	799.3	(473.9)	(59.3)
Net Profit	742.0	1,441.1	(699.1)	(48.5)	290.3	707.1	(416.8)	(58.9)

Group Revenue

1H FY24/25: Group revenue rose by 3.7% YoY

Group Revenue (\$'M)



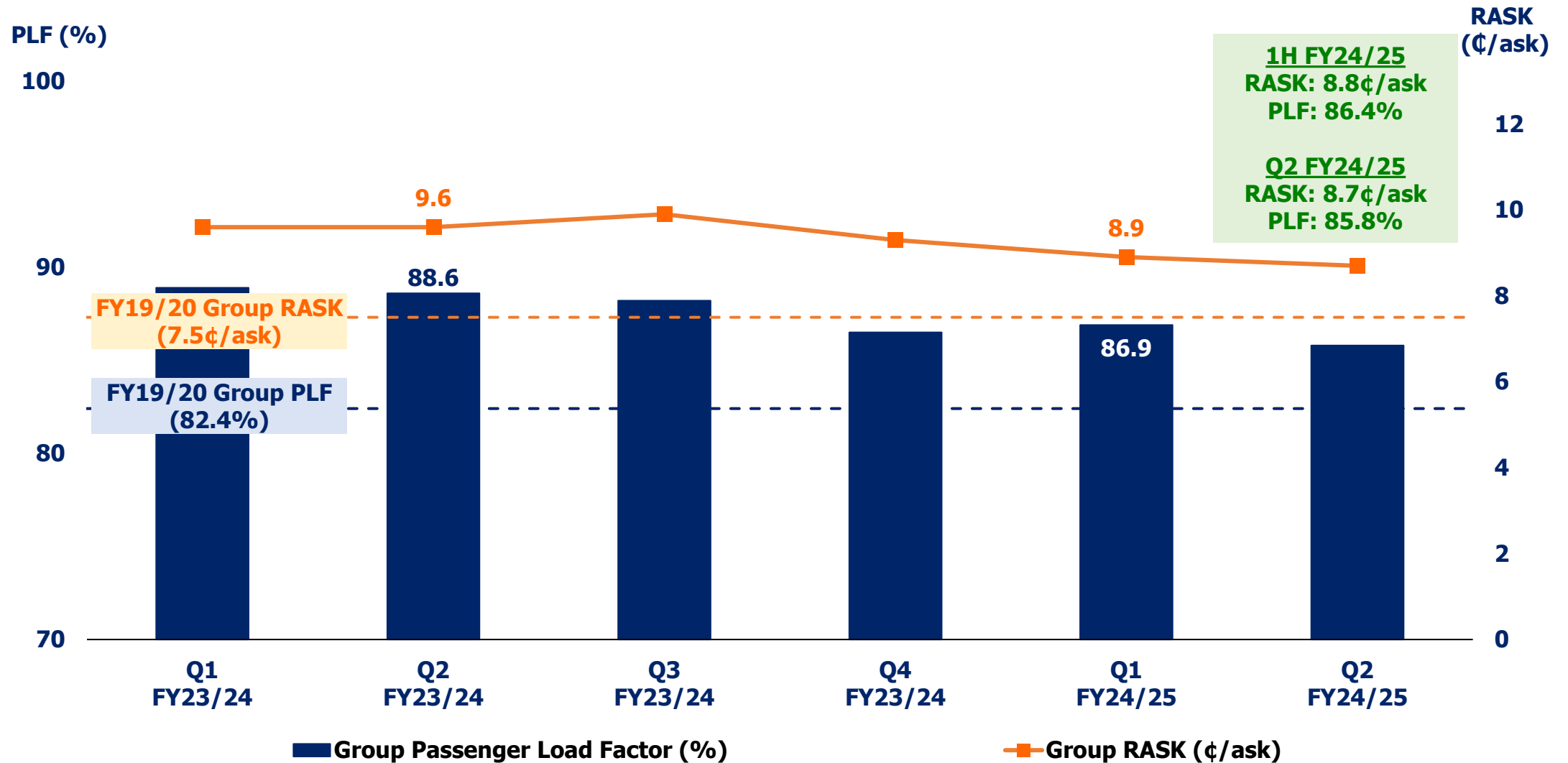
1H FY24/25
\$9,497.4M

1H (YoY)
 **\$335.0M**
(+3.7%)

Q2 (YoY)
 **\$96.0M**
(+2.0%)

Group Operating Statistics - Passenger

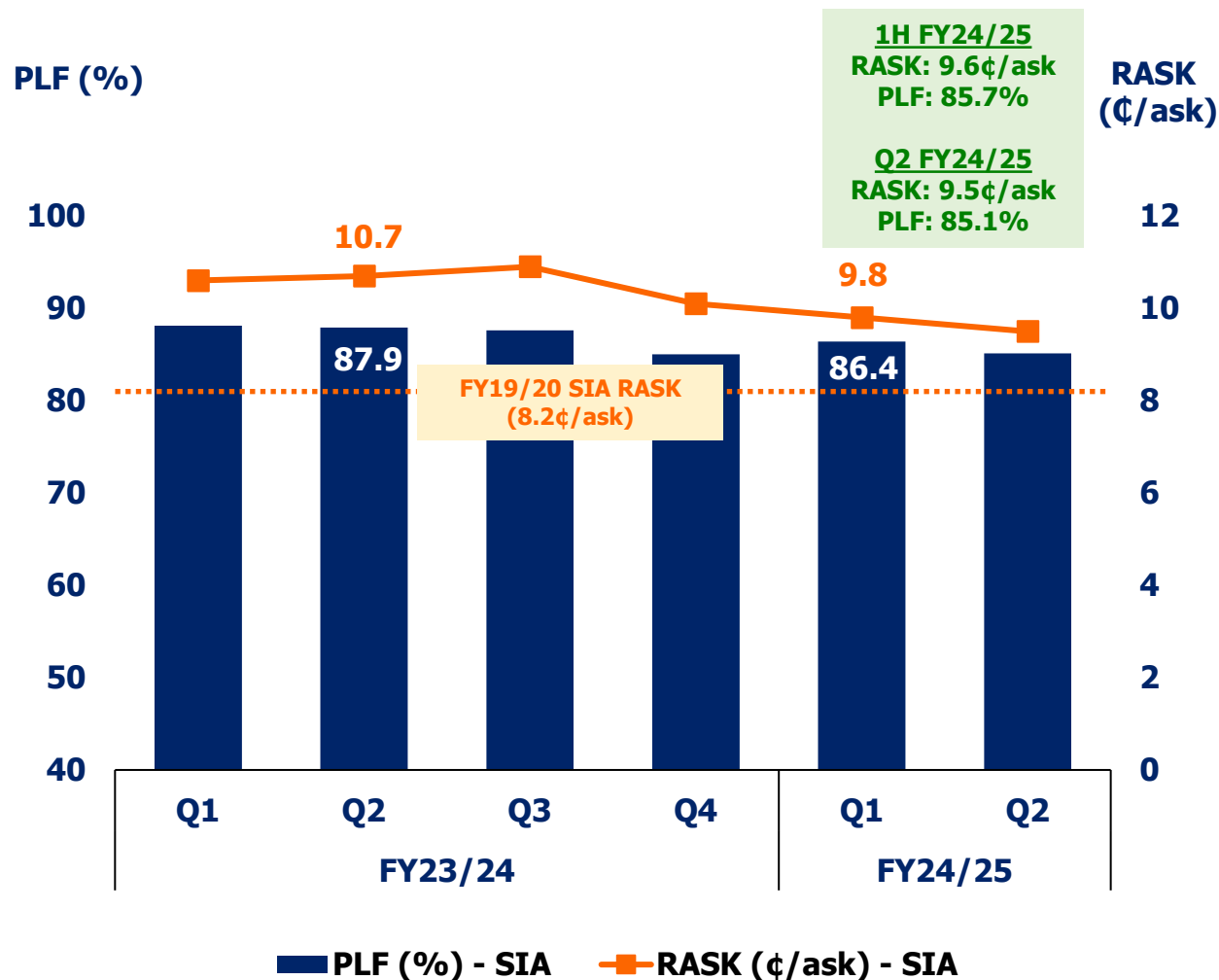
Demand for air travel remained healthy but unit revenue was lower than last year



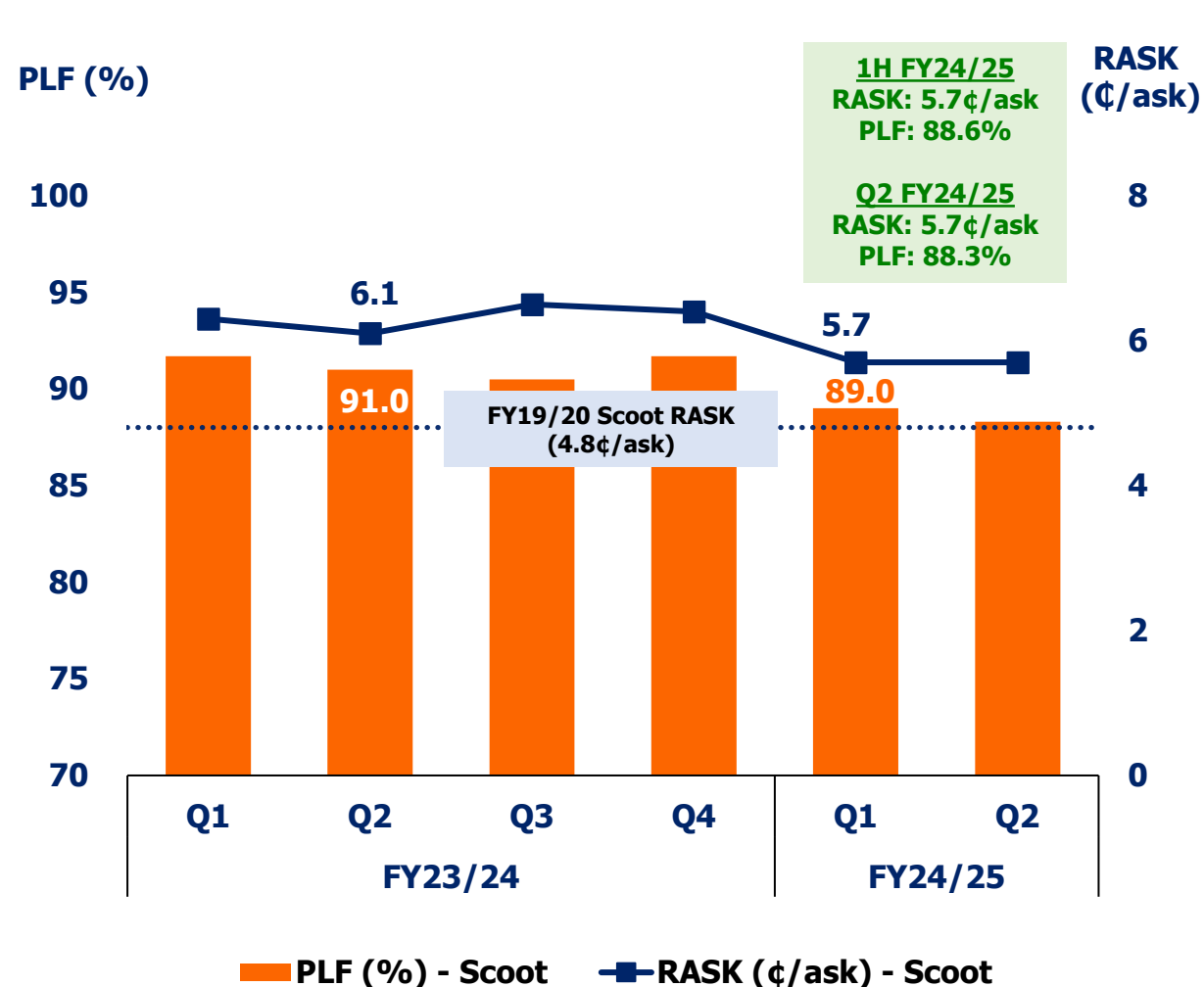
SIA and Scoot Operating Statistics - Passenger

