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Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Company or the Arrangers and Dealers to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act).

The attached Information Memorandum or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Company in such jurisdiction. The attached Information Memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached Information Memorandum on the basis that you are a person into whose possession this Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.**

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SINGAPORE AIRLINES LIMITED
(incorporated in Singapore with limited liability)
(Company registration No. 197200078R)

\$S10,000,000,000
Multi-currency Medium Term Note Programme
(the “Programme”)

On 19 August 2003, Singapore Airlines Limited (the “Company”, the “Issuer” or “Singapore Airlines”) established a multi-currency medium term note programme (the “Programme”, as amended, supplemented or restated) and last prepared an information memorandum dated 4 August 2023. This information memorandum (the “Information Memorandum”) further updates the Programme and supersedes any previous information memorandum describing the Programme. Any Notes (as defined below) issued under the Programme on or after the date of this Information Memorandum are issued subject to the provisions described herein. This does not affect any Notes issued before the date of this Information Memorandum.

Under the Programme described in this Information Memorandum, the Company, subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes (the “Notes”) denominated in any currency agreed between the Company and the relevant Dealer(s) (as defined herein). The Notes may be issued in bearer or registered form. The aggregate nominal amount of Notes outstanding will not at any time exceed \$S10,000,000,000 (or its equivalent in other currencies). The Notes may be issued on a continuing basis to one or more of the Dealers specified under “Summary of the Programme” or any additional Dealer appointed under the Programme from time to time by the Company (each a “Dealer” and together the “Dealers”), which appointment may be for a specific issue or on an ongoing basis. References in this Information Memorandum to the “relevant Dealer” shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Application has been made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for permission to deal in, and quotation for, any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, its subsidiaries, its associated companies, the Programme or such Notes. The Programme also permits Notes to be issued on an unlisted basis or to be admitted for listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be decided by the Company.

Investors are advised to read and understand the contents of this document before investing. If in doubt, the investors should consult his or her adviser.

The Notes of each Series (as defined herein) issued in bearer form (“Bearer Notes”) will be represented on issue by a temporary global note in bearer form (each a “Temporary Global Note”) or a permanent global note in bearer form (each a “Permanent Global Note” and together with the Temporary Global Note, the “Global Notes” and each a “Global Note”). Notes in registered form (“Registered Notes”) will be represented by a global note in registered form (a “Global Certificate”), one Global Certificate being issued in respect of each Noteholder’s entire holding of Notes in registered form of one Series. Global Notes or Global Certificates may be deposited on the relevant issue date with a common depository on behalf of Euroclear Bank SA/NV (“Euroclear”) and/or Clearstream Banking S.A. (“Clearstream”). Global Notes and Global Certificates may also be deposited with The Central Depository (Pte) Ltd (the “CDP”) or with a sub-custodian for the Central Moneymarkets Unit (the “CMU”) operated by the Hong Kong Monetary Authority. The provisions governing the exchange of interests in a Global Note or Global Certificates for other Global Notes and Definitive Notes (as defined herein) or Certificates (as defined herein) are described in “Summary of Provisions Relating to the Notes while in Global Form”.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)) unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Registered Notes are subject to certain restrictions on transfer. See “Subscription and Sale”.

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Programme or other Tranches of Notes. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Investing in Notes issued under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Information Memorandum and in the applicable Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors should also have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with the Notes. The principal risk factors that may affect the abilities of the Company to fulfil its obligations in respect of the Notes are discussed under “Risk Factors”.

Arrangers



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NOTICE

The Arrangers have been authorised by the Company to act as Arrangers in respect of the Programme. Under the Programme, the Company may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes denominated in Singapore Dollars and/or any other currencies. Each Series of Notes will be issued on the terms set out under “*Terms and Conditions of the Notes*” in this Information Memorandum, as amended and/or supplemented by the pricing supplement specific to such Series (the “**Pricing Supplement**”). This Information Memorandum must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to the Notes, must be read and construed together with the relevant Pricing Supplement.

This Information Memorandum, any Pricing Supplement or any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes may not be used for the purpose of, and does not constitute, an offer of, or solicitation or invitation by or on behalf of the Company or the Arrangers or any of the Dealers (as defined in this Information Memorandum) to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised, or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum, the Pricing Supplement or any such other document or information and the offering of the Notes in certain jurisdictions may be restricted by law. Persons who distribute or publish this Information Memorandum, the Pricing Supplement or any such other document or information or into whose possession this Information Memorandum, the Pricing Supplement or any such other document or information comes are required by the Company, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Information Memorandum, see “*Subscription, Purchase and Distribution*”.

No person is authorised to give any information or to make any representation not contained in this Information Memorandum, the relevant Pricing Supplement and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, the Arrangers and the Dealers. The delivery of this Information Memorandum and the relevant Pricing Supplement at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

To the fullest extent permitted by law, none of the Arrangers or the Dealers accepts any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Arrangers or any Dealer or on its behalf in connection with the Company, or the issue and offering of the Notes. Each of the Arrangers and Dealers accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or of any other jurisdiction. The Bearer Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to any exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. The Notes are being offered and sold outside the United States in reliance of Regulation S.

This Information Memorandum, the relevant Pricing Supplement and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the issue, offering and sale by the Arrangers and Dealers of the Notes to be issued from time to time under the Programme. This Information Memorandum, the relevant Pricing Supplement and any other documents or material in relation to the issue, offering or sale of the Notes are made available to the recipients thereof solely on the basis that they are institutional investors (as defined in Section 4A of the SFA) or accredited investors (as defined in Section 4A of the SFA) and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the Arrangers and Dealers or for any other purpose. Recipients of this Information Memorandum and the relevant Pricing Supplement shall not reissue, circulate or distribute this Information Memorandum and the relevant Pricing Supplement (or any part thereof) in any manner whatsoever.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Company in such jurisdiction.

Neither the delivery of this Information Memorandum and the relevant Pricing Supplement (or any part thereof) nor the issue, offering, purchase or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, affairs, business or financial position of the Company or any of its subsidiaries or associated companies or in the information herein since the date hereof or the date on which this Information Memorandum and the relevant Pricing Supplement has been most recently amended or supplemented.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Coordinator(s) (the “**Stabilisation Coordinator**”) (or persons acting on behalf of any Stabilisation Coordinator(s)) in the applicable Pricing Supplement may over allot the Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date of the Notes. However, there is no obligation on such Stabilisation Coordinator(s) to do this. Such stabilisation, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilisation shall be in compliance with all applicable laws, regulations and rules.

None of the Company, the Arrangers, the Dealers, the Trustee, the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Principal Agent Bank, the Singapore Agent Bank, the CMU Agent Bank, the Principal Registrar, the Singapore Registrar, the CMU Registrar, the Principal Transfer Agent, the Singapore Transfer Agent, the CMU Transfer Agent and any of their respective officers or employees is making any representation or warranty, expressed or implied, as to the merits of the Notes or the subscription, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Company, the Arrangers and Dealers, the Trustee, the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Principal Agent Bank, the Singapore Agent Bank, the CMU Agent Bank, the Principal Registrar, the Singapore Registrar, the CMU Registrar, the Principal Transfer Agent, the Singapore Transfer Agent, the CMU Transfer Agent or their respective subsidiaries or associated companies. Further, none of the Arrangers and Dealers gives any representation or warranty as to the Company, its subsidiaries or associated companies and the Notes or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Information Memorandum and the relevant Pricing Supplement nor do they accept any responsibility therefor.

None of the Arrangers, the Dealers, the Trustee, the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Principal Agent Bank, the Singapore Agent Bank, the CMU Agent Bank, the Principal Registrar, the Singapore Registrar, the CMU Registrar, the Principal Transfer Agent, the Singapore Transfer Agent and the CMU Transfer Agent has separately verified the information contained in this Information Memorandum. Neither this Information Memorandum, the relevant Pricing Supplement nor any other document or information (or any part thereof) delivered or supplied under or in connection with the Programme or the issue of any Notes under the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Company, the Arrangers, the Dealers, the Trustee, the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Principal Agent Bank, the Singapore Agent Bank, the CMU Agent Bank, the Principal Registrar, the Singapore Registrar, the CMU Registrar, the Principal Transfer Agent, the Singapore Transfer Agent or the CMU Transfer Agent that any recipient of this Information Memorandum, the relevant Pricing Supplement or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser and/or subscriber shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Company and its subsidiaries and associated companies, and obtain its own independent legal, financial or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Company and its subsidiaries and associated companies (if any). Accordingly, notwithstanding anything herein, none of the Company, the Arrangers, the Dealers, the Trustee, the Principal Issuing and Paying Agent, the Singapore Issuing and Paying

Agent, the CMU Lodging and Paying Agent, the Principal Agent Bank, the Singapore Agent Bank, the CMU Agent Bank, the Principal Registrar, the Singapore Registrar, the CMU Registrar, the Principal Transfer Agent, the Singapore Transfer Agent, the CMU Transfer Agent or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum, the relevant Pricing Supplement or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum, the relevant Pricing Supplement or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any Notes by a recipient of this Information Memorandum, the relevant Pricing Supplement or such other document or information (or such part thereof).

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement (as defined herein) and the relevant Pricing Supplement, the issue of the Notes by the Company pursuant to the Programme Agreement and the Programme Agreement not being terminated for any reason whatsoever. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Company, the Arrangers or the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Company pursuant to the Programme Agreement.

Any statement contained in this Information Memorandum in a document deemed to be incorporated by reference therein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes shall be deemed to constitute an offer of, or an invitation by or on behalf of the Company, the Arrangers, the Dealers, the Trustee, the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent, CMU Lodging and Paying Agent, the Principal Agent Bank, the Singapore Agent Bank, the CMU Agent Bank, the Principal Registrar, the Singapore Registrar, the CMU Registrar, the Principal Transfer Agent, the Singapore Transfer Agent or the CMU Transfer Agent to subscribe for or purchase any Notes.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

Notification under Section 309B of the SFA—Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Product Governance under Directive 2014/65/EU (as amended)

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**EU MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

The Pricing Supplement in respect of any Notes may include a legend entitled “EU MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**EU MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

Product Governance under UK MiFIR

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

IMPORTANT — EEA RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT — UK RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct: Prospective investors should be aware that certain intermediaries in the context of certain offerings of the Notes pursuant to the Programme (as defined below), each such offering a “**CMI Offering**”, including certain Dealers, may be “capital market intermediaries” (“**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“**OCs**”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the roles undertaken by the relevant Dealers in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this

when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to the Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50 per cent. interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealer and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

The attention of recipients of this Information Memorandum is drawn to the restrictions on the resale of the Notes set out under the section “*Subscription, Purchase and Distribution*” in this Information Memorandum.

Any person(s) who is invited to purchase or subscribe for the Notes or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any Notes consult their own legal, financial, tax and other advisers before purchasing or acquiring the Notes.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would” and “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Company and/or the Group (including statements as to the Company’s and/or the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Company and/or the Group, expected growth in the Company and/or the Company and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others:

- changes in general political, social and economic conditions;
- changes in currency exchange and interest rates;
- changes in competitive conditions; and
- other factors beyond the control of the Company and the Group.

Some of these factors are discussed in greater detail in this Information Memorandum, in particular, but not limited to, discussion under the section “*Risk Factors*”.

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Company or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. None of the Company, the Arrangers or the Dealers represents or warrants that the actual future results, performance or achievements of the Company or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of any Notes by the Company shall under any circumstances constitute a continuing representation or create any suggestion or implication that there has been no change in the prospects, results of operations or general affairs of the Company, the Group or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Company, the Group, the Arrangers and the Dealers disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based, even if new information becomes available or other events occur in the future.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Information Memorandum:

- (1) any annual reports or summary financial statements or audited consolidated accounts or unaudited interim results of the Company and its subsidiaries published or issued from time to time after the date hereof;
- (2) all amendments and supplements to this Information Memorandum prepared by the Company from time to time; and
- (3) all public announcements published or issued from time to time after the date hereof.

Copies of the documents referred to in sub-paragraphs (1), (2) and (3) of the preceding paragraph are available on the SGX-ST website at www.sgx.com and at the specified offices of each of the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent and the CMU Lodging and Paying Agent as described in “Corporate Information” and “General Information” below.

This Information Memorandum is to be read in conjunction with (a) all such documents which are incorporated by reference herein; (b) with respect to any series or tranches of Notes, any Pricing Supplement (as defined herein) in respect of such series or tranche; and (c) any applicable laws or regulations of any relevant regulatory, administrative or supervisory body and any modification, extension or re-enactment thereof which is or becomes generally known to the public and which may be relevant to any decision to purchase, own or dispose of Notes. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

More information on the Company can be found on the SGX-ST website at www.sgx.com. Information contained on the SGX-ST website does not constitute part of this Information Memorandum, and no representation or warranty is made in respect of the truth, accuracy or completeness of such information.

Any published unaudited and/or unreviewed financial statements of the Company (whether prepared on a consolidated or a non-consolidated basis) which are, from time to time, deemed to be incorporated by reference in this Information Memorandum will not have been audited or, as the case may be, subject to a review by the auditors of the Company. Accordingly, there can be no assurance that, had an audit or, as the case may be, a review been conducted in respect of such financial statements, the information presented therein would not have been materially different, and investors should not place undue reliance on them.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER DATA

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Information Memorandum relating to the Company has been derived from the audited consolidated financial statements of the Company as at and for the financial years ended 31 March 2024 and 2025 (the “**Financial Statements**”).

Certain financial information included in this Information Memorandum for the six months ended 30 September 2025 have not been audited, reviewed or subjected to any other procedures by the auditors of the Company. There can be no assurance that if such financial statements had been audited or reviewed that there would be no change in the financial statements and that such changes would not be material or that such financial information has been prepared and presented on a basis consistent with the accounting policies normally adopted by the Company and applied in preparing the consolidated financial statements as at and for the years ended 31 March 2024 and 2025.

Consequently, such statements may not provide the same quality of information associated with financial information that has been subject to an audit or a full review. Potential investors must therefore exercise caution when using such data to evaluate the Company's financial condition, results of operations and results.

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

Rounding adjustments have been made in calculating some of the financial and other numerical information included in this Information Memorandum. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

As of the date of this Information Memorandum, the consolidated financial statements as at and for the year ended 31 March 2025 are the latest available audited or reviewed financial statements of the Company.

For the foregoing reasons, such unaudited and unreviewed financial information may not be meaningful and are not a reliable indication of the future financial performance of the Company.

DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

“1H”	:	The first half of
“Agency Agreement”	:	The amended and restated agency agreement dated 20 November 2025 between (1) the Company, as issuer, (2) The Bank of New York Mellon, London Branch, as principal issuing and paying agent and principal agent bank, (3) The Bank of New York Mellon SA/NV, Luxembourg Branch, as principal registrar and principal transfer agent, (4) The Bank of New York Mellon, Hong Kong Branch, as CMU lodging and paying agent, CMU agent bank, CMU registrar and CMU transfer agent, (5) DBS, as the Singapore issuing and paying agent, Singapore agent bank, Singapore registrar and Singapore transfer agent, and (6) the Trustee, as amended, varied or supplemented from time to time
“Agent Bank”	:	In relation to Notes cleared through a clearing system other than CDP and CMU, the Principal Agent Bank, in relation to Notes cleared through CDP (other than Floating Rate Notes, Hybrid Notes and Variable Rate Notes where the Rate of Interest is determined by reference to a benchmark, index or formula), the Singapore Agent Bank, in relation to Floating Rate Notes, Hybrid Notes and Variable Rate Notes cleared through CDP where the Rate of Interest is determined by reference to a benchmark, index or formula, any person as may be appointed as agent bank from time to time pursuant to the Agency Agreement, and in relation to Notes cleared through CMU, the CMU Agent Bank
“Air India”	:	Air India Limited, a wholly-owned subsidiary of Talace Private Limited
“ANZ”	:	Australia and New Zealand Banking Group Limited
“Arrangers”	:	Citigroup and DBS
“Associated Companies”	:	Any company in which at least 20 per cent. but not more than 50 per cent. of its shares are, directly and/or indirectly, held by the Issuer, including associates and joint ventures and “Associated Company” means any one of them
“AUD”	:	Australian Dollars
“Bearer Notes”	:	Notes in bearer form
“CDP”	:	The Central Depository (Pte) Limited
“Certificate”	:	A registered certificate representing one or more Registered Notes of the same Series, being substantially in the form set out in Part II of Schedule 1 to the Singapore Law Trust Deed or, as the case may be, Part II of Schedule 1 to the English Law Trust Deed and, save as provided in the Conditions, comprising the entire holding by a holder of Registered Notes of that Series
“CHF”	:	Swiss Franc
“Citigroup”	:	Citigroup Global Markets Singapore Pte. Ltd.
“Clearstream”	:	Clearstream Banking S.A., and includes a reference to its successors and permitted assigns

“CMU”	:	The Central Moneymarkets Unit operated by the HKMA
“CMU Agent Bank”	:	The Bank of New York Mellon, Hong Kong Branch
“CMU Lodging and Paying Agent”	:	The Bank of New York Mellon, Hong Kong Branch
“CMU Registrar”	:	The Bank of New York Mellon, Hong Kong Branch
“CMU Transfer Agent”	:	The Bank of New York Mellon, Hong Kong Branch
“Common Depository”	:	In relation to a Series of Notes, a depository common to Euroclear and Clearstream
“Companies Act”	:	Companies Act 1967 of Singapore
“Company” or “Singapore Airlines”	:	Singapore Airlines Limited
“Conditions”	:	In relation to the Notes of any Series, the terms and conditions of the Notes of any Series, which shall be substantially in the form set out in Part III of Schedule 1 of the Singapore Law Trust Deed or, as the case may be, Part III of Schedule 1 of the English Law Trust Deed, as modified, with respect to any Notes represented by a Global Note (as defined in the Singapore Law Trust Deed or, as the case may be, the English Law Trust Deed) or a Global Certificate (as defined in the Singapore Law Trust Deed or, as the case may be, the English Law Trust Deed), by the provisions of such Global Note or, as the case may be, such Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Notes of such Series and shall be endorsed on the Definitive Notes (as defined in the Singapore Law Trust Deed or, as the case may be, the English Law Trust Deed) or, as the case may be, individual Certificates (as defined in the Singapore Law Trust Deed or, as the case may be, the English Law Trust Deed), subject to amendment and completion as referred to in the first paragraph appearing after the heading “Terms and Conditions of the Notes” as set out in Part II of Schedule 1 of the Singapore Law Trust Deed or, as the case may be, Part II of Schedule 1 of the English Law Deed, and any reference to a particularly numbered Condition shall be construed accordingly
“DBS”	:	DBS Bank Ltd.
“Dealers”	:	Persons appointed as dealers under the Programme
“Definitive Note”	:	A definitive Bearer Note, being substantially in the form set out in Part I of Schedule 1 to the Singapore Law Trust Deed or, as the case may be, Part I of Schedule 1 to the English Law Trust Deed and having, where appropriate, Coupons and/or a Talon attached on issue
“Depository Agreement”	:	The depository agreement dated 19 August 2003 made between (1) the Company, as issuer, and (2) CDP, as depository, as supplemented by a letter dated 16 November 2020 made between the Company and CDP
“Directors”	:	The directors of the Company as at the date of this Information Memorandum

“English Law Trust Deed”	:	The amended and restated English law trust deed dated 20 November 2025 made between (1) the Company, as issuer, and (2) the Trustee, as amended, varied or supplemented from time to time, pursuant to which any Notes denominated in a currency other than Singapore Dollars will be constituted and issued
“ESG”	:	Environmental, social and governance
“Euro” or “Euros”	:	The single currency of participating member states of the European Union
“Euroclear”	:	Euroclear Bank SA/NV, and includes a reference to its successors and permitted assigns
“FY”	:	Financial year ended or ending 31 March
“GenAI”	:	Generative Artificial Intelligence
“Global Certificate”	:	A global Certificate representing Registered Notes of one or more Tranches of the same Series that are registered in the name of, or in the name of a nominee of (i) the Common Depository, (ii) the Depository and/or (iii) any other clearing system
“Global Note”	:	A global Note representing Bearer Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons or a Talon
“HKMA”	:	The Hong Kong Monetary Authority
“HSBC”	:	The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
“IATA”	:	The International Air Transport Association
“INR”	:	Indian Rupees
“Issuing and Paying Agent”	:	In relation to Notes cleared through a clearing system other than CDP and CMU, the Principal Issuing and Paying Agent, in relation to Notes cleared through CDP, the Singapore Issuing and Paying Agent, and in relation to Notes cleared through CMU, the CMU Lodging and Paying Agent
“JPY”	:	Japanese Yen
“km”	:	Kilometres
“Latest Practicable Date”	:	13 November 2025
“MAS”	:	The Monetary Authority of Singapore
“n.m.”	:	Not meaningful
“Notes”	:	The notes to be issued by the Company under the Programme
“OCBC”	:	Oversea-Chinese Banking Corporation Limited
“Paying Agents”	:	The Issuing and Paying Agents and such further or other Paying Agent or Paying Agents as may be appointed from time to time under the Agency Agreement
“PLF”	:	Passenger load factor
“PRC”	:	The People’s Republic of China

“Pricing Supplement”	:	In relation to a Series or Tranche, a pricing supplement, to be read in conjunction with this Information Memorandum, issued specifying the relevant issue details in relation to such Series or, as the case may be, Tranche
“Principal Agent Bank”	:	The Bank of New York Mellon, London Branch
“Principal Issuing and Paying Agent”	:	The Bank of New York Mellon, London Branch
“Principal Registrar”	:	The Bank of New York Mellon SA/NV, Luxembourg Branch
“Principal Transfer Agent”	:	The Bank of New York Mellon SA/NV, Luxembourg Branch
“Programme”	:	The S\$10,000,000,000 Multi-currency Medium Term Note Programme of the Company as described in this Information Memorandum
“Programme Agreement”	:	The amended and restated programme agreement dated 20 November 2025 made between (1) the Company, as issuer, (2) Citigroup and DBS, as arrangers, and (3) ANZ, Citigroup, DBS, HSBC, OCBC, Standard Chartered Bank, UBS and United Overseas Bank, as dealers, as amended, varied or supplemented from time to time
“Registered Notes”	:	Notes in registered form
“Registrar”	:	In relation to Notes cleared through a clearing system other than CDP and CMU, the Principal Registrar, in relation to Notes cleared through CDP, the Singapore Registrar, and in relation to Notes cleared through CMU, the CMU Registrar
“Renminbi”, “CNH”, “RMB” and “CNY”	:	The currency of the PRC
“S\$”, “SGD” or “\$” and “cents”	:	Singapore Dollars and cents respectively
“SAF”	:	Sustainable aviation fuels
“Scoot”	:	Scoot Pte. Ltd.
“Securities and Futures Act” or “SFA”	:	Securities and Futures Act 2001 of Singapore
“Senior Management”	:	Employees holding the rank of Senior Vice President and above
“Series”	:	(1) (in relation to Notes other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which (a) are expressed to be consolidated and forming a single series, (b) are identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SIA Cargo”	:	The cargo division of the Company
“SIAEC”	:	SIA Engineering Company Limited
“SIA Group” or “Group”	:	The Company and its subsidiaries
“Singapore Agent Bank”	:	DBS

“Singapore Issuing and Paying Agent”	:	DBS
“Singapore Law Trust Deed”	:	The amended and restated Singapore Law trust deed dated 20 November 2025 made between (1) the Company, as issuer, and (2) the Trustee, as trustee, as amended, varied or supplemented from time to time
“Singapore Registrar”	:	DBS
“Singapore Transfer Agent”	:	DBS
“Standard Chartered Bank”	:	Standard Chartered Bank (Singapore) Limited
“Temasek”	:	Temasek Holdings (Private) Limited
“Tranche”	:	Notes which are identical in all respects (including as to listing)
“Transfer Agent”	:	In relation to Notes cleared through a clearing system other than CDP and CMU, the Non-CDP Transfer Agent, in relation to Notes cleared through CDP, the Singapore Transfer Agent, and in relation to Notes cleared through CMU, the CMU Transfer Agent
“Trust Deed”	:	In relation to Notes specified to be governed by Singapore law in the applicable Pricing Supplement, the Singapore Law Trust Deed, and in relation to Notes specified to be governed by English law in the applicable Pricing Supplement, the English Law Trust Deed
“Trustee”	:	HSBC Institutional Trust Services (Singapore) Limited, which succeeded HSBC Trustee (Singapore) Limited as trustee for the holders of the Notes under the Trust Deed, or its successor
“UBS”	:	UBS AG Singapore Branch ¹
“United Overseas Bank”	:	United Overseas Bank Limited
“United States” or “US”	:	United States of America
“US\$”, “USD” or “US Dollars”	:	United States Dollars
“Vistara”	:	TATA SIA Airlines Limited
“%”	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the Securities and Futures Act or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or the Securities and Futures Act, as the case may be.

¹ UBS AG is incorporated in Switzerland with limited liability. UBS AG has a branch registered in Singapore (UEN S98FC5560C).

CORPORATE INFORMATION

BOARD OF DIRECTORS	: Mr Peter Seah Lim Huat Mr Goh Choon Phong Mr Gautam Banerjee Mr Simon Cheong Sae Peng Mr David John Gledhill Ms Goh Swee Chen Mr Dominic Ho Chiu Fai Mr Lee Kim Shin Ms Jeanette Wong Kai Yuan Mr Yeoh Oon Jin
COMPANY SECRETARY	: Brenton Wu Ming-Kaye
REGISTERED OFFICE	: Airline House 25 Airline Road Singapore 819829
AUDITORS TO THE COMPANY	: KPMG LLP 12 Marina View #15-01 Asia Square Tower 2 Singapore 018961
ARRANGERS	: Citigroup Global Markets Singapore Pte. Ltd. 8 Marina View #21-00 Asia Square Tower 1 Singapore 018960 : DBS Bank Ltd. 12 Marina Boulevard, Level 42 Marina Bay Financial Centre Tower 3 Singapore 018982
PRINCIPAL ISSUING AND PAYING AGENT AND PRINCIPAL AGENT BANK	: The Bank of New York Mellon, London Branch 160 Queen Victoria Street London EC4V 4LA United Kingdom
PRINCIPAL REGISTRAR AND PRINCIPAL TRANSFER AGENT	: The Bank of New York Mellon SA/NV, Luxembourg Branch Vertigo Building – Polaris 2-4 rue Eugène Ruppert L-2453 Luxembourg
SINGAPORE ISSUING AND PAYING AGENT, SINGAPORE AGENT BANK, SINGAPORE REGISTRAR AND SINGAPORE TRANSFER AGENT	: DBS Bank Ltd. Perennial Business City 1 Venture Ave, #05-06 Singapore 608521
CMU LODGING AND PAYING AGENT, CMU AGENT BANK, CMU REGISTRAR AND CMU TRANSFER AGENT	: The Bank of New York Mellon, Hong Kong Branch Level 26 Three Pacific Place 1 Queen's Road East Hong Kong
TRUSTEE	: HSBC Institutional Trust Services (Singapore) Limited 10 Marina Boulevard Marina Bay Financial Centre Tower 2, #46-01 Singapore 018983

**LEGAL ADVISERS TO THE
ARRANGERS AND DEALERS** : Clifford Chance Pte. Ltd.
Marina Bay Financial Centre
25th Floor, Tower 3
Singapore 018982

**LEGAL ADVISERS TO THE
COMPANY** : Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989

SUMMARY OF THE PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Programme Agreement, the Trust Deed, the Agency Agreement and the relevant Pricing Supplement. Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" shall have the same meanings in this summary.

Company	: Singapore Airlines Limited
Arrangers	: Citigroup and DBS
Principal Issuing and Paying Agent	: The Bank of New York Mellon, London Branch
Principal Registrar and Principal Transfer Agent	: The Bank of New York Mellon SA/NV, Luxembourg Branch
Singapore Issuing and Paying Agent, Singapore Agent Bank, Singapore Registrar and Singapore Transfer Agent	: DBS
CMU Lodging and Paying Agent, CMU Agent Bank, CMU Registrar and CMU Transfer Agent	: The Bank of New York Mellon, Hong Kong Branch
Dealers	: ANZ, Citigroup, DBS, HSBC, OCBC, Standard Chartered Bank, UBS and United Overseas Bank
Description	: S\$10,000,000,000 Multi-currency Medium Term Note Programme
Programme Size	: Subject to the terms of the Programme Agreement, the maximum aggregate principal amount of the Notes outstanding at any time shall be S\$10,000,000,000 (or its equivalent in other currencies)
Currency	: Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Singapore Dollars, US Dollars, Euros, Renminbi or any other currency agreed between the Company and the relevant Dealer(s)
Issue Price	: At par, discount or premium
Issuances in Series	: Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. In relation to Notes other than Variable Rate Notes, the Notes of each Series will all be subject to identical terms (including as to listing), except that the issue dates, issue prices and/or dates of the first payment of interest may be different in respect of different Tranches. In relation to Variable Rate Notes, the Notes will be identical in all respects (including as to listing) except for their respective issue prices and rates of interest. The Notes of each Tranche will all be subject to identical terms in all respects (including as to listing)

Pricing Supplements	: Each Tranche will be the subject of a Pricing Supplement which, for the purposes of that Tranche only, supplements the Terms and Conditions of the Notes and must be read in conjunction with this Information Memorandum. The terms and conditions applicable to any particular Tranche of Notes are the Terms and Conditions of the Notes as supplemented, amended and/or replaced by the relevant Pricing Supplement
Maturities	: Subject to compliance by the Company with all relevant laws, regulations and directives, Notes shall have maturities as may be agreed between the Company and the Relevant Dealer(s)
Method of Issue	: Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement
Mandatory Redemption	: Unless previously redeemed and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face (if it is shown on its face to be a Fixed Rate Note, Hybrid Note (during the fixed rate period) or Zero Coupon Note) or on the interest payment date falling in the redemption month shown on its face (if it is shown on its face to be a Floating Rate Note, Variable Rate Note or a Hybrid Note (during the floating rate period))
Fixed Rate Notes	: Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity
Floating Rate Notes	: Floating Rate Notes will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction governed by an agreement incorporating the ISDA Definitions (as supplemented, amended and updated as at the issue date of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement)) as published by ISDA (or any successor) on its website; or (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service. The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both.
Variable Rate Notes	: Variable Rate Notes will bear interest at a variable rate determined in accordance with the terms and conditions of the Notes Interest periods in relation to the Variable Rate Notes will be agreed between the Company and the relevant Dealer(s) prior to their issue
Hybrid Notes	: Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Company and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and at maturity and, during the floating rate

period to be agreed between the Company and the relevant Dealer(s), at a floating rate determined by reference to a benchmark as stated on the face of such Hybrid Note, as adjusted for any applicable spread, in each case payable at the end of each interest period to be agreed between the Company and the relevant Dealer(s)

- Zero Coupon Notes** : Zero Coupon Notes will bear no interest
- Form and Denomination of Notes** : The Notes will be issued in bearer form or registered form and in the denomination of S\$250,000 each (in respect of Notes which are denominated in Singapore Dollars) or such other denomination as the Company and the relevant Dealer(s) may agree
- Depository** : CDP, CMU, Euroclear and/or Clearstream, or such other depository as may be stipulated in the relevant Pricing Supplement
- Status of the Notes** : The Notes and Coupons of all Series will constitute direct, unsubordinated, unconditional and unsecured obligations of the Company. The Notes shall at all times rank *pari passu* amongst themselves (irrespective of whether constituted by the Singapore Law Trust Deed or the English Law Trust Deed) and equally with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Company
- Negative Pledge** : So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), the Company shall not create or have outstanding any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**security**"), except for any Permitted Security, on or over its undertaking, assets, property or revenues, present or future, unless, at the same time or prior thereto, the Company's obligations under the Notes, the Coupons and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee or (b) have the benefit of such other security or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed)

In this paragraph:

"**Aircraft Amount**" means the aggregate book value, net of depreciation, of aircraft, spares and spare engines, all as shown in the latest balance sheet of the Company made available to its members (whether audited or unaudited);

"**Permitted Security**" means any of the following:

- (1) any security over any fixed asset existing as at the date of the Trust Deed and disclosed to the Trustee in writing on or prior to the date of the Trust Deed (but, except with the prior consent of the Trustee, the amount secured by such security may not be increased);
- (2) any security over any fixed asset arising solely by operation of law;

- (3) any security created over any fixed asset acquired by it after the date of the Trust Deed for the sole purpose of financing that acquisition and securing an amount not exceeding the cost of that acquisition;
- (4) any security created over any asset to secure any of its indebtedness **provided that** the aggregate amount of the assets (excluding right-of-use assets) securing such indebtedness shall not at any one time exceed an amount equal to 50 per cent. of the Total Fixed Assets; and
- (5) any other security created or outstanding over any fixed asset approved by an Extraordinary Resolution; and

“Total Fixed Assets” means the Aircraft Amount and the aggregate book value, net of depreciation, of fixed assets (other than aircraft, spares and spare engines), investments in subsidiary companies, associated companies and joint ventures of the Company, and long term investments (excluding right-of-use assets), all as shown in the latest balance sheet of the Company made available to its members (whether audited or unaudited)

Taxation

: All payments of principal and interest by or on behalf of the Company in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Company shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (i) Other connection: by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or having a permanent establishment in, Singapore); or
- (ii) Presentation more than 30 days after the Relevant Date: more than 30 days after the Relevant Date (as defined in the Conditions) except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days; or
- (iii) Declaration of Residence: by or on behalf of a holder to whom payment may be made free and clear of such withholding or deduction by making a declaration of residence or other similar claim for exemption and does not make such declaration or claim

For the avoidance of doubt, neither the Company nor any other person shall be required to pay any additional amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or any intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement)

For further details, see the section on “Taxation—Singapore Taxation” below

Listing

- : Each Series of Notes may, if so agreed between the Company and the relevant Dealer(s), be listed on the SGX-ST, subject to all necessary approvals having been obtained. The Programme also permits Notes to be issued on an unlisted basis or to be admitted for listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be decided by the Company

If the application to the SGX-ST to list a particular Series of Notes is approved, for so long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of at least S\$200,000 (or its equivalent in foreign currencies)

Selling Restrictions

- : For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see “Subscription, Purchase and Distribution”. Further restrictions may apply in connection with any particular Series or Tranche of Notes

Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable. See “Form of the Notes”

Trustee

- : HSBC Institutional Trust Services (Singapore) Limited

Governing Law

- : Notes issued pursuant to the Singapore Law Trust Deed shall be governed by, and construed in accordance with, the laws of Singapore. Notes issued pursuant to the English Law Trust Deed shall be governed by, and construed in accordance with, the laws of England

RISK FACTORS

Prior to making an investment or divestment decision, prospective investors or existing holders of the Notes should carefully consider all the information set forth in this Information Memorandum including the following risk factors that may affect the business, operational results, financial position, performance or prospects of Singapore Airlines. As the market value of the Notes is affected by, amongst other things, interest rates, liquidity, exchange rates and Singapore Airlines' business performance, these risk factors could have an indirect effect on the value of the Notes. The Notes are thus not considered to be risk-free. This summary of risk factors does not purport to be an exhaustive list of all the risks that may be involved in the business of Singapore Airlines or the Group. There may be additional risks which Singapore Airlines is currently unaware of which may also impair its, or the Group's, business, financial condition, performance or prospects. Prospective investors are advised to consider the nature of their prospective investment in relation to all risks. If any of the following risk factors develop into actual events, the business, results of operations and financial condition of the Company and/or the Group could be materially and adversely affected. In such cases, the ability of the Company to comply with its obligations under the Trust Deed and the Notes may be adversely affected.

RISKS RELATING TO THE GROUP'S BUSINESS

Uncertainties and instability in the global markets and the economy, changes in regulatory, fiscal and other government policies and other factors beyond the Group's control generally have had, and may continue to have, an adverse effect on the demand for air travel and in turn, the Group's business, financial condition and results of operations or prospects

The Group's business consists substantially of carriage of passengers and freight globally. It will be affected if there is a widespread reduction in the demand for air travel arising from uncertainties and instability in the global markets and the economy that cause customers to reduce or avoid air travel, or that prevent the Group from delivering its services.

The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. While there have been periods of stability in these markets, the environment has become more unpredictable, including with the risk of a potential trade war.

Recent and anticipated changes in US trade policy have created ongoing uncertainties in international trade relations, and it is unclear what future actions governments may take with respect to tariffs or other international trade agreements and policies. For example, since being sworn in for his second presidency in January 2025, President Trump has announced higher tariffs on products from, *inter alia*, Canada, China, Europe and Mexico, as well as broad based tariffs at varying levels on most of its trading partners globally including Singapore. Certain governments (including the government of China) responded by announcing retaliatory tariffs on US imports, resulting in escalating tensions in international trade relations between the US and a number of other countries. Any trade war, including the ongoing changes to the tariffs imposed by the US and the international responses, could lead to increased volatility in global financial markets, elevated inflationary pressures, supply chain disruptions and an adverse impact on the logistics industry, in particular, as there would be an increase in prices of imported goods. These could in turn affect the business and operations of the Group, in particular its freight services.

Global growth has also continued to slow due to geo-political risks and the associated supply chain disruptions and volatility of interest rates and inflation rates. The Russia-Ukraine and Middle East conflicts have caused macroeconomic uncertainties such as disruptions to global supply chains, increased inflationary pressures from a rise in energy and commodities prices and increased volatility in global markets. This is expected to hurt consumer purchasing power globally, potentially affecting demand for air travel.

Uncertain and unfavourable economic conditions and, in particular, future political and economic factors which have the effect of reducing expenditure for air travel and freight services, may materially and adversely affect the Group's business, financial condition and results of operations or prospects.

The outbreak of epidemics, pandemics, natural or other calamities and terrorism could also have an adverse effect on the Group's business, operating results, financial condition and liquidity

Natural calamities, outbreaks of communicable diseases and pandemics/epidemics could result in sporadic or prolonged market and/or supply disruptions, an economic downturn or recession, volatilities in domestic and/or international capital markets and may materially and adversely affect global economies. The occurrence of any of these events or developments could disrupt global supply chains, hinder trade, and may materially and adversely affect the Group's business, operating results, financial condition and liquidity.

In addition, outbreaks of contagious diseases with human-to-human airborne or contact propagation effects (e.g., mutation of the global coronavirus disease 2019 ("**COVID-19**") pandemic, Avian Flu H5N1, Severe Acute Respiratory Syndrome ("**SARS**"), Ebola, Middle East respiratory syndrome coronavirus, etc.) that escalate into a regional or global epidemic or pandemic may have an adverse impact on all airlines, including Singapore Airlines which may operate to or from such affected areas/regions. The demand for air travel may be severely reduced as international and national response plans, which may include tightening of border controls and closure or restriction of access to airspace or airports around the world, are put in place to address such contagion. In addition, natural calamities such as earthquakes, floods, volcanic eruptions or tsunamis may devastate destinations and significantly reduce travel to the affected areas for a period of time. Terrorism and war (and threats of terrorism and war) and civil/political strife may also contribute to a fear of travelling by air, or visiting particular destinations, resulting in a sharp fall in demand for air travel. These events may also result in the closure or restriction of access to airspace or airports. There can be no assurance that any precautionary measures taken against these events would be effective. Given that Singapore Airlines' services depend on the availability of these facilities and the general accessibility of destinations, its business and operations could also be adversely affected by the occurrence of any such events.

Inadequate liquidity could negatively impact the business and financial position of the Group

As at 30 September 2025, the Group had at its disposal, cash and short-term deposits amounting to S\$6,447.0 million. The Group also held S\$2,060.2 million in fixed deposits that were placed with original maturities of more than 12 months, which are classified under other assets. In addition, the Group had committed unsecured credit facilities of about S\$3.3 billion available for utilisation as at 30 September 2025. The Group also has a medium term note programme and medium term bond programme under which it may issue notes up to S\$12.0 billion and as of 30 September 2025, S\$8.1 billion remained unutilised. Under these uncommitted programmes, notes issued by the Company may have varying maturities as contracted with the relevant financial institutions.

Should any of the Group's existing credit/borrowing facilities be cancelled, reduced or otherwise not be made available to the Group, the Group's liquidity and cash flow position may be materially and adversely affected. While the Group intends to continue to explore traditional funding channels such as secured financing, sale-and-leaseback transactions and debt capital markets, there is no assurance that the Group will be able to raise financing through such funding channels on acceptable terms or at all.

Fluctuations in jet fuel prices may affect the Group's earnings

Historically, fuel costs have been subject to wide price fluctuations based on geopolitical issues and supply and demand. Due to the variety of factors that affect the price of fuel, the cost of fuel cannot be predicted with any degree of certainty.

The Group's earnings are affected by changes in the price of jet fuel. The Group's strategy for managing the risk on fuel price, as defined by the Singapore Airlines' Board Executive Committee, aims to provide the Group with protection against sudden and significant increases in jet fuel prices. In meeting these objectives, the fuel risk management programme allows for the judicious use of approved instruments such as swaps, options and collars with approved counterparties and within approved credit limits to hedge approved range of anticipated jet fuel purchases over a specified time frame.

For FY2025, a change in price of one US Dollar per barrel of jet fuel would have affected the Group's annual fuel costs by S\$54.3 million. This is on the assumption that uplifted fuel volume remains constant and the effects of hedging are excluded.

With demand for passenger travel and air cargo remaining resilient throughout FY2025, the Group ramped up capacity and saw an increase in fuel consumption. In FY2025 there was a S\$309 million increase in net fuel cost, as higher uplift volume and smaller fuel hedging gains were partially offset by an 8.5 per cent. reduction in fuel prices and favourable exchange rate movements, although in 1H FY2026 there was a S\$183 million decrease in net fuel cost largely due to the 12.7 per cent. reduction in fuel prices, partially offset by higher uplift volume and a fuel hedging loss compared to a gain in 1H FY2025. There is no assurance that net fuel cost will not increase significantly in the future or that the Group will not experience significant marked-to market losses in its profit and loss statement arising from the effects of hedging.

The Group is exposed to the risk of impairment in the value of its fleet and review of the Group's fleet and route network over the long-term may give rise to further material impairments on carrying fleet value

When acquiring a new aircraft, the Group generally enters into an agreement with the manufacturer to purchase the aircraft. As the financing decision is typically taken prior to the expected delivery of the aircraft, the Group can therefore be exposed to fluctuations in the secondary market for aircraft. When used for impairment testing, the market value of the Group's aircraft may be adversely affected by fluctuations in the exchange rate between the Singapore Dollar and the US Dollar, as the quoted aircraft market values are mainly denominated in US Dollars but the aircraft on the Group's balance sheet are accounted for and recognised in Singapore Dollars. In addition, a large number of similar aircraft brought on the market for sale within a short period of time may result in a significant downward pressure on market prices for those aircraft, as the supply becomes disproportionate to the existing demand.

Any decrease in the value of the aircraft could also have an adverse effect on the Group's financial position, should the carrying value of the aircraft need to be impaired due to the difference in the carrying value and the recoverable amount of such aircraft. In accordance with Singapore Financial Reporting Standards (International), the carrying value of the fixed assets is subject to periodic depreciation and is reviewed for impairment whenever there is an indication that their carrying values could exceed their recoverable amount. As a result of such tests, the Group is likely to be required to recognise an impairment loss in its income statement should the carrying value of the assets be in excess of their recoverable amount. Factors that could trigger an impairment of assets include, but are not limited to, changes in the market valuation of used aircraft, possible future underperformance of the Group's business relative to projected future operating results and cash flows, negative industry or macroeconomic developments as well as changes in discount rates or applicable tax rate. The recognition of any impairment losses will generally have a material adverse effect on its business, results of operations and financial condition.

There is no assurance that any material impairment loss will not occur in a future period, whether arising from fluctuations in exchange rates, a large supply of aircraft resulting in downward pressure on aircraft prices, an inability to generate cashflows, changes in the market valuation of used aircraft or other factors.

The airline industry tends to experience adverse financial performance during general economic downturns

International air transportation is intimately linked and correlated with economic growth. The growth or decline in economic activity directly affects demand for business travel by air and for cargo space. Economic downturns can also impact leisure travel as discretionary income is affected.

Since a substantial portion of airline travel, for both business and leisure, is discretionary, the airline industry tends to experience adverse financial performance during an economic downturn. Yields may also experience a decline as airlines may offer fare discounts in certain markets to stimulate demand.