Unit revenue for both airlines remained above pre-Covid levels

FSC: SIA Operating Statistics

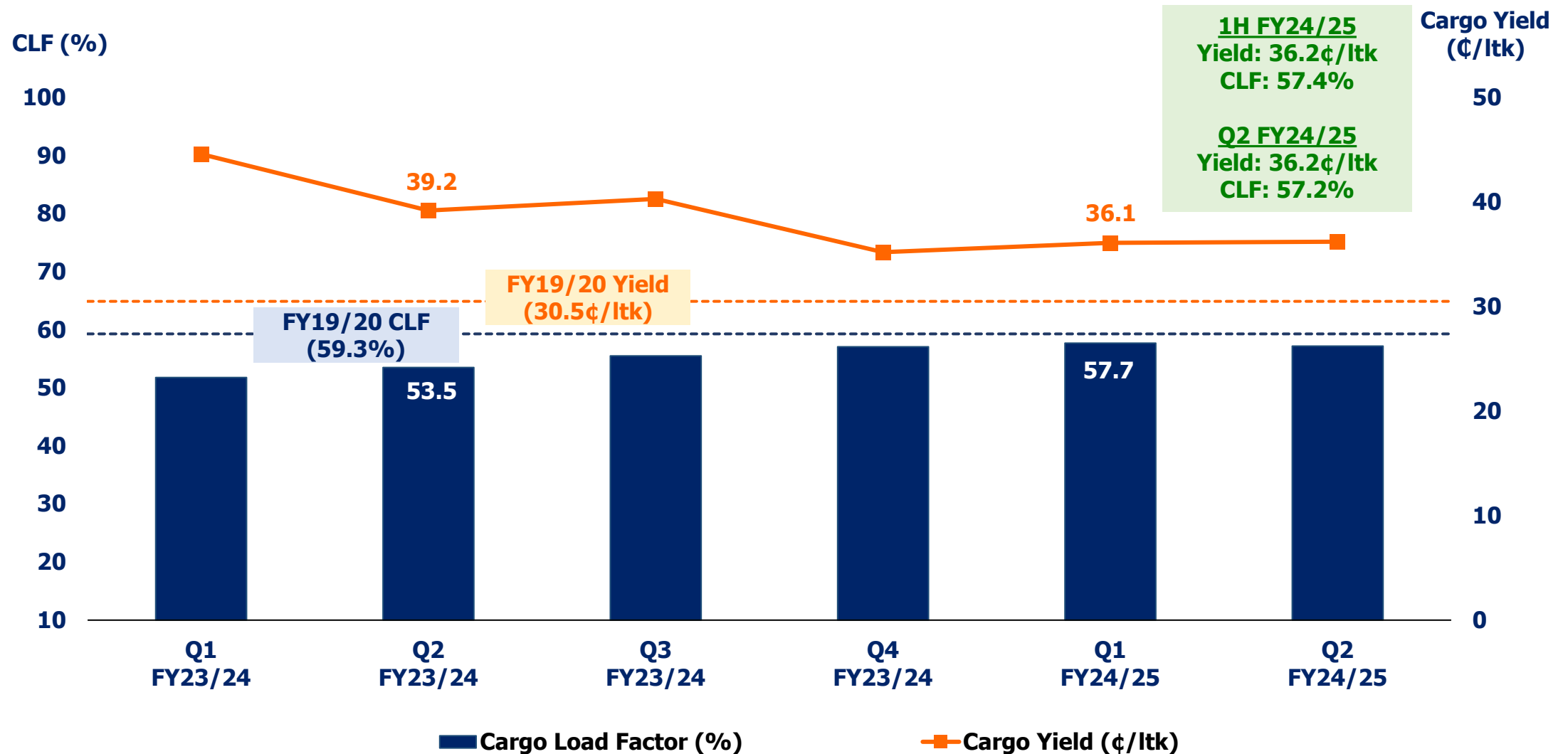


LCC: Scoot Operating Statistics



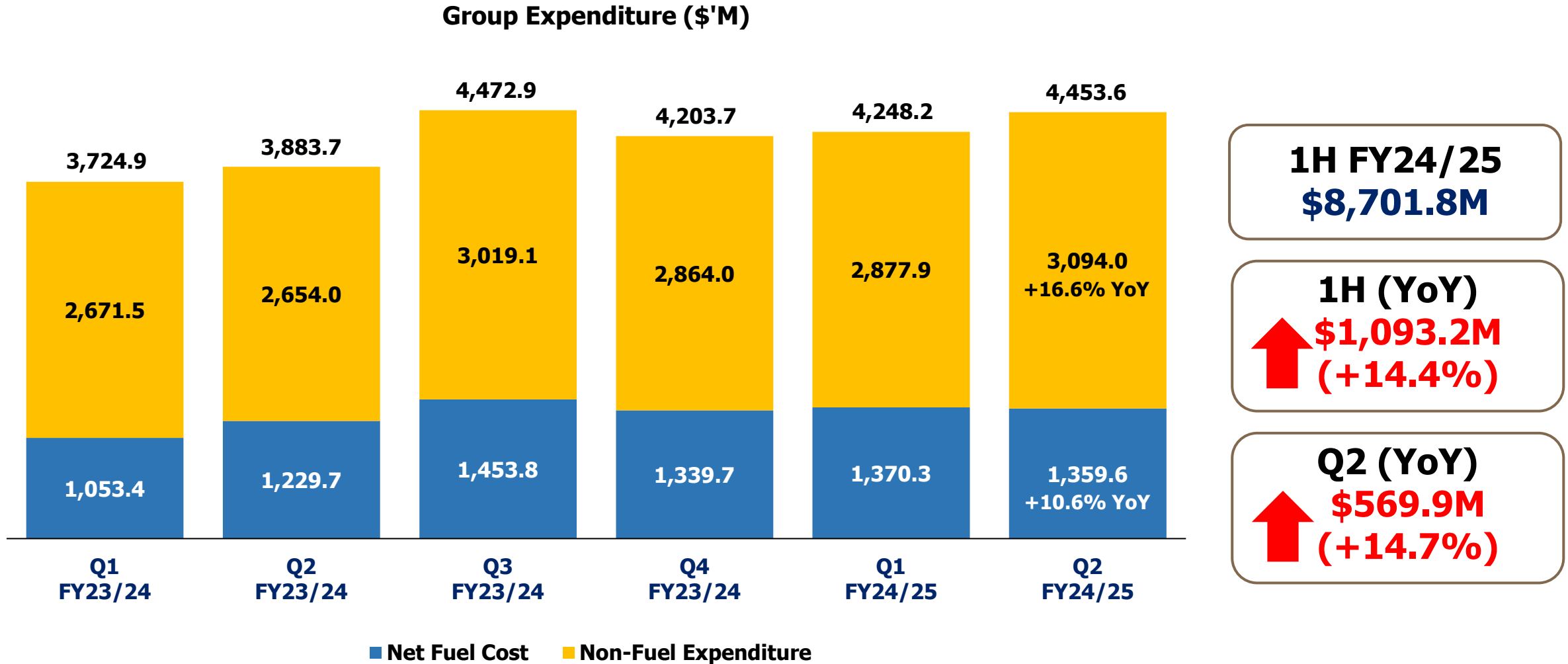
Group Operating Statistics - Cargo

1H FY24/25: Sustained demand in air freight resulted in higher load factors YoY and stabilisation of cargo yields

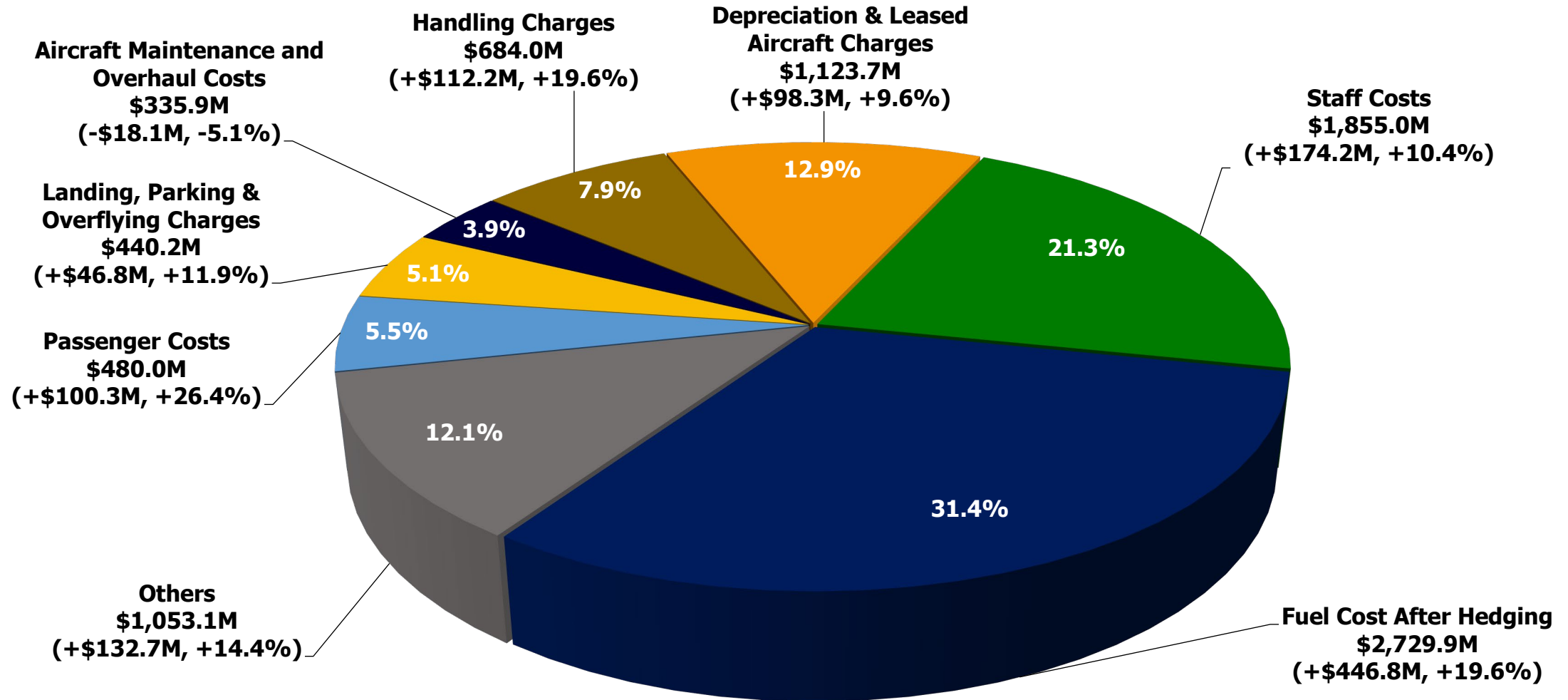


Group Expenditure

1H FY24/25: Non-fuel expenditure rose by 12.1% YoY, largely driven by the 10.6% growth in overall capacity