The Group's business depends substantially on general economic conditions in Asia. As the airline industry is generally characterised by high fixed costs, including aircraft costs such as aircraft depreciation, lease rentals, maintenance and repair costs, a drop in revenue levels as a result of a slower economic cycle could have an adverse impact on the Group's financial performance. It is difficult to predict the duration and effects of an economic downturn, which may be aggravated by volatility in the financial sector and the capital markets, leading to significant market-wide liquidity problems. These conditions may adversely affect the Group's financial condition and/or results of operations in the future.

The international aviation market is highly competitive

The Group's hub location in Changi Airport, Singapore, enjoys geographical advantages in linking traffic between regions. Changi Airport faces competition from the development and growth of other hub airports in the Asia-Pacific and/or the Middle East that may draw traffic away or allow traffic to by-pass Changi Airport. A decline in traffic may be experienced by the Group should international air traffic patterns shift to other airports and by-pass Changi Airport.

The international aviation market is highly competitive. As an international full-service carrier, Singapore Airlines competes for passengers with other major full-service airlines. Any liberalisation of traffic rights or change of traffic pattern in respect of a major route that the Group operates will result in increasing competition or loss in demand on that route. A significant and prolonged reduction in yields or loss of market share to competitors would impact Singapore Airlines' operational results.

Airlines with different business models continue to pose potential threats to full-service airlines. Such business models include low-cost airlines and all premium class airlines offering similar routes. Low-cost airlines may compete on short haul sectors of up to approximately four hours, or on long-haul sectors including Asia-Europe or Asia-Australia. While the Group includes Scoot as its low-cost arm within its service offerings, there is no guarantee that the Group can maintain a competitive advantage over other airlines in this highly competitive market.

The airline industry is a highly regulated industry that may require significant costs to be incurred in meeting existing and new regulations and policies

Safety, environmental and similar regulations impose significant requirements and compliance costs on the Group's business. For the Group's airlines to maintain their air operator certificates, they have to comply with regulations in Singapore and elsewhere. These regulations deal mainly with safety issues from aircraft airworthiness to training of crew. Governments across the world have also become more active in regulatory intervention on issues ranging from environmental protection to anti-corruption and consumer welfare. The Group may be required to devote additional resources to implement processes to ensure compliance with mandatory climate and carbon emissions reporting requirements. For instance, the operations of Singapore Airlines and Scoot are subject to the Carbon Offsetting and Reduction Scheme for International Aviation ("**CORSIA**"). CORSIA compliance costs are dependent on two key factors: (1) Singapore Airlines' and Scoot's Scope 1 emissions from operating international flights and (2) cost of CORSIA Eligible Emissions Units that can be purchased by airlines to offset these international flight emissions. Singapore Airlines' and Scoot's exposure to CORSIA compliance costs is expected to be high risk in 2030, due to anticipated increase in Scope 1 flight emissions arising from projected industry growth. Several uncertainties also remain in the medium- to long-term outlook for the aviation sector such as global adoption of sustainable aviation fuels ("**SAF**") and maturity of alternative aircraft propulsion technologies. Potential emergence of uncoordinated climate policies and mandates on product and services at the regional or national level may further create market distortion and lead to increased compliance cost for the Group. It remains uncertain how much of such cost burden the Group can pass on to consumers and what the impact would be of such action on consumer demand and overall revenue.

Governments may impose additional regulations on airlines to address public health management concerns in response to an outbreak of a contagious disease like the COVID-19 pandemic. In some instances, governments may also adopt restrictive policies with respect to the issuance of certain permits and approvals. Changes in such regulations and policies, or the administration of such regulations and policies, could have an adverse impact on the Group's business by increasing costs, impeding normal service, restricting market access and benefiting its competitors. In addition, such laws and regulations and policies may be ambiguous and their interpretations and applications may potentially be detrimental to the Group.

Governments may also impose further regulations to enhance the resilience of essential transport services in the air transport sector. For instance, the Transport Sector (Critical Firms) Act 2024 came into force on 1 April 2025 and introduced a designated entities regime into the Civil Aviation Authority of Singapore Act 2009 (the "**CAAS Act**"). Under this designated entities regime, certain restrictions apply to third parties dealing with Designated Entities (as defined in the CAAS Act), which as at the date of this Information Memorandum, include Singapore Airlines, Scoot and SIAEC. These restrictions include, *inter alia*: (i) no judicial management order under Part 7 of the IRDA may be made in relation

to a Designated Entity that is a corporation without the consent of the CAAS, (ii) ownership control measures where prospective investors may be required to notify or seek the approval of the CAAS in the event of any changes in their control of the Designated Entity that meets prescribed thresholds, (iii) management appointment control measures where the Designated Entity will need to seek approval from the CAAS for the appointment of certain key officers, (iv) operations and resourcing controls where the Designated Entity has to notify the CAAS of the occurrence of certain prescribed developments and/or events and (v) the CAAS has the power to issue a special administration order under prescribed circumstances. Such laws and regulations may have an impact on the Group's investment strategies or any reorganisation plans.

In the event that the Group does not fully comply with such laws and regulations and policies in the conduct of its business or operations, there can be no assurance that any such non-compliance would not have a material and adverse effect on the Group's business, operational results, financial position, performance or prospects.

The Group may face an increase in airport services related costs which represent a significant part of the Group's operating costs

Air traffic control, airport, transit and take-off and landing fees, as well as security charges represent a significant part of the Group's operating costs. There is no assurance that such costs will not continue to increase or that the Group will not incur new costs in Singapore or elsewhere. The Group may also be required to incur such costs even when capacity is significantly reduced. New costs could arise if, for example, airport, noise or landing charges and fees were to be levied based on environmental criteria such as aircraft noise or emission levels, or if airlines were forced to assume additional security responsibilities. Furthermore, it is possible that security regulations worldwide could be further tightened, particularly if terrorist attacks occur, and that security charges or other costs arising from security measures at airports around the world, could increase further.

If the Group is unable to pass any increases in charges, fees or other costs on to its customers, these increases could have a material and adverse effect on the Group's business, operational results, financial position, performance or prospects.

The Group's operations are dependent on its aircraft, equipment, information technology systems and other assets, which are subject to failure risks

The Group's operations result in the normal wear and tear of its aircraft. The Group's equipment, information technology ("IT") systems and other assets may also break down. Consequently, the Group's aircraft, equipment, IT systems and other assets used in its operations require periodic downtime for repairs and maintenance. If the frequency of or time required for such repairs and maintenance exceeds the scheduled period, the Group's operations and financial performance may be adversely affected.

In general, the cost of maintaining an aircraft in good operating condition increases with the age of the aircraft. As the Group's aircraft fleet ages, the Group will incur increased maintenance costs. Older aircraft cost more to maintain because they have sustained more wear and tear over time.

In addition, if any extraordinary or extensive repairs to the Group's aircraft, equipment, IT systems or other assets are required, due to any catastrophic event or otherwise, the Group's aircraft, equipment, IT systems or other assets would not be available for use or deployment. While insurance proceeds may cover the costs associated with such repairs, they would only compensate for the loss of use of some of the assets to a limited degree. In the event of any such extraordinary or extensive repairs, the Group's operations could experience major disruptions. The Group's aircraft may also not be available for use or deployment in the event that there is a regulatory suspension of operation of certain aircraft. The loss of its aircraft, equipment, IT systems or other assets or the inability to use its aircraft, equipment, IT systems or other assets may materially and adversely affect its business, operational results, financial position, performance or prospects.

The Group is dependent on its IT systems and third-party telecommunications systems, including websites, reservations, departure control, operational systems, online booking and revenue management systems, to provide integrated services to its customers. The provision of the Group's services depends on the stability of its IT systems, and the external infrastructure network and systems

of its third-party providers. Both the IT systems and the external infrastructure network and systems may be vulnerable to damages or interruptions in operation due to fires, power losses, telecommunications systems failures, break-ins (whether physical or into its systems), compromises in internal controls, fraudulent activities, computer viruses, the failure of security measures or back-up systems, or other events beyond the Group's control.

The Group may be subject to cyber-attacks and other cybersecurity risks and threats

The Group's cybersecurity measures may not detect or prevent all attempts to compromise its IT systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, phishing attacks, social engineering, security breaches or other attacks and similar disruptions that may jeopardise the security of information stored in and transmitted by its IT systems or that the Group otherwise maintains. Breaches of the Group's cybersecurity measures could result in unauthorised access to its IT and other systems, misappropriation of information, deletion or modification of customer information, or a denial-of-service or other interruption to its business operations.

While the Group has disaster recovery and business continuity plans as well as other cybersecurity systems and controls in place, any inability of the Group to prevent or contain the effects of any cyber-attacks, or prevent other incidents that result in security breaches or result in the unintended dissemination of sensitive proprietary or confidential information may result in the loss of important ticket sales and/or result in the Group incurring financial losses, substantial regulatory fines or penalties, reputational harm and disruption to its business and this may also lead to material adverse effect on its business, financial condition, results of operations and/or prospects.

The Group may be subject to risks relating to the collection, use, disclosure or processing of personal data in the course of its business, as well as compliance with applicable laws and regulations including the Personal Data Protection Act ("PDPA")

The Group may be subject to certain risks relating to the collection of personal data in the course of its business, as well as risks associated with compliance with applicable laws and regulations relating to such data in the jurisdictions in which it operates.

For example, in Singapore the PDPA imposes certain obligations on the Group where it collects, uses, discloses or processes personal data (i.e., data whether true or not, about an individual who can be identified from that data or from that data and other information which the Group has or is likely to have access). In general, the PDPA permits the Group to collect, use or disclose personal data only for purposes for which it has obtained consent, and imposes various data retention, data management and data transfer obligations upon it. The PDPA also created a regulatory authority, the Personal Data Protection Commission (the "PDPC"), with the power to give directions to ensure compliance with the PDPA, including the power to require an organisation to pay a penalty of up to S\$1 million or, for organisations with more than S\$10 million annual turnover in Singapore, up to 10.0 per cent. of the organisation's annual turnover in Singapore, for breach of PDPA requirements. Apart from this, under the PDPA, individuals have a right of private action, and there are offences for which the penalties upon conviction include imprisonment. In addition, regulators have introduced enhancements to the PDPA, including higher financial penalties for data breaches since 1 October 2022. The imposition of such additional regulatory measures in Singapore or elsewhere may have a material adverse effect on the Group's business, financial condition and results of operations. The Group may have no direct material relationship with end-users and may rely on other third parties to obtain relevant consents from end-users and some other relevant individuals. Relevant guidance from the PDPC suggests that this may be permissible if it exercises appropriate due diligence. While the Group takes various due diligence measures, ultimately it may be dependent on such third parties' representations and warranties.

In addition, while the Group has implemented various security mechanisms designed to minimise the risk of personal data it holds or controls being subject to unauthorised access, collection, use, disclosure, copying, modification, disposal or other similar risks, these mechanisms may not be sufficient to prevent adverse events. For instance, Singapore Airlines has in place a Cyber Incident Response Team ("CIRT"), which comprises members from various business units, including Customer Contact Services, Information Security, Legal and Public Affairs, to provide a holistic and coordinated response to cyber threats and data incidents. The CIRT spearheads Singapore Airlines' response to such incidents and works closely with external vendors and internal stakeholders to resolve the

incidents expeditiously. Significant incidents are escalated to Senior Management for guidance. Failure of security mechanisms could result in the imposition of regulatory measures or a harm to its reputation, which may in turn have a material adverse effect on the financial performance of the Group.

The Group may face disruption in its IT systems or internet networks

The efficient operation of the Group's business depends on its IT systems. The Group relies on its IT systems to, among other things, schedule and manage the provision of services to its customers, effectively manage accounting and financial functions and monitor internal cost factors. If the Group experiences an interruption or a reduction in the performance, reliability or availability of its information systems from natural or man-made causes, or from disruptions from its local service providers, its operations and ability to manage its administrative systems could be adversely impacted. Any disruption in its IT systems or technical failures associated with its IT systems, including those caused by power failures, computer viruses and other unauthorised tampering may cause interruptions in its ability to provide services to its customers.

The Group relies heavily on the internet and have more recently actively adopted new technologies such as Generative Artificial Intelligence ("GenAI") across the Group. Any disruption in the Group's IT systems or internet networks could prevent or deter people from using the systems to conduct transactions. Such disruption in turn may adversely affect the Group's business, operational results, financial position, performance or prospects.

The Group depends on its personnel, especially senior professional managers, key management staff and flight crew

The successful implementation of the Group's strategy is dependent on its ability to retain a talented and motivated team of senior professional managers and key management staff, and continue having a strong employer brand to attract new talent. From time to time, the airline industry has experienced a shortage of skilled personnel. The Group competes against all other airlines for these highly skilled personnel. If the Group is unable to hire, train and retain qualified employees, the Group's business and operations may be materially and adversely affected.

Some of the initiatives the Group has adopted to attract and retain talent includes talent outreach initiatives such as career fairs, institutional engagements and internships that connect the Company with fresh graduates, tertiary students and mid-career professionals and continuous learning and development programmes to support employees' professional development. See also "Strategic Overview—Business Strategy—Delivering on the Group's Brand Pillars—People Development" appearing on page 124 of this Information Memorandum. Any inability of the Group to hire and retain talent in critical positions may materially and adversely affect the Group's business and operations, including growth prospects.

As the Group is based in Singapore, it is obliged to comply with labour laws in Singapore which, among other things, permit collective bargaining arrangements, with its unionised staff. Maintaining a collaborative relationship between management, staff and unions is vital in ensuring that the Group's strategies and objectives are met. Labour disputes may potentially cause adverse effects on its business, operational results, financial position, performance or prospects.

The Group may enter into joint ventures to establish strategic alliances which expose the Group to certain risks

From time to time the Group enters into joint ventures to establish strategic alliances and may incur obligations and liabilities as a result. Such obligations and liabilities may continue notwithstanding the termination, or disposal by the Group of its interest in, the joint venture. Disagreements may occur between the Group and a joint venture partner regarding the business and operations of the joint venture which may not be resolved amicably. In addition, a joint venture partner of the Group may (a) have economic or business interests or goals that are not aligned with those of the Group; (b) take actions contrary to the Group's instructions, requests, policies or objectives; (c) be unable or unwilling to fulfil their obligations; (d) have financial difficulties; (e) have disputes with the Group as to the scope of their responsibilities and obligations; or (f) be involved in incidents of non-compliance with regulatory requirements, resulting in an adverse impact to the reputation of the joint venture.

If a joint venture partner of the Group (a) is unable to fulfil its contractual obligations or (b) experiences a decline in creditworthiness, the performance of the Group's joint venture entity may be materially and

adversely affected which in turn may materially and adversely affect the Group's business, operational results, financial position, performance or prospects. In the event that a joint venture's performance is materially and adversely affected, there is no assurance that the Group will not be required to write-down the value of its investments in such joint venture.

In addition, a joint venture may also request further injection of capital from the Group and its joint venture partners. In the event that the Company does not participate in such capital injection by way of equity, the Company may experience a dilution in its shareholding interest.

The Group is subject to risks inherent in investing in its Associated Companies which it does not control or have a majority stake

The Group does not control or have a majority stake in the Associated Companies, including Air India. The performance of these Associated Companies and the Group's share of their results are subject to the same or similar risks that affect the Group as described in these risk factors, including risks that affect the Group's general business and operations.

The Group may seek to influence the management, operation and performance of these Associated Companies, but ultimately does not have the control or the majority stake in these entities. Accordingly, there is no certainty that these Associated Companies and/or the other shareholders of these Associated Companies will have economic or business interests that are aligned with the Group's interests or strategies. These Associated Companies may also not act in the interest of the Group or may act contrary to the Group's instructions, requests, policies or objectives. Disagreements may occur between the Group, the Associated Companies and/or the other shareholders of these Associated Companies, regarding the business, strategy and operations of these Associated Companies and these disagreements may not be resolved amicably, or may take time to resolve, or may not result in a positive outcome for the Group. In addition, these Associated Companies and/or the other shareholders of these Associated Companies may be unable or unwilling to fulfil their obligations, may have financial difficulties or may have disputes with the Group as to the scope of their responsibilities and obligations. The above factors could adversely affect the Group's ability to deal with its investments in a manner which achieves its objectives and in turn could have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

Additionally, these Associated Companies may not be able to fulfil their respective contractual obligations, or may experience a decline in creditworthiness. The occurrence of any of these events may materially and adversely affect the performance of these Associated Companies, which in turn may materially and adversely affect the Group's business, financial condition, prospects and/or results of operations.

The Group may not be successful in implementing its future plans

The Group's future plans involve numerous uncertainties and risks. These include but are not limited to, (a) the Group successfully entering into and developing new businesses which may be complementary, or which may add value to the Group's business; or (b) the Group's fleet renewal programme involving the investment in new-generation aircraft (both as a replacement for the existing fleet and for growth) to provide an enhanced travel experience to customers and which will provide better operating efficiency and lower emissions. Such plans may require substantial capital expenditure, the incurrence of working capital requirements and additional financial resources and commitments.

There is no assurance that these plans will achieve the expected results or outcome such as an increase in revenue that will be commensurate with the Group's investment costs, or the ability to generate any cost savings, operational efficiencies and/or productivity improvements to its operations.

The Group continues to invest in more new-generation aircraft, both as a replacement for the existing fleet and for growth and as a result, in some financial years, the Group's capital expenditure may exceed its internally generated cash flow. To support its expenditure, the Group may tap on different sources of long-term financing, such as secured financing, sale-and-leaseback transactions and debt capital markets. As at 31 March 2025, the Group had firm orders for 79 aircraft, with options and/or purchase rights for a further 16 aircraft.¹ These aircraft purchases are intended to enable the Group to

¹ As of 1 May 2025, the Group had 78 aircraft on order.

proceed with its adoption of new-generation aircraft. These are expected to not only provide an enhanced travel experience to the Group's customers, thereby enabling Singapore Airlines to maintain its leading industry position as one of the most awarded airlines globally, but also to provide better operating efficiencies and lower emissions. However, the Group's commitments in these binding aircraft orders could also prove less profitable than expected at the time of placement of the orders. If there are delays in the deliveries or if the investment in these additional aircraft does not generate the expected levels of returns, either because of a weaker revenue environment, or if certain aircraft in their operations exceed the planned operating costs or fail to meet anticipated technical performance levels, the Group's business, operating results, financial position, performance, ability to carry out its fleet renewal programme or other future plans, or prospects could be adversely affected. In the event that the operations of the Group's aircraft do not generate the cashflows as expected, the value of the aircraft to the Group would be lower and may require impairments to be recognised by the Group.

If (a) the results or outcome of the Group's plans do not meet its expectations, (b) the Group fails to achieve a sufficient level of revenue or (c) the Group fails to manage its costs efficiently, the Group will not be able to recover its investment and its future financial performance, business operations and/or financial condition would be adversely affected.

The Group is subject to risks of litigation

The Group's operations involve inherent risks to both persons and property. For example, an aviation accident could result in the loss of life and/or cargo. Defending private actions can be costly and time-consuming, particularly in cases involving fatalities where the management of the Group will need to exercise heightened care and sensitivity in dealing with the concerned issues given the, among others, emotional and reputational implications. If a judgment against the Group were to be rendered, the Group may be exposed to substantial financial liabilities, which may not be covered or adequately covered by insurance.

Due to risks of litigation, the Group is also exposed to liability arising from the normal operations of its airline business. To meet the cost of such contingencies, the Group is presently insured against liability towards passengers and third parties arising in connection with the operation of its aircraft, but there is no assurance that all such liabilities are covered or adequately covered by insurance.

Singapore Airlines' reputation, brand image or brand name may be damaged

Singapore Airlines' brand and those brand names with which it is associated (including Scoot) have significant commercial value. Damage to these brand names and/or Singapore Airlines' wider reputation could have a material adverse effect on its business, operational results, financial position, performance or prospects. For example, Singapore Airlines relies on positive brand recognition to attract customers and investors. Any damage to Singapore Airlines' reputation, brand image or brand name, and damage to other brands with which it is associated, whether through a single event or a series of events, could have a material and adverse effect on Singapore Airlines' ability to market its services and attract and retain customers.

Fluctuations in foreign exchange rates may have an impact on the financial performance of the Group

The Group is exposed to the effects of foreign exchange rate fluctuations because of its foreign currency denominated operating revenues and expenses. For FY2025, these accounted for 67.6 per cent. of total revenue and 52.9 per cent. of total operating expenses. The Group's largest currency exposures are from US Dollar, Euro, Pound Sterling, Australian Dollar, New Zealand Dollar, Japanese Yen, Indian Rupee, Hong Kong Dollar, Chinese Renminbi and Indonesian Rupiah. For FY2025, the Group generated a surplus in all of these currencies, with the exception of US Dollar. The deficit in US Dollar is attributable to capital expenditure, fuel costs and aircraft leasing costs which are all conventionally denominated and payable in US Dollar.

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for US Dollars and Singapore Dollars. The Group also uses foreign currency forward contracts and option contracts to hedge a portion of its future foreign exchange exposure.

Fluctuations in interest rates may have an impact on the financial performance of the Group

The Group's earnings are also affected by changes in interest rates due to the impact that such changes have on interest income and expense from short-term deposits and other interest-bearing financial assets and liabilities. The Group enters into interest rate swap contracts to manage interest rate costs on its financial assets and liabilities, with the prior approval of the Company's Board Executive Committee or boards of directors of the subsidiary companies of the Group.

The investments of the Group are subject to market price risk

As at 31 March 2025, the Group owned investments of S\$559.2 million, out of which S\$95.8 million are subject to market rate risk. The market rate risk associated with these investments is the potential loss resulting from a decrease in market prices.

The Group is exposed to counterparty and credit risk

Counterparty risks are managed by limiting aggregated exposure on all outstanding financial instruments to any individual counterparty, taking into account its credit rating. Such counterparty exposures are regularly reviewed and adjusted as necessary. This mitigates the risk of material loss arising in the event of non-performance by counterparties.

The Group has an independent Group Debts Review Committee to review the follow-up actions on outstanding receivables monthly. On a day-to-day basis, the respective Finance divisions have the primary responsibility for measuring and managing specific risk exposures.

There are no significant concentrations of credit risk other than from counterparties of cash and bank balances and derivative instruments, where transactions are limited to financial institutions possessing high credit quality and hence the risk of default is low.

The sale of passenger and cargo transportation is largely achieved through IATA accredited sales agents. The credit risk of such sales agents is relatively small owing to broad diversification. Receivables and payables among airlines are generally settled either bilaterally or via the IATA clearing house. Receivables and payables are generally netted at weekly intervals, which leads to a reduction in the risk of default.

RISKS ASSOCIATED WITH AN INVESTMENT IN THE NOTES

There may be no active trading market for the Notes

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. In addition, the ability of the Dealers to make a market in the Notes (if applicable) may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. The lack of liquidity may have a severely adverse effect on the market value of the Notes. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

Fluctuation of Market Value of Notes

Trading prices of the Notes are influenced by numerous factors, including (a) the market for similar securities, (b) the operating results and/or financial condition of the Company and/or its subsidiaries and/or associated companies (if any) and (c) political, economic, financial and any other factors that can affect the capital markets, the industry, the Company, its subsidiaries and/or associated companies (if any) generally. Adverse economic developments, in Singapore as well as countries in

which the Company, its subsidiaries and/or associated companies (if any) operate or have business dealings, could have a material adverse effect on the operating results and/or the financial condition of the Company, its subsidiaries and associated companies (if any).

Further, recent global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets or may adversely affect the market price of any Series or Tranche of the Notes.

Inflation Risk

Noteholders may suffer erosion on the real return of their investments due to inflation. Noteholders may have an anticipated real rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual real returns.

Singapore Taxation Risk

The Notes to be issued from time to time under the Programme, during the period from the date of this Information Memorandum to 31 December 2028, are intended to be qualifying debt securities (“QDS”) for the purposes of the Income Tax Act 1947 of Singapore, as amended or modified from time to time (“ITA”), subject to the fulfilment of certain conditions more particularly described in the section “*Taxation—Singapore Taxation*”. However, there is no assurance that the conditions for QDS will be met or that such Notes will continue to enjoy the tax concessions for QDS should the relevant tax laws or MAS circulars be amended or revoked at any time or should the required conditions cease to be fulfilled.

Anti-money laundering and terrorism

The Trustee may take and instruct any delegate to take any action which the Trustee considers appropriate so as to comply with law, regulation, request of a public or regulatory authority or policy which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities, including but not limited to the interception and investigation of transactions. There is a risk that such action may delay or prevent the processing of payment instructions, the settlement of transactions or the Trustee’s performance of its obligations under the Trust Deed. In such circumstances, the Trust Deed provides that any delay in the payment by Singapore Airlines under the Trust Deed or the Notes which is caused by the Trustee taking such action shall not in itself constitute an Event of Default under the Notes or a breach of any provision of the Trust Deed or the Notes and that Singapore Airlines shall not be liable for any further interest (including default interest) on the Notes resulting from such non-payment.

Performance of contractual obligations by the Company is dependent on other parties

The ability of the Company to make payments in respect of the Notes may depend upon the due performance by the other parties to the Programme Agreement, the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee, the Issuing and Paying Agents, the Agent Banks, the Registrars and/or the Transfer Agents of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Company of its obligations to make payments in respect of the Notes, the Company may not, in such circumstances, be able to fulfil its obligations to the Noteholders and the Couponholders.

Notes may be issued at a substantial discount or premium

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The Notes are redeemable in the event of certain withholding taxes being applicable

No assurances are made by the Company as to whether or not payments on the Notes may be made without withholding taxes or deductions applying from the date of issue of the first Tranche of Notes for or on account of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any political subdivision therein, territory, possession thereof or authority therein or thereof having power to tax.

Although, pursuant to the Terms and Conditions of the Notes, the Company is required to gross up payments on account of any such withholding taxes or deductions, the Company also has the right to redeem the Notes at any time subject to certain specified exceptions in the event that it has or will become obliged to pay additional amounts on account of any existing or future withholding or deduction for any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any political subdivision, territory, possession thereof or any authority therein having power to tax as a result of any change in, or amendment to, the laws of Singapore or any regulations or rulings promulgated thereunder, or any change in the application or official interpretation of such laws, rulings or regulations (including a holding by a court of competent jurisdiction), which change or amendment is made public on or after the Issue Date of any Notes or any other date specified in the Pricing Supplement.

The Notes are not secured

The Notes and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves. Accordingly, on a winding-up or dissolution of the Issuer at any time prior to maturity of any Notes, the Noteholders will not have recourse to any specific assets of the Issuer and its subsidiaries and/or associated companies (if any) as security for outstanding payment or other obligations under the Notes and/or Coupons owed to the Noteholders and there can be no assurance that there would be sufficient value in the assets of the Issuer after meeting all claims ranking ahead of the Notes, to discharge all outstanding payment and other obligations under the Notes and/or Coupons owed to the Noteholders.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable amendment or supplement to this Information Memorandum or any Pricing Supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk based capital or similar rules.

Application of Singapore insolvency and related laws to the Company may result in a material adverse effect on the Noteholders

There can be no assurance that the Company will not become bankrupt, unable to pay its debts or insolvent or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Company, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on Noteholders. Without being exhaustive, below are some matters that could have a material adverse effect on Noteholders.

Where the Company is insolvent or close to insolvent and the Company undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Company. It may also be possible that if a company related to the Company proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Company may also seek a moratorium even if the Company is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, either with court permission or if so permitted by the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the Company, the need to obtain court permission (or in the case of judicial management, the judicial manager's consent) may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders may be made subject to a binding scheme of arrangement where the majority in number (or such number as the court may order) representing at least 75 per cent. in value of creditors and the court approve such scheme. In respect of such schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may, notwithstanding a single class of dissenting creditors, approve a scheme provided an overall majority in number representing at least 75 per cent. in value of the creditors meant to be bound by the scheme have agreed to it and **provided that** the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the “IRDA”) was passed in the Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRDA includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, a debenture. However, it may apply to other related contracts that are not found to be directly connected with the Notes.

Noteholders are subject to event of default provisions under the Terms and Conditions of the Notes, which include a carveout for the cessation of business or operations of the Company due to an Aviation Sector Disruption

The Terms and Conditions of the Notes provide that an Event of Default occurs if the Company ceases or makes a decision to cease to carry on all of a material part of its business or operations. However, this Event of Default is subject to a carveout for a cessation of business or operations arising as a result of an Aviation Sector Disruption. Accordingly, if the Company ceases or makes a decision to cease to carry on all or a material part of its business or operations as a result of a cessation of business or operations arising as a result of the disruption and other business stoppages affecting the Company and its subsidiaries as a consequence of a pandemic declared by the World Health Organisation, an Event of Default will not have occurred under the Terms and Conditions of the Notes. Under such circumstances, Noteholders holding in aggregate at least 25 per cent. and at least S\$50,000,000 of the principal amount of the Notes then outstanding will not be entitled to request in writing, nor will Noteholders pursuant to an Extraordinary Resolution be entitled to direct, the Trustee to give notice to the Company that the Notes are immediately due and payable at their principal amount, together with accrued interest, as provided in the Trust Deed.

In addition, the phrase “all or a material part” as used in the Terms and Conditions of the Notes varies according to the facts and circumstances of the subject transaction, has no clearly established

meaning under English or Singapore law (as the case may be), which governs the Terms and Conditions and the Trust Deed, and is subject to judicial interpretation. In certain circumstances, there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of “all or a material part” of the Company’s business or operations, and therefore, it may be unclear as to whether an Event of Default has occurred.