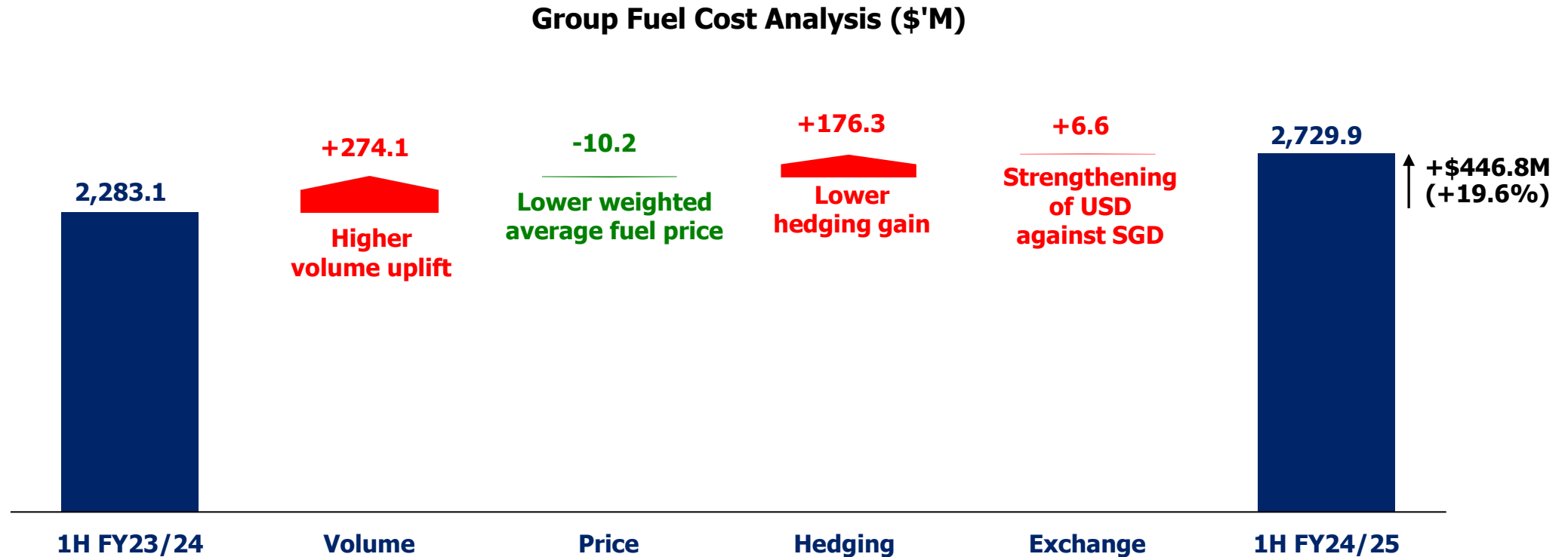


Group Expenditure



Net Fuel Cost and Fuel Hedging

Net fuel cost rose 19.6% YoY on the back of higher volume uplifted and lower hedging gain



USD/BBL	1H FY24/25	1H FY23/24
Fuel price (before hedging)	104.75	105.13
Fuel price (after hedging)	102.22	95.00

Fuel Hedging Status

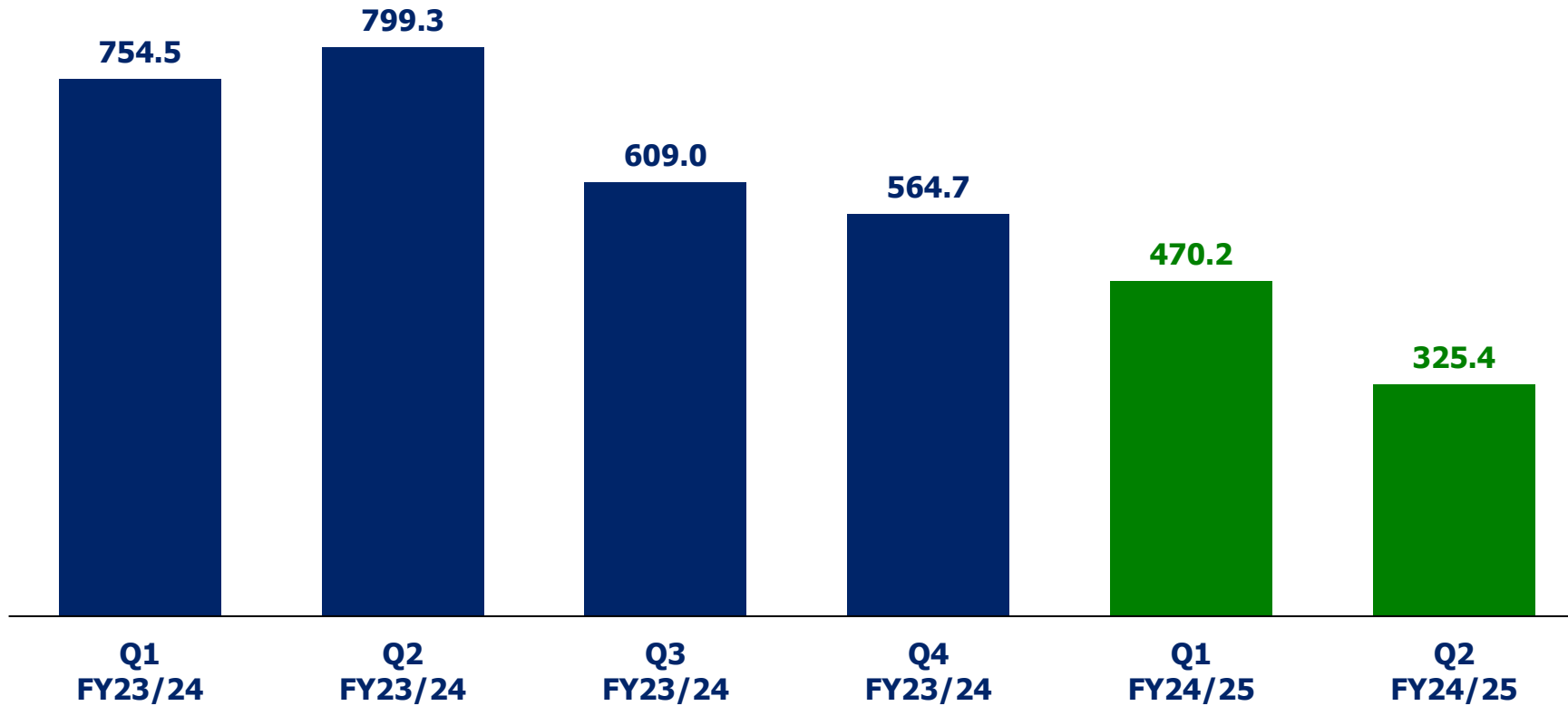
Hedges in place up to Q4 FY25/26, with additional gains locked in from closed-out trades

Fuel Hedging Position (as of 17 October 2024)		Percentage Hedged (%)		Average Hedged Price (USD/BBL)	
		Brent	MOPS	Brent	MOPS
FY24/25	Q3	-	50	-	92
	Q4	-	46	-	92
FY25/26	Q1	4	32	74	91
	Q2	4	23	75	91
	Q3	11	7	76	92
	Q4	5	3	74	94

	Gains from Closed-out Trades (USD'M)
Q3 FY24/25	11.0
Q4 FY24/25	5.4

Group Operating Profit

Group Operating Profit (\$'M)



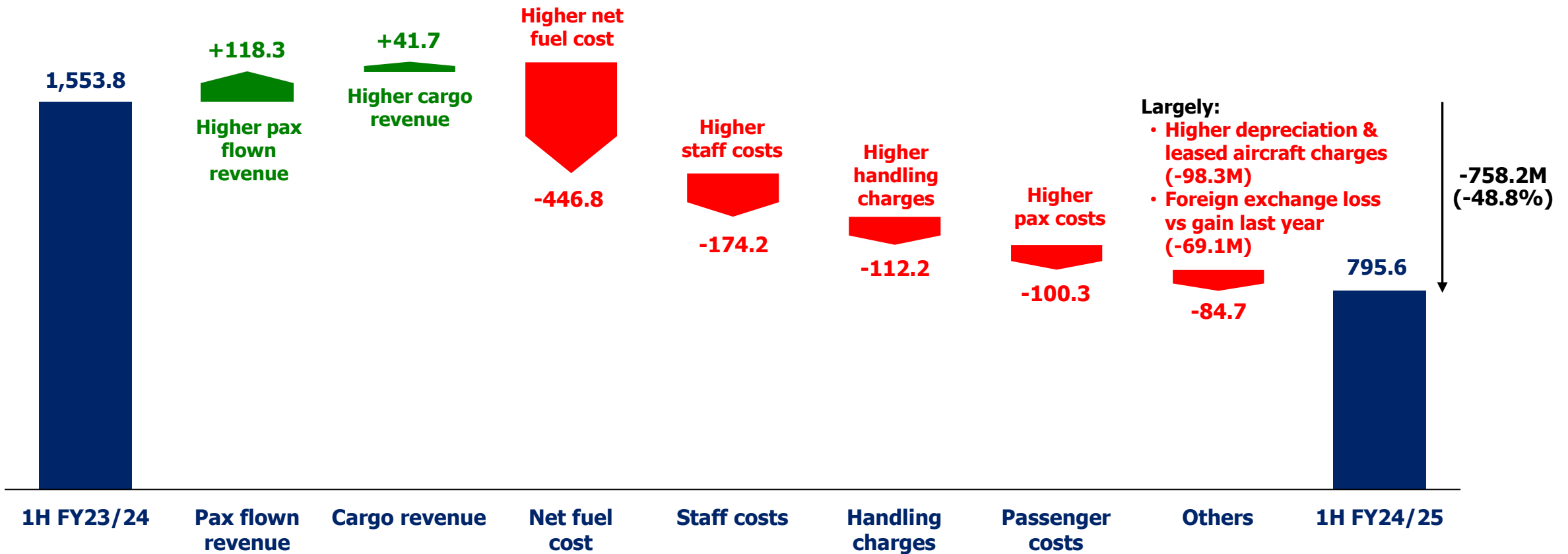
1H FY24/25
\$795.6M

1H (YoY)
\$758.2M
(-48.8%)