Provisions in the Trust Deed and the Terms and Conditions of the Notes may be modified

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may agree, without the consent of the Noteholders or Couponholders, to (a) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of Singapore law and (b) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

Accordingly, there is a risk that the terms of the Notes, the Conditions or the Trust Deed may be modified, waived or amended in circumstances where a Noteholder does not agree to such modification, waiver or amendment, which may adversely impact the rights of such Noteholder.

The Notes may be represented by Global Notes or Global Certificates and holders of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System (as defined below)

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with a nominee of the Common Depositary, or lodged with CDP or CMU (each of Euroclear, Clearstream, CDP, CMU and/or such other clearing system, a “**Clearing System**”). Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive Definitive Notes or Certificates. The relevant Clearing System will maintain records of their accountholders in relation to the Global Notes and Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System and their participants.

While the Notes are represented by one or more Global Notes or Global Certificates, the Company will discharge its payment obligations under the Notes by making payments to the relevant Clearing System for distribution to the holders as appearing in the records of the relevant Clearing System, or, in the case of the CMU, to the persons for whose account(s) interests in such Global Notes or Global Certificates are credited as being held in the CMU in accordance with the agreements, rules and regulations governing the CMU, or, as the case may be, to CDP, for distribution to their accountholders or, as the case may be, to the relevant Paying Agent for distribution to the holders as appearing in the records of the relevant Clearing System. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the relevant Notes. The Company bears no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes and Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies.

Noteholders should be aware that Definitive Notes and Certificates which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade

Notes may be issued with a minimum denomination. The Pricing Supplement of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note or a Global Certificate and the relevant Clearing System(s) so permit, the Notes will be tradable in nominal amounts (a) equal to,

or integral multiples of, the minimum denomination, and (b) the minimum denomination plus integral multiples of an amount lower than the minimum denomination.

Definitive Notes or Certificates will only be issued if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business. The Pricing Supplement may provide that, if Definitive Notes or Certificates are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes or Certificates that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes and Certificates will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Company (including rights to receive principal or interest or to vote) in respect of such Notes.

The book-entry registration system of the Notes may reduce the liquidity of any secondary market for the Notes and may limit the receipt of payments by the beneficial owners of the Notes

As transfers of interests in the Global Notes or Global Certificates can be effected only through book entries at Euroclear or Clearstream, CDP, or CMU for the accounts of their respective participants, the liquidity of any secondary market for Global Notes or Global Certificates may be reduced to the extent that some investors are unwilling to hold Notes in book-entry form in the name of a Euroclear or Clearstream, CDP, or CMU participant. The ability to pledge interests in the Global Notes or Global Certificates may be limited due to the lack of a physical certificate. Beneficial owners of Global Notes or Global Certificates may, in certain cases, experience delay in the receipt of payments of principal and interest since such payments will be forwarded by the paying agent to Euroclear or Clearstream, CDP, or CMU as applicable, who will then forward payment to their respective participants, who (if not themselves the beneficial owners) will thereafter forward payments to the beneficial owners of the interests in the Global Notes or Global Certificates. In the event of the insolvency of Euroclear or Clearstream, CDP, CMU or any of their respective participants in whose name interests in the Global Notes or Global Certificates are recorded, the ability of beneficial owners to obtain timely or ultimate payment of principal and interest on Global Notes or Global Certificates may be impaired.

The Trustee may request that the Noteholders provide an indemnity to its satisfaction

In certain circumstances (including without limitation the giving of notice to the Company pursuant to Condition 10 of the Notes and the taking of enforcement steps pursuant to Condition 11 of the Notes), the Trustee may, at its discretion, request the Noteholders to provide an indemnity to its satisfaction before it takes action on behalf of Noteholders. The Trustee shall not be obliged to take any such actions if not first indemnified to its satisfaction. Negotiating and agreeing to any indemnity can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity to it, in breach of the terms of the Trust Deed constituting the Notes and/or in circumstances where there is uncertainty or dispute as to the applicable laws or regulations.

Exchange rate risks and exchange controls may result in Noteholders receiving less interest or principal than expected

The Company will pay principal and interest on the Notes in the currency specified. This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency in which the Notes are denominated. These include the risk that exchange rates may significantly change (including changes due to devaluation of the currency in which the Notes are denominated or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the currency in which the Notes are denominated would decrease (a) the Investor's Currency equivalent yield on the Notes, (b) the Investor's Currency equivalent value of the principal payable on the Notes and (c) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Note. As a result, Noteholders may receive less interest or principal than expected, or no interest or principal.

RISKS RELATING TO A PARTICULAR ISSUE OF NOTES

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features.

Changes in market interest rates may adversely affect the value of Fixed Rate Notes

The Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

The market price of Variable Rate Notes with a multiplier or other leverage factor may be volatile

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Notes which are subject to optional redemption by the Company may have a lower market value than Notes that cannot be redeemed

The Notes may be redeemed at the option of the Company pursuant to the Conditions. An optional redemption feature is likely to limit the market value of Notes. During any period when the Company may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Company may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate that is as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The regulation and reform of “benchmark” may adversely affect the value of Notes linked to or referencing such “benchmarks”

The Programme allows for the issuance of Notes that reference certain interest rates or other types of rates or indices which are deemed to be “benchmarks”, in particular with respect to certain Floating Rate Notes where the Reference Rate (as defined in the Conditions) may be SONIA, SOFR, €STR, SORA or another such benchmark. The Pricing Supplement for the Notes will specify whether SONIA, SOFR, €STR, SORA or another such benchmark is applicable.

Interest rates and indices which are deemed to be or used as “benchmarks” are the subject of international regulatory guidance and proposals for reform in recent years. This relates not only to creation and administration of benchmarks, but, also, to the use of a benchmark rate. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely or to have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Note linked to or referencing such a benchmark.

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The elimination of any benchmarks, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Notes linked to such benchmark. Such factors may have the following effects on certain benchmarks:

- (i) discourage market participants from continuing to administer or contribute to the benchmark;
- (ii) trigger changes in the rules or methodologies used in the benchmark; or
- (iii) lead to the disappearance of the benchmark.

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a benchmark.

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest shall be determined by reference to the relevant screen page or website depending on whether the Reference Rate is specified as being (or derived from) SONIA, SOFR, €STR or SORA. In the case of any discontinuation or disapplication of such Reference Rate in accordance with the Conditions, which may include circumstances where the supervisor of the administrator of the original Reference Rate makes a public statement that such Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market or the methodology to calculate such Reference Rate is or will be materially changed, Condition 5.5(a) or 5.5(b) set out more details on the mechanics for determining the Rate of Interest in the absence of the original applicable Reference Rate. Such mechanics may involve the determination of a replacement Reference Rate and a spread adjustment to be applied to such replacement Reference Rate. The use of any replacement Reference Rate and application of a spread adjustment determined in accordance with Condition 5.5(a) or 5.5(b) (as applicable) to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the original applicable Reference Rate performing differently (which may include payment of a lower Rate of Interest, as applicable) than they would do if the original applicable Reference Rate were to continue to apply in its current form. Any such determination which involves the exercise of discretion by the Issuer or, if the designated person is an affiliate of the Issuer, such affiliate, may also present the Issuer or such affiliate with a conflict of interest.

Furthermore, if a replacement Reference Rate has been determined in accordance with Condition 5.5(a) or 5.5(b) (as applicable), the Conditions provide that the Independent Adviser (as defined in the Conditions) or the Company (as the case may be), may vary the Conditions and/or the Trust Deed and/or the Agency Agreement, as necessary to ensure the proper operation of such replacement Reference Rate, without any requirement for consent or approval of the Noteholders.

Where Condition 5.5(a) or 5.5(b) (as applicable) applies as the mechanics for determining a replacement Reference Rate, there may be circumstances in which a new replacement Reference Rate may not be able to be determined before the next Interest Determination Date. In such event, the Rate of Interest applicable to the next succeeding Interest Accrual Period will be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period before the discontinuation or disapplication of the original Reference Rate in accordance with the Conditions. This is likely to result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a replacement Reference Rate could be determined. The initial Rate of Interest, or the Rate of Interest last determined in respect of the immediately preceding Interest Accrual Period before the discontinuation or disapplication of the original applicable Reference Rate in accordance with the Conditions, could, as a result, continue to apply to maturity, which would lead to the floating rate Notes, in effect, becoming fixed rate Notes.

Investors should consult their own independent advisors and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

Negative benchmark rates would reduce the rate of interest on the Floating Rate Notes

The interest rate to be borne by the Floating Rate Notes is based on a margin over the relevant benchmark, including SONIA, SOFR, €STR or SORA or another benchmark. Changes in the relevant

benchmark rate will affect the rate at which the Floating Rate Notes accrue interest and the amount of interest payments on the Floating Rate Notes. To the extent that the relevant benchmark rate decreases below 0.00% for any interest period, the rate at which the Floating Rate Notes accrue interest for such interest period may be reduced by the amount by which such benchmark rate is negative. Any such movements would be limited to a rate of 0.00% (unless otherwise set out in the applicable Pricing Supplement).

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to risk-free rates, as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates.

Market participants and relevant working groups are exploring alternative reference rates based on risk-free rates, examples of which include Term SONIA reference rates and Term SOFR reference rates (which seek to measure the market's forward expectation of an average SONIA or SOFR rate over a designated term). The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to any that reference risk-free rates issued under the Programme. The Issuer may in the future also issue Notes referencing risk-free rates that differ materially in terms of interest determination when compared with any previous Notes referencing the same risk-free rate issued by it under the Programme. The development of risk-free rates as interest reference rates for the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Programme which references any such risk-free rate from time to time.

Furthermore, the basis of deriving certain risk-free rates, such as SONIA, SOFR, €STR or SORA, may mean that interest on Notes which reference any such risk-free rate would only be capable of being determined after the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference any such risk-free rate to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, if Notes referencing SONIA, SOFR, €STR or SORA become due and payable as a result of an event of default under Condition 10, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined on the date which the Notes become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Notes.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of such risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk-free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Since risk-free rates are relatively new market indices, Notes linked to any such risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk-free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any risk-free rate to which a series of Notes is linked does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to a risk-free rate may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Daily changes in such rates may also be more volatile than daily changes in other benchmarks or market rates, such that the value on and value of Notes linked to risk-free rates may fluctuate more than floating rate debt securities linked to less volatile rates. There can also be no guarantee that any risk-free rate to which a series of Notes is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing such risk-free rate. If the manner in which such risk-free rate

is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

RISKS RELATING TO NOTES DENOMINATED IN RENMINBI

Notes denominated in Renminbi (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors, including:

Renminbi is not freely convertible and there are regulations on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of RMB Notes

Renminbi is not freely convertible at present. The government of the PRC (the “**PRC Government**”) continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in regulation by the PRC Government in recent years, particularly in respect of trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi into and out of the PRC for the settlement of capital account items, such as capital contributions, debt financing and securities investment is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being adjusted from time to time to match the policies of the PRC Government.

Although the People’s Bank of China (the “**PBOC**”) has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC Government will liberalise cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term regulations on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under RMB Notes.

Each investor should consult its own advisors to obtain a more detailed explanation of how the PRC regulations and rules may affect their investment decisions.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer’s ability to source Renminbi outside the PRC to service such RMB Notes

As a result of the regulations on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBOC has entered into agreements (the “**Settlement Arrangements**”) on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the “**RMB Clearing Banks**”), including but not limited to Hong Kong, Singapore and Taiwan, has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement, and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are regulations imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC, although the PBOC has gradually allowed participating banks to access the PRC’s onshore inter-bank market for the purchase and sale of Renminbi. The RMB Clearing Banks only have limited access to onshore liquidity support from the PBOC for the purpose of squaring open positions of

participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the participating banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting the availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Issuer is required to source Renminbi outside the PRC to service the RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in RMB Notes is subject to exchange rate risks

The value of Renminbi against the US Dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions and by many other factors. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in RMB Notes entails foreign exchange related risks, including possible significant change in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the RMB Notes below their stated coupon rates and could result in a loss when the return on the RMB Notes is translated into such currency. In addition, there may be tax consequences for the investor, as a result of any foreign currency gains resulting from any investment in RMB Notes. The PBOC has in recent years implemented changes to the way it calculates the Renminbi's daily mid-point against the US Dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. As a result, the value of these Renminbi payments in US Dollar terms may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the US Dollar or other foreign currencies, the value of investment in US Dollar or other applicable foreign currency terms will decline.

An investment in RMB Notes is subject to interest rate risk

The PRC Government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of PRC law and regulations on foreign exchange and prevailing market conditions.

RMB Notes may carry a fixed interest rate or a floating interest rate. Consequently, the trading price of RMB Notes will vary with the fluctuations in the Renminbi interest rates. If holders of RMB Notes tries to sell any RMB Notes before their maturity, they may receive an offer that is less than the amount they have invested.

Payments in respect of RMB Notes will only be made to investors in the manner specified in the terms and conditions of the relevant Notes

All Renminbi payments to investors in respect of the RMB Notes will be made solely (i) for so long as the RMB Notes are represented by Global Notes or Global Certificates, as the case may be, held with the common depositary for Euroclear and Clearstream, CDP, a sub-custodian for the CMU or any alternative clearing system, as the case may be, by transfer to an account denominated in Renminbi and maintained by the payee with a bank in Hong Kong or the principal financial centre as specified in the applicable Pricing Supplement in accordance with prevailing rules and procedures of Euroclear and Clearstream, CDP or CMU, as the case may be, or (ii) when the RMB Notes are in definitive form, by transfer to an account denominated in Renminbi and maintained by the payee with a bank in Hong Kong or the principal financial centre as specified in the applicable Pricing Supplement in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Holders of RMB Notes may not receive payments under such RMB Notes in Renminbi

Restrictions imposed by the PRC Government from time to time on cross-border Renminbi fund flows and foreign exchange may limit the availability of Renminbi outside of the PRC. To the extent that the Issuer is required to source Renminbi in the offshore market to service and in the final case, redeem its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. Although the primary obligation of the Issuer is to make all payments/repayments of interest and principal with respect to RMB Notes in Renminbi, in the event that (a) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the RMB Notes is due as a result of circumstances beyond the control of the Issuer or (b) by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined in the Conditions), the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest in respect of the RMB Notes when due in Renminbi, the terms of the RMB Notes allow the Issuer to make payment in US Dollars or Singapore Dollars (as applicable) at the prevailing rate of exchange, all as provided in more detail in Condition 6(f). Any payment made in accordance with Condition 6(f) will constitute valid payment and will not constitute a default in respect of the RMB Notes.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons (“**Coupons**”) attached or registered form, without coupons attached. The Notes (whether in bearer or registered form) will be issued outside the United States and to non-U.S. persons in reliance on Regulation S.