Q2 (YoY)
\$473.9M
(-59.3%)

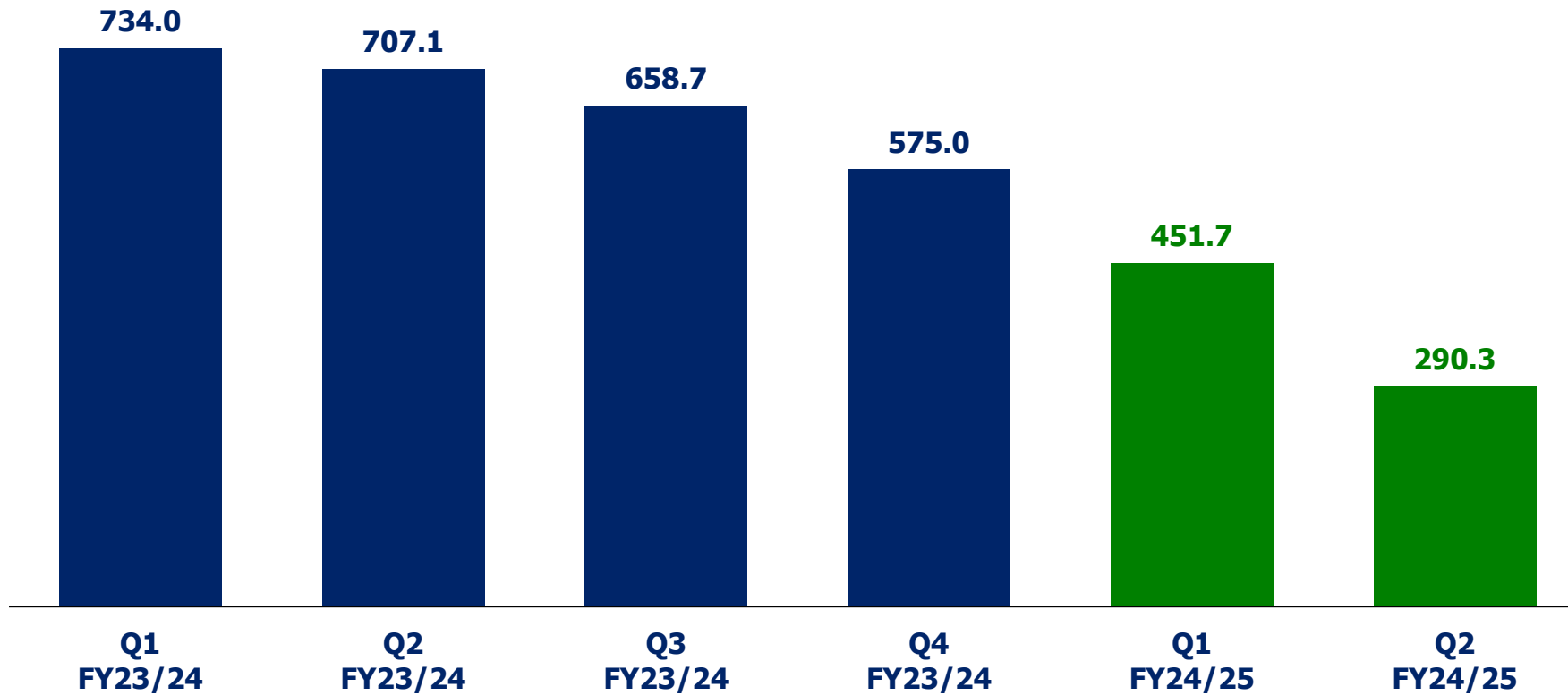
Group Operating Profit (YoY progression)

Group Operating Profit (\$'M)



Group Net Profit

Group Net Profit (\$'M)



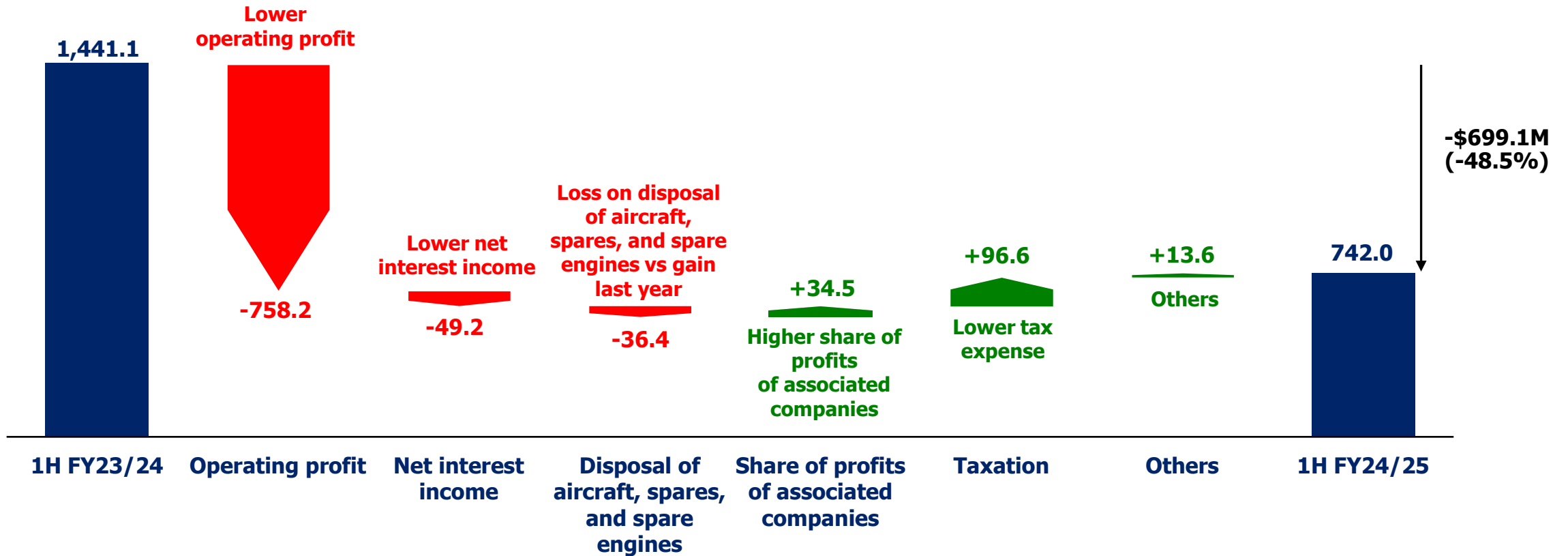
1H FY24/25
\$742.0M

1H (YoY)
\$699.1M
(-48.5%)

Q2 (YoY)
\$416.8M
(-58.9%)

Group Net Profit (YoY progression)

Group Net Profit (\$'M)



Group Financial Results

	1H FY24/25	1H FY23/24
Earnings Per Share (cents)		
- Basic ^{R1}	22.9	31.2
- Adjusted Basic ^{R2}	25.0	48.5
- Diluted ^{R3}	22.1	30.4
EBITDA (\$'M) ^{R4}	2,288.4	3,009.6
EBITDA margin (%) ^{R5}	24.1	32.8
Dividend Per Share (cents)		
- Interim	10.0	10.0

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

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

^{R3} Earnings per share (diluted) is computed by dividing profit attributable to owners of the Company 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.

^{R4} EBITDA denotes earnings before interest, taxes, depreciation, and amortisation.

^{R5} EBITDA margin is computed by dividing EBITDA by the total revenue.

Group Financial Position

	As at 30 September 2024	As at 31 March 2024
Total assets (\$'M)	40,955.1	44,264.7
Total debt (\$'M)	13,150.0	13,448.0
Total cash and bank balances (\$'M) ^{R6}	9,046.2	11,256.0
Fixed deposits (placed for tenors longer than 12 months) (\$'M)	856.6	806.0
Total liabilities (\$'M)	26,841.8	27,520.1
Equity attributable to Owners of the Company (\$'M)	13,715.1	16,337.9
Debt : Equity ratio (times) ^{R7}	0.96	0.82
Net Asset Value Per Share (\$) ^{R8}	4.61	5.49
Adjusted Net Asset Value Per Share (\$) ^{R9}	4.36	4.38

^{R6} News Release No. 02/24 dated 15 May 2024 included restricted cash amounting to \$12.8 million as at 31 March 2024. Restricted cash are amounts held at banks as required by the Monetary Authority of Singapore for payment-related services.

^{R7} Debt : Equity ratio is total debt divided by equity attributable to owners of the Company.

^{R8} 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.

^{R9} 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.

Group Operating Fleet Development

The Group expects to have 204 aircraft in its operating fleet at the end of the Financial Year

	Operating Fleet	As at 30 September 2024	In	Out	As at 31 March 2025
SIA	777-300ER	22			22
	A380-800	12			12
	A350-900	64	+1^{R1}		65
	787-10	26			26
	737-800 NG	6		-2^{R2}	4
	737-8	16			16
	747-400F	7			7
	Total	153	+1	-2	152
Scoot	787-8	11			11
	787-9	10			10
	A320ceo	14		-3^{R3}	11
	A320neo	6			6
	A321neo	9			9
	E190-E2	2	+3^{R4}		5
	Total	52	+3	-3	52
Group Total		205	+4	-5	204

^{R1} SIA expects to take delivery of one A350-900 in 2H FY24/25. The aircraft is expected to join the operating fleet by 31 March 2025.

^{R2} SIA expects to remove two 737-800 NG from the operating fleet in 2H FY24/25 in preparation for lease returns.

^{R3} Scoot expects to remove three A320ceos from the operating fleet in 2H FY24/25 in preparation for lease returns.

^{R4} Scoot expects to take delivery of two E190-E2s in 2H FY24/25. Both aircraft, together with one additional E190-E2 which was delivered in late September 2024, are expected to join the operating fleet by 31 March 2025.