Notes to be listed on the SGX-ST may be accepted for clearance through Euroclear and Clearstream and may also be accepted for clearance through the CDP, CMU and/or any other clearing system as specified in the applicable Pricing Supplement.

Bearer Notes

Each Tranche of Notes in bearer form (“**Bearer Notes**”) will initially be in the form of either a temporary global note in bearer form (the “**Temporary Global Note**”), without interest coupons, or a permanent global note in bearer form (the “**Permanent Global Note**”), without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”), CDP, CMU and/or any other relevant clearing system.

In the case of each Tranche of Bearer Notes, the relevant Pricing Supplement will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Notes

If the relevant Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Company shall procure (in the case of first exchange) the delivery of a Permanent Global Note, duly authenticated to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (ii) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Issue Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Company shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes, free of charge to the Noteholder:

- (a) if the Permanent Global Note is held by or on behalf of CDP, and:
 - (i) an event of default, enforcement event or analogous event entitling the Trustee to declare the Notes to be due and payable as provided in the Conditions has occurred and is continuing;
 - (ii) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise);
 - (iii) CDP has announced an intention to permanently cease business and no alternative clearing system is available; or
 - (iv) CDP has notified the Company that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in the Depository Agreement and no alternative clearing system is available; or
- (b) on the occurrence of any one of the following events if the Permanent Global Note is held by or on behalf of Euroclear, Clearstream or CMU:
 - (i) an event of default (as defined in the Conditions) has occurred and is continuing;
 - (ii) Euroclear, Clearstream or CMU has closed for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or
 - (iii) Euroclear, Clearstream or CMU has announced an intention to permanently cease business.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “*Terms and Conditions of the Notes*” below and the provisions of the relevant Pricing Supplement which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended, generally provide that U.S. beneficial owners, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts, interest coupons or talons thereon and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, receipts, interest coupons or talons thereon.

Registered Notes

Each Tranche of Notes in registered form (“**Registered Notes**”) will be represented by either:

- (i) Certificates in registered form (“**Certificates**”); or
- (ii) one or more unrestricted global certificates (“Global Certificate(s)”), as specified in the relevant Pricing Supplement.

Each Note represented by a Global Certificate will be registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream and/or a sub-custodian for CDP and/or CMU and/or any other relevant clearing system. The relevant Global Certificate will be deposited on or about the issue date with the common depository for Euroclear and/or Clearstream and/or a sub-custodian for CDP and/or CMU and/or any other relevant clearing system.

If the relevant Pricing Supplement specifies the form of Notes as being “Certificates”, then the Notes will at all times be represented by Certificates issued to each Noteholder in respect of their respective holdings.

Global Certificate exchangeable for Certificates

If the relevant Pricing Supplement specifies the form of Notes as being “Global Certificate exchangeable for Certificates”, then the Notes will initially be represented by one or more Global Certificates each of which will be exchangeable in whole, but not in part, for Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or
- (ii) at any time, if so specified in the relevant Pricing Supplement; or
- (iii) if the relevant Pricing Supplement specifies “in the limited circumstances described in the Global Certificate”, then:
 - (a) in the case of any Global Certificate held by or on behalf of Euroclear, Clearstream, CMU or any other relevant clearing system, (i) if Euroclear, Clearstream, CMU or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business; and (ii) in any case, if any of the circumstances described in Condition 10 (*Events of Default*) occurs; or
 - (b) if the Notes represented by the Global Certificate are held by or on behalf of the CDP and (i) an event of default, enforcement event or analogous event entitling the Trustee to declare the Notes to be due and payable as provided in the Conditions has occurred and is continuing, (ii) the CDP is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (iii) the CDP has announced an intention to permanently cease business and no alternative clearing system is available or (iv) the CDP has notified the Company that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in the Depository Agreement and no alternative clearing system is available.

Whenever a Global Certificate is to be exchanged for Certificates, each person having an interest in a Global Certificate must provide the Registrar (through the relevant clearing system) with such information as the Company and the Registrar may require to complete and deliver Certificates (including the name and address of each person in which the Notes represented by the Certificates are to be registered and the principal amount of each such person's holding).

Whenever a Global Certificate is to be exchanged for Certificates, the Company shall procure that Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Certificate to the Registrar of such information as is required to complete and deliver such Certificates against the surrender of the Global Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Trust Deed and the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Agency Agreement and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Certificate will be endorsed on that Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Pricing Supplement which complete those terms and conditions.

The terms and conditions applicable to any Global Certificate will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Note(s) or Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or on the Certificates relating to such Registered Notes. References in these Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by an amended and restated Singapore law trust deed 20 November 2025 (“**Singapore Law Trust Deed**”) made between (1) the Company, as issuer, and (2) HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”, which expression shall wherever the context so admits include all persons for the time being the trustee or trustees of the Singapore Law Trust Deed and the English Law Trust Deed (as defined below)), or, as the case may be, by an amended and restated English law trust deed dated 20 November 2025 (“**English Law Trust Deed**”) made between (1) the Company, and (2) the Trustee, and as amended, varied or supplemented from time to time, and (where applicable) the Notes are issued with the benefit of a deed of covenant (the “**Deed of Covenant**”) dated 19 August 2003, relating to the Notes executed by the Company, as supplemented by a supplemental deed of covenant dated 16 November 2020 and as further amended, varied or supplemented from time to time. The Company has entered into an amended and restated agency agreement (the “**Agency Agreement**”) dated 20 November 2025 made between (1) the Company, as issuer, (2) The Bank of New York Mellon, London Branch (formerly known as The Bank of New York, London Branch), as principal issuing and paying agent (in such capacity, the “**Principal Issuing and Paying Agent**”), principal agent bank (in such capacity, the “**Principal Agent Bank**”), (3) The Bank of New York Mellon SA/NV, Luxembourg Branch, as principal registrar (in such capacity, the “**Principal Registrar**”) and principal transfer agent (in such capacity, the “**Principal Transfer Agent**”), (4) DBS Bank Ltd., as Singapore issuing and paying agent (in such capacity, the “**Singapore Issuing and Paying Agent**”), Singapore agent bank (in such capacity, the “**Singapore Agent Bank**”), Singapore registrar (in such capacity, the “**Singapore Registrar**”) and Singapore transfer agent (in such capacity, the “**Singapore Transfer Agent**”), (5) The Bank of New York Mellon, Hong Kong Branch (the “**CMU Lodging and Paying Agent**”) and together with the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent and any other paying agents that may be appointed, the “**Issuing and Paying Agents**”), CMU agent bank (in such capacity, the “**CMU Agent Bank**”) and together with the Principal Agent Bank, the Singapore Agent Bank and any other agent banks that may be appointed, the “**Agent Banks**”), CMU registrar (in such capacity, the “**CMU Registrar**”) and together with the Principal Registrar and the Singapore Registrar, the “**Registrars**”) and CMU transfer agent (in such capacity, the “**CMU Transfer Agent**”) and together with the Principal Transfer Agent and the Singapore Transfer Agent, the “**Transfer Agents**”), and (6) the Trustee, as trustee, and as amended, varied or supplemented from time to time. The Noteholders and the holders of the coupons (the “**Coupons**”) appertaining to the interest-bearing Notes (the “**Couponholders**”) are bound by and are deemed to have notice of all of the provisions of the Singapore Law Trust Deed, the English Law Trust Deed, the Agency Agreement and the Deed of Covenant.

Copies of the Singapore Law Trust Deed, the English Law Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of each of the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent and the CMU Lodging and Paying Agent for the time being.

References in these Conditions to the “**Trust Deed**” shall mean (a) if the Notes are specified to be governed by Singapore law in the applicable Pricing Supplement, the Singapore Law Trust Deed, or (b) if the Notes are specified to be governed by English law in the applicable Pricing Supplement, the English Law Trust Deed.

In these Conditions, all references to the “**Issuing and Paying Agent**” and “**Principal Issuing and Paying Agent**” shall (i) with respect to a Series of Notes to be cleared other than through CDP (as defined below) and CMU (as defined below) be deemed to be references to the Principal Issuing and Paying Agent, (ii) with respect to a Series of Notes to be cleared through CDP, be deemed to be references to the Singapore Issuing and Paying Agent, and (iii) with respect to a Series of Notes to be cleared through CMU, be deemed to be references to the CMU Lodging and Paying Agent, and all such references shall be construed accordingly; all references to the “**Registrar**” shall (1) with respect to a Series of Notes to be cleared other than through CDP and CMU be deemed to be references to the Principal Registrar, (2) with respect to a Series of Notes to be cleared through CDP, be deemed to be references to the Singapore Registrar, and (3) with respect to a series of Notes to be cleared through CMU, be deemed to be references to the CMU Registrar, and all such references shall be construed accordingly; all references to the “**Transfer Agent**” shall (A) with respect to a Series of Notes to be cleared other than through CDP and CMU, be deemed to be references to the Principal Transfer Agent, (B) with respect to a Series of Notes to be cleared through CDP, be deemed to be references to the Singapore Transfer Agent, and (C) with respect to a series of Notes to be cleared through CMU, be deemed to be references to the CMU Transfer Agent, and all such references shall be construed accordingly; all references to the “**Agent Bank**” shall (I) with respect to a Series of Notes to be cleared other than through CDP and CMU, be deemed to be references to the Principal Agent Bank, (II) with respect to a Series of Notes to be cleared through CDP (other than Floating Rate Notes, Hybrid Notes and Variable Rate Notes where the Rate of Interest is calculated by reference to a benchmark, index or formula), be deemed to be references to the Singapore Agent Bank, (III) with respect to a Series of Floating Rate Notes, Hybrid Notes or Variable Rate Notes to be cleared through CDP where the Rate of Interest is calculated by reference to a benchmark, index or formula, be deemed to be references to the person appointed as agent bank pursuant to the Agency Agreement and as specified in the relevant Pricing Supplement, and (IV) with respect to a series of Notes to be cleared through CMU, be deemed to be references to the CMU Agent Bank, and all such references shall be construed accordingly; and references to the “**Agents**” are to the Issuing and Paying Agents, the Registrars, the Transfer Agents and the Agent Banks and any reference to an “**Agent**” is to any one of them.

1. **FORM, DENOMINATION AND TITLE**

(a) **Form and Denomination**

- (i) The Notes of the Series of which this Note forms part (in these Conditions, the “**Notes**”) are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Denomination Amount shown hereon. Subject to applicable laws, in the case of Registered Notes, such Notes are in the Denomination Amount shown hereon, which may include a minimum denomination and higher integral multiples of a smaller amount, in each case, as specified in the applicable Pricing Supplement.
- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face (if any)).
- (iii) Bearer Notes are serially numbered and issued with Coupons attached, save in the case of Notes that do not bear interest in which case references to interest in these Conditions are not applicable.
- (iv) Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

(b) **Title**

- (i) Subject as set out below, title to the Bearer Notes and the Coupons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Company shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).

- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note or Coupon shall be deemed to be and may be treated as the absolute owner of such Note or of such Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note or Coupon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Notes is represented by a Global Note or, as the case may be, Global Certificate and such Global Note is held by The Central Depository (Pte) Limited (“**CDP**”), the Central Moneymarkets Unit Service operated by the HKMA (“**CMU**”) or a common depository of Euroclear (as defined in the Trust Deed) and Clearstream (as defined in the Trust Deed), each person who is for the time being shown in the records of CDP, CMU or a common depository of Euroclear and Clearstream as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by CDP, CMU or a common depository of Euroclear and Clearstream as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Company, the Issuing and Paying Agents, the Agent Banks, the Registrars, the other Transfer Agents all other agents of the Company and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of the Global Note or, as the case may be, the person whose name is shown on the Register shall be treated by the Company, the Issuing and Paying Agents, the Agent Banks, the Registrars, the other Transfer Agents, all other agents of the Company and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Note or, as the case may be, the Global Certificate (and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions, where the context requires, shall be construed accordingly). Notes which are represented by the Global Note or, as the case may be, the Global Certificate and held by CDP, CMU or a common depository of Euroclear and Clearstream (as the case may be) will be transferable only in accordance with the rules and procedures for the time being of CDP, CMU or a common depository of Euroclear and Clearstream (as the case may be).
- (iv) In these Conditions, “**Global Note**” means the relevant Temporary Global Note representing each Series or the relevant Permanent Global Note representing each Series, “**Global Certificate**” means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) a common depository for Euroclear and/or Clearstream, (2) CDP, (3) CMU and/or (4) any other clearing system, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and “**holder**” (in relation to a Note or Coupon) means the bearer of any Bearer Note or Coupon or the person in whose name a Registered Note is registered (as the case may be), “**Series**” means (a) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which (1) are expressed to be consolidated and forming a single series and (2) are identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest, and (b) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and “**Tranche**” means Notes which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same

meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. NO EXCHANGE OF NOTES AND TRANSFER OF REGISTERED NOTES

(a) No Exchange of Notes

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

Subject to Conditions 2(e) and 2(f) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Company) duly completed and executed and any other evidence as such Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Company, with the prior written approval of the Registrar and the Trustee and (in the case of any change proposed by the Registrar) with the prior written approval of the Company and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption or Purchase in respect of Registered Notes

In the case of an exercise of a Company's or Noteholder's option in respect of, or a partial redemption of or purchase of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against the surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five (5) business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent the costs of such other method of delivery and/or

such insurance as it may specify. In this Condition 2(d), “**business day**” means a day (other than a Saturday or Sunday or gazetted public holiday) on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

(e) **Transfers Free of Charge**

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Company, the Registrar or the Transfer Agent, but upon payment of any tax or governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the Transfer Agent may require) in respect of tax or charges.

(f) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of fifteen (15) days prior to any date on which Notes may be called for redemption by the Company at its option pursuant to Condition 7(d), (ii) after any such Note has been called for redemption or (iii) during the period of seven (7) days ending on (and including) any Record Date (as defined in Condition 6(a)(ii)).

3. **STATUS**

The Notes and Coupons of all Series constitute direct, unsubordinated, unconditional and unsecured obligations of the Company. The Notes shall at all times rank *pari passu* amongst themselves (irrespective of whether constituted by the Singapore Law Trust Deed or the English Law Trust Deed) and equally with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Company.

4. **NEGATIVE PLEDGE**

The Company has covenanted in the Trust Deed that so long as any Note or Coupon remains outstanding (as defined in the Trust Deed), the Company shall not create or have outstanding any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**security**”), except for any Permitted Security, on or over its undertaking, assets, property or revenues, present or future, unless, at the same time or prior thereto, the Company’s obligations under the Notes, the Coupons and the Trust Deed (a) are secured equally and rateably therewith to the satisfaction of the Trustee or (b) have the benefit of such other security or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed).