Projected Group Capital Expenditure

Projected Capital Expenditure (\$'M)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
Aircraft	2,300	4,000	4,000	3,300	2,700
Others	600	600	800	300	300
Total	2,900	4,600	4,800	3,600	3,000

Note: Based on contractual delivery schedule.

PRESENTATION BY:

**Chief Executive Officer
Mr Goh Choon Phong**



1

Challenges for the Aviation Industry

2

Well Positioned for the Future

Challenges for the Aviation Industry



**Intensifying
Competition**



**Supply Chain
Disruption**



Cost Inflation



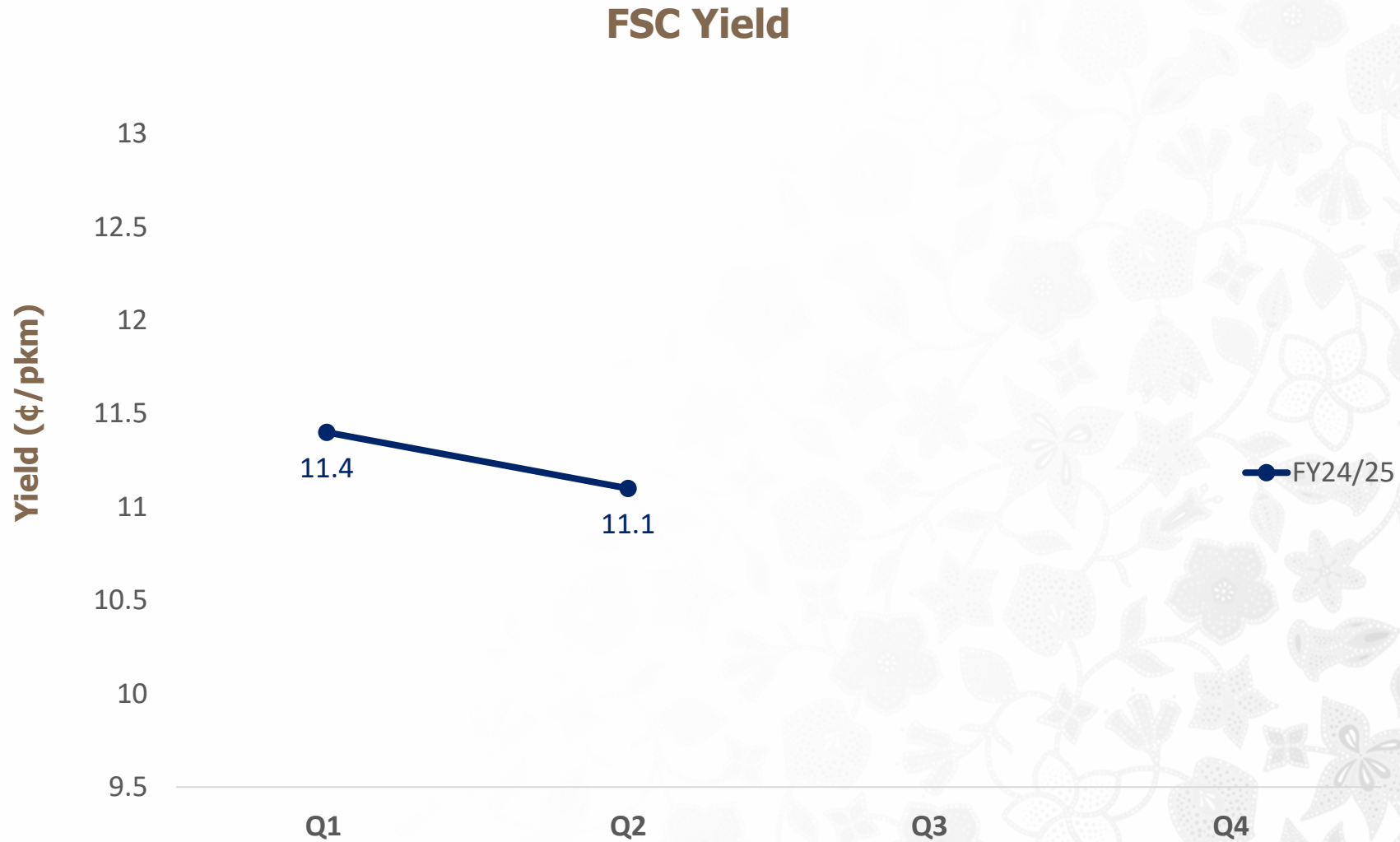
**Geopolitical
Tensions**



Climate Change

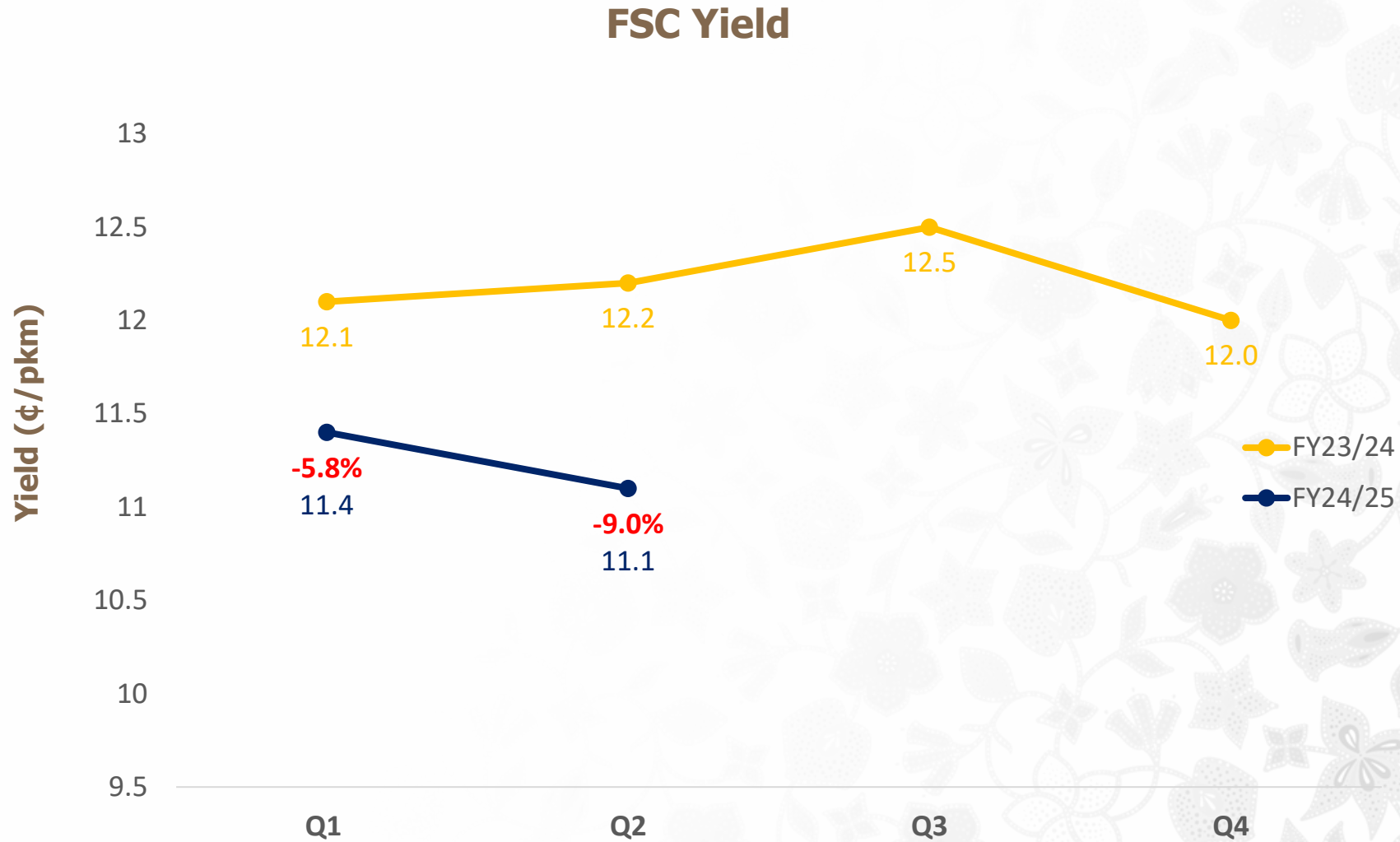
Intensifying Competition

We continue to reap the benefits of our efforts over the past three years despite intensifying competition



Intensifying Competition

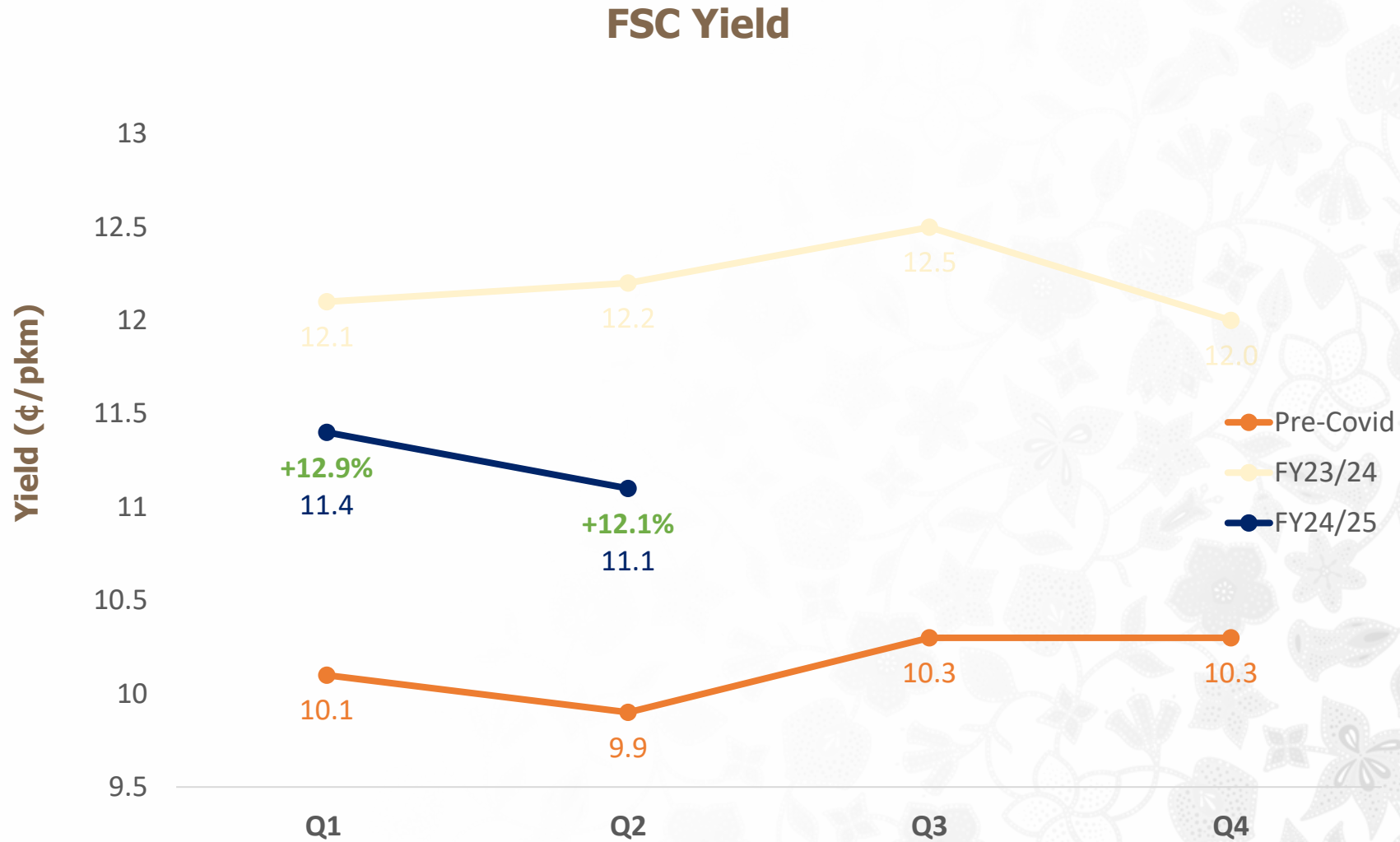
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Intensifying Competition

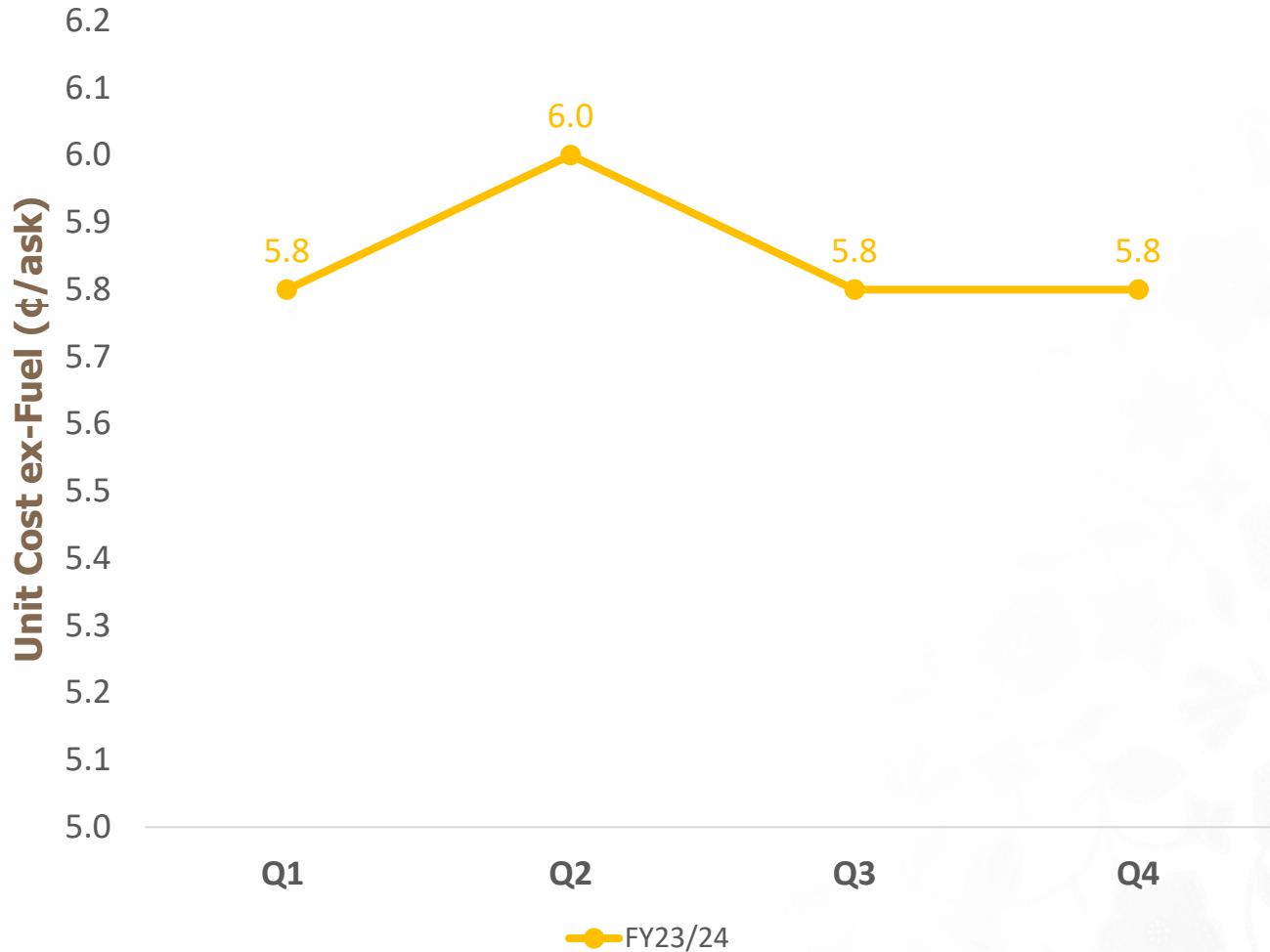
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Slide 28

Cost Inflation

FSC Unit Cost ex-Fuel

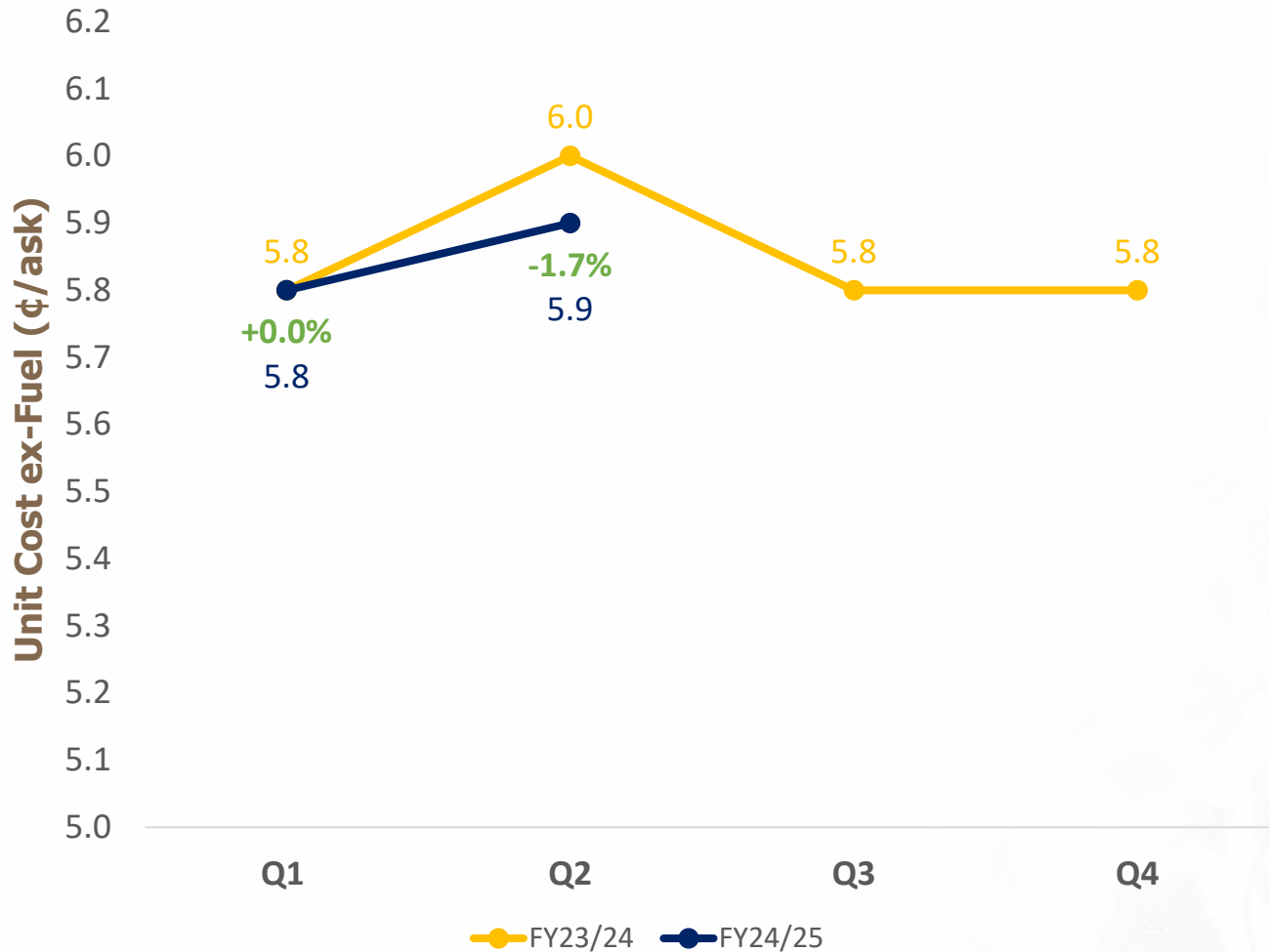


- **Two waves of Transformation** between FY2017/18 and FY2022/23 and our subsequent adoption of a **continuous transformation mindset**
- When service providers requested for higher rates due to the impact of inflation, we have sought **productivity improvements** where possible
- Reduction in distribution costs by growing our **direct channel sales** from **less than 30%** systemwide before the pandemic **to more than 50%**[^]
- **800,000 man-hours saved** from the three-year Lead the New World programme (FY2020/21 to FY2022/23)

[^] by segment count

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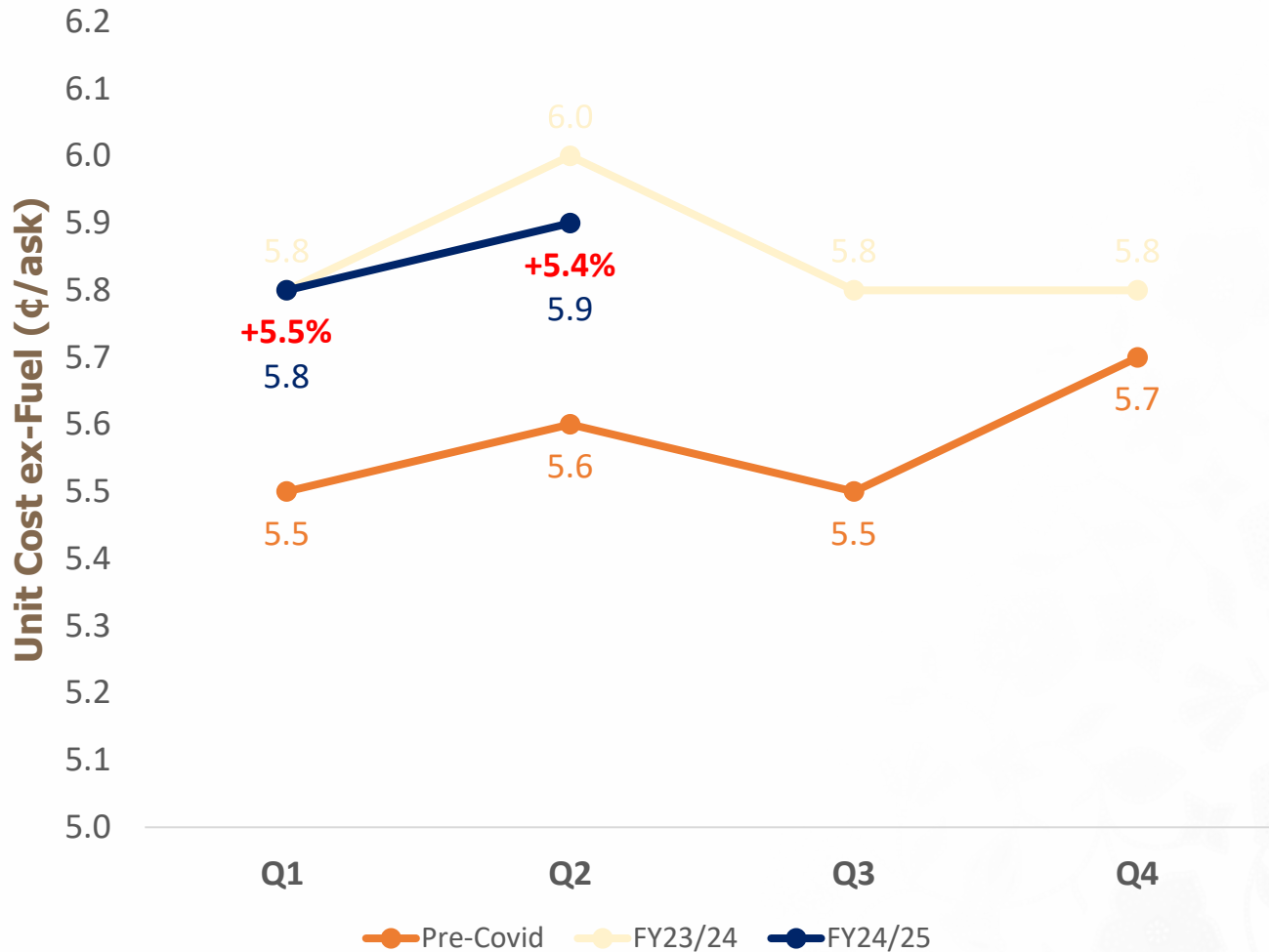


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Slide 31

Supply Chain Disruption

Proactive steps to mitigate impact on capacity growth

- Exercise flexibility to **extend the use** of existing aircraft
- **Active engagement with OEMs** to mitigate shortage of aircraft spare parts
- **Build up buffer stock of critical spares** including engines
- **Leverage Power-by-the-Hour relationship** with major OEMs **to gain priority access to spares**
- Minimizing turn around time by leveraging onshore repair capabilities such as SIAEC JV's (e.g SAESL, ESA, GASCA, SLSSS)
- Tap on **local ecosystem for parts fabrication**

SIA Group Capacity (ASK)

1H FY2425 **87,179M**



+11.0%

1H FY2324 **78,571M**

We are well positioned for the future

Portfolio and Partnerships

Multi-hub

New Revenue

Brand Promise

Sustainability



Digital Capabilities

Financial Strength

Talented People

Slide 33

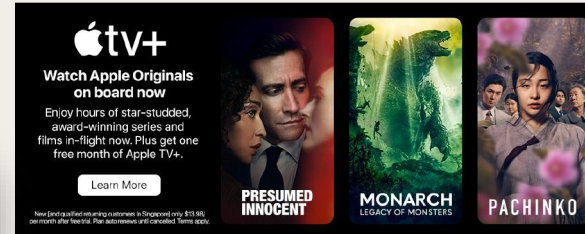
Well Positioned for the Future

The three pillars of our Brand Promise



Service Excellence

- **2024 Skytrax Awards for *World's Best Cabin Crew*** providing warm and caring world-class service.
- **Delivering customer service excellence through SMART (Speech Motivator And Response Tutor)**, powered by GenAI, to assist cabin crew in their engagement skills and handle challenging scenarios on board. 30% of cabin crew users have shown improvement since the initial release.
- **Elevating customer experience by leveraging AI technology**, to gain deep insights into customers' needs, leading to targeted actions and improvement in customer satisfaction.



Product Leadership

- **First airline in Asia-Pacific to feature original Apple TV+ content** starting Nov24, with other media content tie-ups being planned.
- Refurbished **Perth, London Heathrow, and Sydney SilverKris lounges**, and more to come.
- **Cabin upgrades of 34 A350-900LHs and 7 A350-900ULR** with new First Class and Business Class products, next-generation KrisWorld IFE system, and refreshed Premium Economy Class and Economy Class cabins from 2Q 2026.



Network Connectivity

- **Strengthening connectivity** with the addition of SIA's 4x weekly service to Brussels in Apr24, London Gatwick in Jun24, Beijing Daxing and **additional 2x** daily service to Jakarta in Nov24.
- **Deepening touchpoints in SE Asia** with addition of Scoot's new services to Koh Samui in May24, Sibul in May24, Kertajati and Subang in Sep24.

Well Positioned for the Future

Product Leadership: Continued investment to deliver exceptional travel experience

- **Investment of S\$1.1B** on cabin upgrades of 34 A350-900LHs and 7 A350-900ULRs, reaffirms **commitment to innovation and excellence**
- First Class cabin on 7 A350-900ULR aircraft, setting **new benchmark for luxurious air travel** on the world's longest routes
- First Class and Business Class seat designs will incorporate **thoughtful elements** that push the **boundaries of comfort, luxury, and modernity**, allowing our customers to relax or work effortlessly on board



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Well Positioned for the Future

Creating opportunities to grow our revenue beyond flying

KrisFlyer Membership



- Top Growth Countries**
- Australia
 - China
 - India
 - USA

9.44M
KrisFlyer members
as of 30 Sep 2024

+21.5%
7.77M
Sep 2023

+115.1%
4.39M
Sep 2019

Well Positioned for the Future

Group portfolio strategy

Render of Scoot's Embraer E190-E2 aircraft



1 November 2011 Launch of Scoot

- Scoot launched in 2011, entering as **the 3rd long-haul low-cost carrier** in Asia
- **4th brand in the SIA Group**, along with SIA, SilkAir and Tiger Airways

5 June 2012 Inaugural Scoot flight from Singapore to Sydney

- First LCC to operate on SIN-SYD route, competing with full-service carriers
- Vision to be **a leader in the low-cost market**, to mirror SIA leadership in the full-service market

25 July 2017 Merger of Tiger Airways and Scoot



- To create a cohesive brand for low-cost travel
- Enabling the SIA Group to compete for **price-sensitive leisure travellers** on short- and medium-haul routes, and **premium customers on medium- and long-haul** routes

Today

Leading LCC in Asia

52 aircraft*
71 destinations*
12.7M passengers carried in FY2023/24

- **First airline in the ASEAN region** to operate the E190-E2 aircraft
- **4 E190-E2 aircraft in service**, 1 more to be delivered within FY2024/25, and remaining 4 by end-2025
- **Operated by E190-E2**
 - **9 Existing Destinations:** Balikpapan, Pekanbaru, Makassar, Vientiane, Kuantan, Miri, Davao, Hat Yai, and Krabi
 - **4 New Points:** Koh Samui, Kertajati, Malacca, and Sibul
 - **Upcoming: 2 new points** to be announced

*As of 30Sep24

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Well Positioned for the Future

Partnerships strategy

**Enhancing connectivity to bring our customers
anywhere in the world**

35 codeshare partners

259 additional destinations



*As of 30Sep24

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Well Positioned for the Future

Partnerships strategy



AI/SQ bilateral codeshare

- AI will codeshare on SQ flights to **29 cities in APAC**
- SQ will codeshare on AI flights to **12 cities in Europe, the Middle East, Africa** and **growing list of domestic flights within India**
- The progressive expansion of codeshare flights is strategically important to facilitate travel between Singapore and India, and reinforce SIN's position as hub for traffic to/from India to our hinterland
- This marks a significant step forward for the AI/SQ partnership, and potentially leads to a deeper commercial cooperation between the airlines in the future
- Progressively from NW24 (subject to regulatory approval)



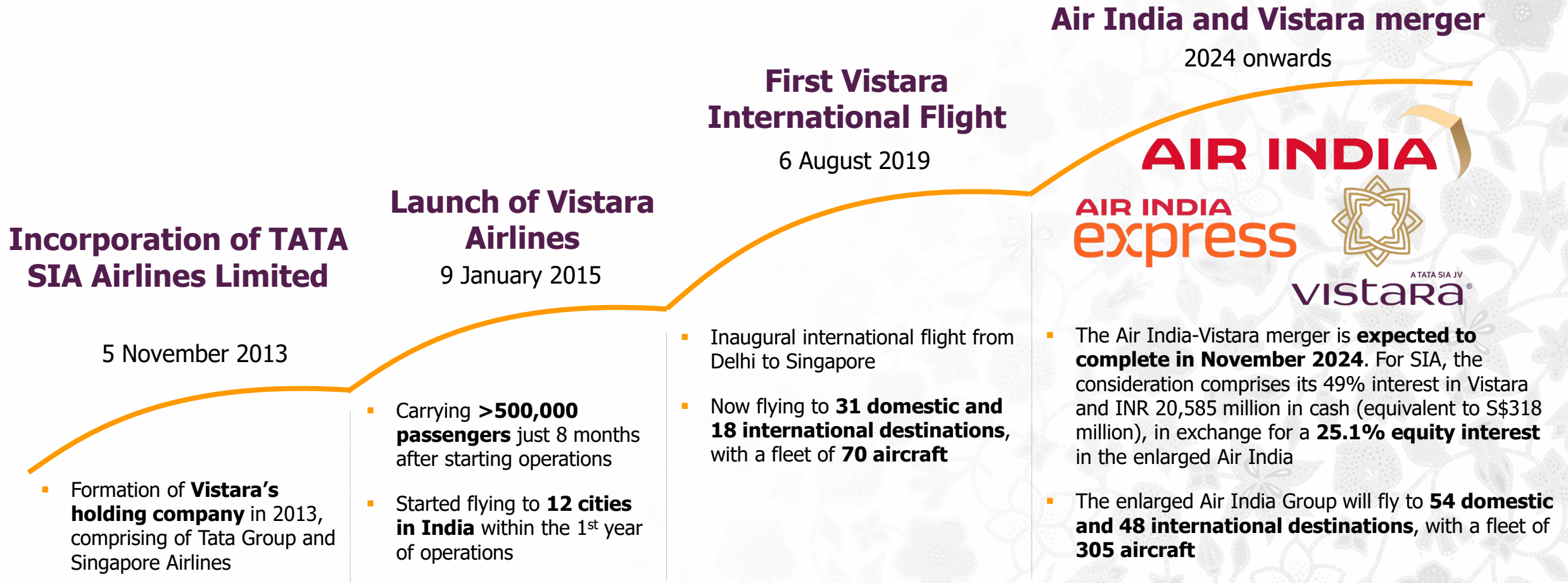
Deepening Cooperation with GA

- **CCCS' ATI approval on 5 July 2024**, GA and SQ are now working towards the implementation of the JV
- GA and SQ will increase flight frequencies between SIN and CGK in Q4 2024, **increasing capacity and enhancing connectivity between the two SE Asian hubs**
- **Reciprocal Frequent Flyer programme planned for 1Q 2025**, allowing GarudaMiles and KrisFlyer members to earn and redeem miles on GA and SQ codeshare routes

Multi-hub Strategy

Investment in the Air India Group

Our direct participation in India's growth was announced in 2013



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GenAI Impact

“ AI will continue to get way **more capable** and will **become ubiquitous as time goes on.**

People are using it to **create amazing things.**

~Sam Altman, CEO of OpenAI



AI is one of the **most profound** things we're working on as humanity.

It's more profound than fire or electricity.

~Sundar Pichai, CEO of Google

Generative AI is the **most powerful tool** for creativity that has **ever been created.** It has the potential to unleash a **new era of human innovation**

~Elon Musk, CEO of SpaceX and Tesla



The development of AI is **as fundamental as the creation** of the **microprocessor**, the **personal computer**, the **internet**, and the **mobile phone**. It will **change the way people work, learn, travel, get health care, and communicate**

with each other.

~Bill Gates,
Co-Founder
of Microsoft



Fast Adopter of GenAI Capabilities

SIA GenAI Journey – Early Start

<p>Aug 2022</p> <ul style="list-style-type: none"> GenAI identified as a potential game-changer 	<p>Feb 2023</p> <ul style="list-style-type: none"> Business centric use cases Company-wide education JARVIS conceptualisation 	<p>Jul 2023</p> <ul style="list-style-type: none"> SIA GenAI Blueprint Company-wide GenAI competition 	<p>Dec 2023</p> <ul style="list-style-type: none"> SAA Smart Search Launch 	<p>Feb 2024</p> <ul style="list-style-type: none"> JARVIS launch with 4 Knowledge Bases, 3 tools and 4 GPT models 	<p>Apr 2024</p> <ul style="list-style-type: none"> Flight Recommender Launch Included Gemini and Claude 3 	<p>Oct 2024</p> <ul style="list-style-type: none"> JARVIS now has over 8 Knowledge Bases, 15 tools and 7 GPT models
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GenAI Blueprint: A Deliberate Approach to Scale and Adopt Fast

<p>Business Outcomes</p> <ul style="list-style-type: none"> Strategic Focus Areas Balanced Value and Risk Prioritisation 	<p>Scale Fast Sustainably</p> <ul style="list-style-type: none"> Trusted and Agile Development Secure-by-design and Reusable Components
<p>People-centric</p> <ul style="list-style-type: none"> Awareness, Accessibility, and Upskilling Targeted Behavioral Adaptation 	<p>Governance and Risk Management</p> <ul style="list-style-type: none"> Comprehensive Risk Management Responsible AI and Robust Guardrails

Fast Adopter of GenAI Capabilities

Expanding Horizons and Accelerating Innovation. **Total use cases: 242 Completed: 28**

Customer and Revenue Generation

Total Use Cases: 82

Completed (LIVE): 8

- **Customer Insights Portal:** Summarise insights from 1 million customer feedback annually

Time savings

> 90%

- **Brand Marketing Campaigns:** Copywriting and translation

Production time

↓ 50%

- **M.A.R.V.I.E. :**
- Scoot's 24/7 Chatbot

CSAT
↑ 25pp



Operations

Total Use Cases: 64

Completed (LIVE): 6

- **Customer & Service Ops:** Assist agents to improve servicing

Aspirational target

↓ 30%

Reduction in AHT

- **Cabin Crew S.M.A.R.T.:** A scenario-based chatbot for crew to practise their customer service skills.

Scenario-based handling

> 30%

Crew users showed improvements in scenario handling scores

- **Verify:** Validation of flight approvals

Reduction in reaction time in flagging out discrepancies

> 50%

General Productivity

Total Use Cases: 96

Completed (LIVE): 14

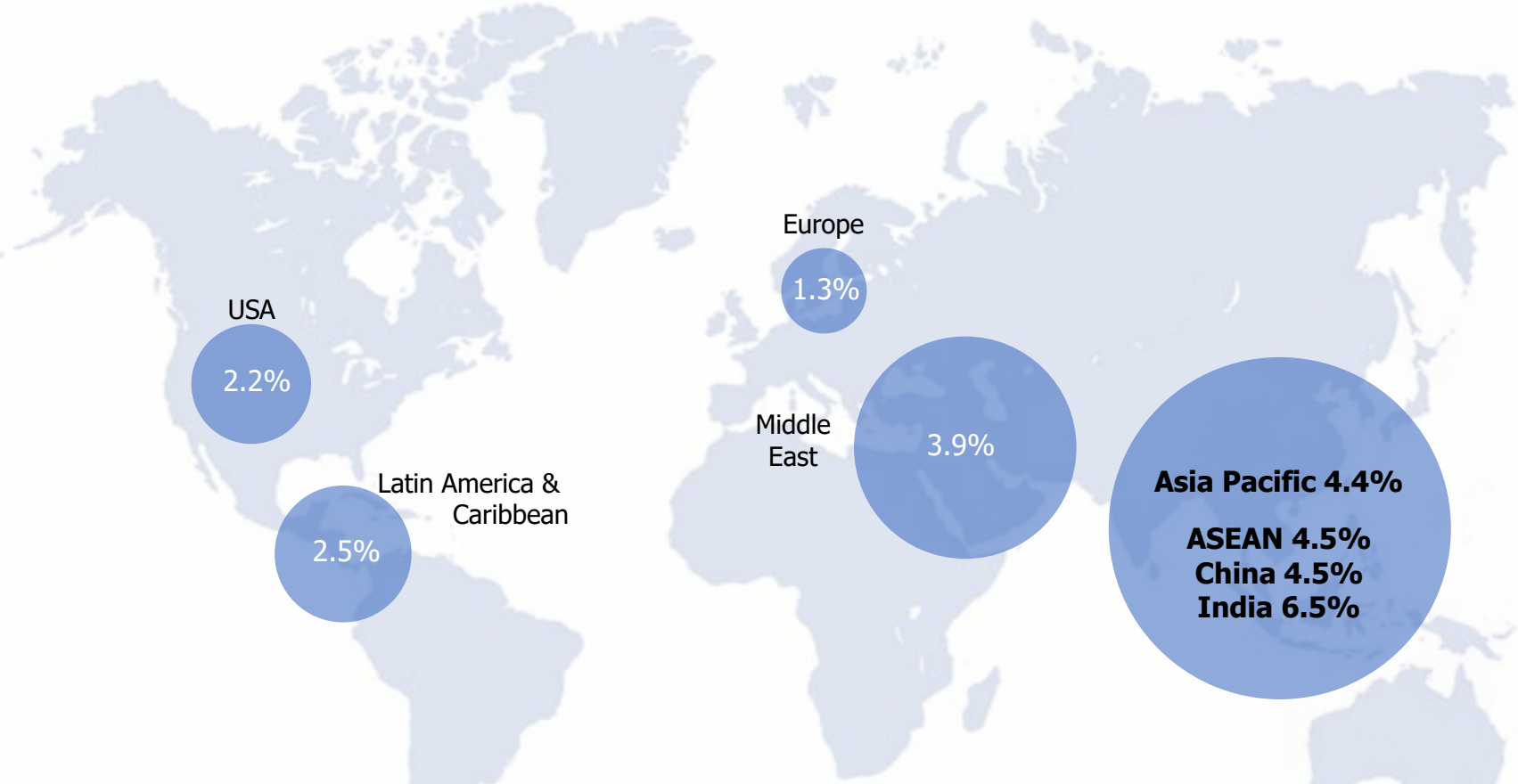
JARVIS: Intelligent assistant for staff

- **Knowledge bases:** SIA knowledge repository, e.g. Procurement, HR Manuals, Cargo Guru
- **Tools:** e.g. Translation, Copywriting and ReviewMyWork

- **Weekly unique Users:** 4324 unique users from base of 5600 ground staff

Ground staff penetration rate
77.2%

Well positioned for High Growth Markets



Regions / Countries	IMF GDP Forecast* (2025)
Global	3.2%
Europe	1.3%
USA	2.2%
Latin America and Caribbean	2.5%
Middle East	3.9%
Asia-Pacific	4.4%
China	4.5%
ASEAN	4.5%
India	6.5%

Asia-Pacific is the fastest growing market

*From IMF sources including, October 2024 World Economic Outlook and World Economic Outlook Database

Well positioned to tap High Growth Markets

India

GDP Growth **+6.5%**
SQTR – 13 Points,
133 Flights Weekly



ASEAN

GDP Growth **+4.5%**
SQTR – 39 Points,
719 Flights Weekly



*As of 10Oct24

Well positioned to tap High Growth Markets

India

GDP Growth **+6.5%**
SQTR – 13 Points,
133 Flights Weekly



ASEAN

GDP Growth **+4.5%**
SQTR – 39 Points,
719 Flights Weekly



Partnerships reinforce our position in SE Asia, strengthening our connectivity and collaboration

*As of 10Oct24

Well positioned to tap High Growth Markets

India
GDP Growth **+6.5%**
SQTR – 13 Points,
133 Flights Weekly

AIR INDIA

**Investment into Air India for
25.1% equity stake**

**Tap into high growth Indian
market with Air India
collaboration**

malaysia
airlines

THAI



Garuda Indonesia

Vietnam Airlines

Philippine
Airlines

ASEAN

GDP Growth **+4.5%**
SQTR – 39 Points,
719 Flights Weekly

**Partnerships reinforce our
position in SE Asia,
strengthening our connectivity
and collaboration**

*As of 10Oct24

We are well positioned to take on the challenges





**SINGAPORE
AIRLINES**

Thank You