In this Condition 4:

“**Aircraft Amount**” means the aggregate book value, net of depreciation, of aircraft, spares and spare engines, all as shown in the latest balance sheet of the Company made available to its members (whether audited or unaudited);

“**Permitted Security**” means any of the following:

- (i) any security over any fixed asset existing as at the date of the Trust Deed and disclosed to the Trustee in writing on or prior to the date of the Trust Deed (but, except with the prior consent of the Trustee, the amount secured by such security may not be increased);
- (ii) any security over any fixed asset arising solely by operation of law;
- (iii) any security created over any fixed asset acquired by it after the date of the Trust Deed for the sole purpose of financing that acquisition and securing an amount not exceeding the cost of that acquisition;
- (iv) any security created over any asset to secure any of its indebtedness **provided that** the aggregate amount of the assets (excluding right-of-use assets) securing such indebtedness shall not at any one time exceed an amount equal to 50 per cent. of the Total Fixed Assets; and

- (v) any other security created or outstanding over any fixed asset approved by an Extraordinary Resolution; and

“Total Fixed Assets” means the Aircraft Amount and the aggregate book value, net of depreciation, of fixed assets (other than aircraft, spares and spare engines), investments in subsidiary companies, associated companies and joint ventures of the Company, and long term investments (excluding right-of-use assets), all as shown in the latest balance sheet of the Company made available to its members (whether audited or unaudited).

5. INTEREST

5.1 INTEREST ON FIXED RATE NOTES

(a) Interest Rate and Accrual

Subject to Condition 5.1(b) below, each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 5.6) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Reference Date or Reference Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on a Reference Date.

The first payment of interest will be made on the Reference Date next following the Interest Commencement Date (and if the Interest Commencement Date is not a Reference Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due.

If the Maturity Date is not a Reference Date, interest from the preceding Reference Date (or from the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5.1 to the Relevant Date (as defined in Condition 8).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Fixed Rate Day Basis shown on the face of such Note.

5.2 INTEREST ON FLOATING RATE NOTES OR VARIABLE RATE NOTES

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each date (**“Interest Payment Date”**) unless SORA Payment Delay is specified in the applicable Pricing Supplement, in which case interest (save for interest in respect of the final Interest Period which will be payable in arrear on the final Interest Payment Date) will be payable in arrear on the date falling the number of Business Days equal to the Interest Payment Delay following each Interest Period End Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number

of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), **provided that** the Agreed Yield (as defined in Condition 5.2(c)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period.

If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month. In any such case as aforesaid or if there is no date in the relevant month which corresponds numerically with the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date (i) the Interest Payment Date shall be brought forward to the immediately preceding business day and (ii) each subsequent Interest Payment Date shall be the last business day of the month which is the last of the Specified Number of Months after the month in which the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall have fallen.

The period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5.2 to the Relevant Date.

(b) **Floating Rate Note Provisions:**

This Condition 5.2(b) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable, provided that if the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than any of the Reference Rates referred to below in Condition 5.2, the Interest Rate in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(i) **Screen Rate Determination:**

If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Agent Bank on the following basis:

- (A) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Agent Bank will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (B) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Agent Bank by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (1) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

- (2) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Agent Bank shall determine such rate at such time and by reference to such sources as the Company (or an agent appointed by it) determines appropriate;

- (C) in any other case, the Agent Bank will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (D) if, in the case of paragraph (A) above, such rate does not appear on that page or, in the case of paragraph (C) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Company (or any agent appointed by it) will (1) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date offered to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time and the Company (or an agent appointed by it) shall notify the Agent Bank of the same. The Agent Bank will (2) determine the arithmetic mean of such quotations; and
- (E) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Agent Bank) quoted by major banks in the Principal Financial Centre of the Relevant Currency, selected by the Company (or an agent appointed by it) and notified to the Agent Bank, at approximately 11:00 a.m. (local time in the Principal Financial Centre of the Relevant Currency) on the first day of the relevant Interest Period for loans in the Relevant Currency to leading international banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Agent Bank is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period.

(ii) **ISDA Determination:**

If ISDA Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin (if any) and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the

ISDA Definitions) that would be determined by the Agent Bank under an interest rate swap transaction if the Agent Bank were acting as Agent Bank for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Pricing Supplement;
- (B) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Pricing Supplement;
- (C) the relevant Reset Date (as defined in the ISDA Definitions), unless otherwise specified in the relevant Pricing Supplement, has the meaning given to it in the ISDA Definitions; and
- (D) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Agent Bank by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:
 - (1) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
 - (2) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Agent Bank shall determine such rate at such time and by reference to such sources as the Company determines appropriate.

(iii) **Interest – Floating Rate Notes referencing SONIA**

- (A) This Condition 5.2(b)(iii) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable and the “Reference Rate” is specified in the relevant Pricing Supplement as being “SONIA”.
- (B) Where “SONIA” is specified as the Reference Rate in the Pricing Supplement, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Pricing Supplement) the Margin, all as determined by the Agent Bank.
- (C) For the purposes of this Condition 5.2(b)(iii):

“**Compounded Daily SONIA**”, with respect to an Interest Period, will be calculated by the Agent Bank on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-PLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

“**d**” means the number of calendar days in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or

- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

“**d₀**” means the number of London Banking Days in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

“**i**” means a series of whole numbers from one to **d₀**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

to, and including, the last London Banking Day in such period;

“**Interest Determination Date**” means, in respect of any Interest Period, the date falling “**p**” London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” London Banking Days prior to such earlier date, if any, on which the Notes are due and payable).

“**London Banking Day**” or “**LBD**” means any day (excluding Saturday or Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**ni**” for any London Banking Day “**i**”, in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day “**i**” up to, but excluding, the following London Banking Day;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date falling “**p**” London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “**p**” London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

“**p**” for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the “Lag Period” or the “Observation Shift Period” (as applicable) in the relevant Pricing Supplement and has to be no less than five London Banking Days;

“**SONIA Reference Rate**” means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average (“SONIA”) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen

Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

“SONIAi – pLBD” means the SONIA Reference Rate for:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the London Banking Day falling “p” London Banking Days prior to the relevant London Banking Day “i”; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement; the relevant London Banking Day “i”;

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.

- (D) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Agent Bank determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 5.5(a) (*Benchmark Replacement (Independent Adviser)*), be:

- (1) the Bank of England’s Bank Rate (the “Bank Rate”) prevailing at close of business on the relevant London Banking Day; plus the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
- (2) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

- (E) Subject to Condition 5.5(a) (*Benchmark Replacement (Independent Adviser)*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(iii), the Rate of Interest shall be (1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period), or (2) if there is no such preceding Interest Determination Date, the initial Rate of

Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

(iv) **Interest – Floating Rate Notes referencing SOFR**

- (A) This Condition 5.2(b)(iv) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable and the “Reference Rate” is specified in the relevant Pricing Supplement as being “SOFR” (in which case such Note will be a “**SOFR Note**”).
- (B) Where “SOFR” is specified as the Reference Rate in the Pricing Supplement, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Pricing Supplement) the Margin, all as determined by the Agent Bank on each Interest Determination Date.
- (C) For the purposes of this Condition 5.2(b)(iv):

“**Benchmark**” means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 5.2(b)(iv).

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Company determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5.2(b)(iv)(D) below will apply.

“**Compounded SOFR**” with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

“**d**” is the number of calendar days in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

“ d_0 ” is the number of U.S. Government Securities Business Days in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

“ i ” is a series of whole numbers from one to d_0 , each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period,

to and including the last US Government Securities Business Day in such period;

“**Interest Determination Date**” means, in respect of any Interest Period, the date falling “ p ” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “ p ” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

“ ni ” for any U.S. Government Securities Business Day “ i ” in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day “ i ” to, but excluding, the following U.S. Government Securities Business Day (“ $i+1$ ”);

“**Observation Period**” in respect of an Interest Period means the period from, and including, the date falling “ p ” U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling “ p ” U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling “ p ” U.S. Government Securities Business Days prior to such earlier date, if any, on which the SOFR Notes become due and payable);

“ p ” for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the “Lag Period” or the “Observation Shift Period” (as applicable) in the relevant Pricing Supplement and has to be no less than five U.S. Government Securities Business Days;

“**SOFR**” with respect to any U.S. Government Securities Business Day, means:

- (1) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the “**SOFR Determination Time**”); or

- (2) Subject to Condition 5.2(b)(iv)(D) below, if the rate specified in (1) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, or any successor source;

"SOFRI" means the SOFR for:

- (1) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant U.S. Government Securities Business Day "i"; and

"U.S. Government Securities Business Day" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (D) If the Company or its Designee determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Company or its Designee will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Trustee or Noteholders.

Any determination, decision or election that may be made by the Company or its Designee pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection

- (1) will be conclusive and binding absent manifest error;
- (2) will be made in the sole discretion of the Company or its Designee; and
- (3) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

- (E) Notwithstanding any other provision herein, in no event shall any of the Trustee, Issuing and Paying Agent, Agent Bank, Registrar or Transfer Agent be responsible for exercising discretion in determining any substitute for SOFR, or for making any adjustments to any

alternative benchmark or spread thereon, the business day convention, Interest Determination Date or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, each of the Trustee, Issuing and Paying Agent, Agent Bank, the Registrar and Transfer Agent will be entitled to conclusively rely on any determinations made by the Company or its Designee and will have no liability for such actions taken at the direction of the Company or its Designee.

Any determination, decision or election that may be made by the Company or its Designee in connection with a SOFR or other Benchmark Transition Event or a Benchmark Replacement, including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Company's or its Designee's sole discretion, and, notwithstanding anything to the contrary in these Conditions, Trust Deed or Agency Agreement, will become effective without consent from any other party. None of the Trustee, Issuing and Paying Agent, Agent Bank, Registrar or Transfer Agent will have any liability for any determination made by or on behalf of the Company or its Designee in connection with a Benchmark Transition Event or a SOFR or other Benchmark Replacement.

Notwithstanding any other provision herein, none of the Trustee, Issuing and Paying Agent, Agent Bank, Transfer Agent or Registrar shall be required to determine what conforming changes will need to be made to these Conditions or Pricing Supplement which reference to SOFR. Such changes shall be determined by the Company or a Designee appointed by the Company for such purpose.

For the purposes of Condition 5.2(b)(iv)(D) and this Condition 5.2(b)(iv)(E):

"Benchmark" means, initially, Compounded SOFR, as such term is defined above; **provided that** if the Company determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then **"Benchmark"** shall mean the applicable Benchmark Replacement.

"Benchmark Replacement" means the Interpolated Benchmark, provided that if the Independent Adviser or the Company (in the circumstances set out in Condition 5.5(b)(i)) (Independent Adviser) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Interest Determination Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be):

- (1) the sum of: (I) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (II) the Benchmark Replacement Adjustment;
- (2) the sum of: (I) the ISDA Fallback Rate and (II) the Benchmark Replacement Adjustment; or

- (3) the sum of: (I) the alternate rate of interest that has been selected by the Company or its Designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time, and (II) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Company or its Designee as of the Benchmark Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Company or its Designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of **“Interest Period”**, the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Company or its Designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Company or its Designee decides that adoption of any portion of such market practice is not administratively feasible or if the Company determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Company or its Designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (1) in the case of sub-paragraph (1) or (2) of the definition of **“Benchmark Transition Event”**, the later of (I) the date of the public statement or publication of information referenced therein and (II) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (2) in the case of sub-paragraph (3) of the definition of **“Benchmark Transition Event”**, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

“Designee” means a designee as selected and separately appointed by the Company in writing, which may include a subsidiary or affiliate of the Company or an Independent Adviser;

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (2) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Reference Time” with respect to any determination of the Benchmark means (1) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (2) if the Benchmark is not Compounded SOFR, the time determined by the Company after giving effect to the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (F) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 5.2(b)(iv)(D) above will be notified in writing promptly by the Company to the Trustee, the Agent Bank, the Issuing and Paying Agents and, in accordance with Condition 13 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect, if any.
- (G) No later than notifying the Trustee of the same, the Company shall deliver to the Trustee a certificate signed by the duly authorised officer(s) of the Company:
 - (1) confirming (I) that a Benchmark Transition Event has occurred, (II) the relevant Benchmark Replacement and (III) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5.2(b)(iv)); and
 - (2) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

The Trustee and the Agents shall be entitled to rely on such certificate (without further enquiry and without liability to any person) as sufficient evidence thereof. Subject to the notice set out in this Condition 5.2(b)(iv), the Trustee, the Agent Bank and the Agents shall without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Replacement Conforming Changes with effect from the date specified in such notice (and for the avoidance of doubt, the Trustee, the Agent Bank and/or the Agents shall, at the direction and expense of the Company, without any requirement for the consent or approval of the Noteholders, consent to and effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as the Trustee, the Agents and (if applicable) the Agent Bank may be required in order to give effect to this Condition 5.2(b)(iv)), **provided that** the Trustee, the Agent Bank and the Agents shall not be obliged

to so concur if in the opinion of the Trustee, the Agent Bank and the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Agent Bank or the Agents (as the case may be) in these Conditions or the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or agency agreement) in any way.

- (H) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(iv), the Rate of Interest shall be (1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(v) **Interest – Floating Rate Notes referencing €STR**

- (A) This Condition 5.2(b)(v) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable and the “**Reference Rate**” is specified in the relevant Pricing Supplement as being “€STR”.
- (B) Where “€STR” is specified as the Reference Rate in the Pricing Supplement, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Pricing Supplement) the Margin, all as determined by the Agent Bank on each Interest Determination Date.
- (C) For the purposes of this Condition 5.2(b)(v):

“**Compounded Daily €STR**” means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Agent Bank as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

“**d**” means the number of calendar days in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

“**D**” means the number specified as such in the relevant Pricing Supplement (or, if no such number is specified, 360);

“**d₀**” means the number of TARGET Settlement Days in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

the “**€STR reference rate**”, in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate (“**€STR**”) for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

“**€STR_i**” means the €STR reference rate for:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the TARGET Settlement Day falling “p” TARGET Settlement Days prior to the relevant TARGET Settlement Day “i”; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant TARGET Settlement Day “i”;

“**i**” is a series of whole numbers from one to “d₀”, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

- (1) where “Lag” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period; or
- (2) where “Observation Shift” is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

“**ni**” for any TARGET Settlement Day “i” in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day “i” up to (but excluding) the following TARGET Settlement Day;

“**Observation Period**” means, in respect of any Interest Period, the period from (and including) the date falling “p” TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling “p” TARGET Settlement Days prior to (1) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (2) such earlier date, if any, on which the Notes become due and payable; and

“p” for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the “Lag Period” or the “Observation Shift Period” (as applicable) in the relevant Pricing Supplement and has to be no less than five TARGET Settlement Days.

- (D) Subject to Condition 5.5(a) (*Benchmark Replacement (Independent Adviser)*), if, where any Rate of Interest is to be calculated pursuant to Condition 5.2(b)(v)(B) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Agent Bank.
- (E) Subject to Condition 5.5(a) (*Benchmark Replacement (Independent Adviser)*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(v), the Rate of Interest shall be (1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(vi) **Interest – SONIA Compounded Index and SOFR Compounded Index**

Where “**Index Determination**” is specified in the relevant Pricing Supplement as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\left(\frac{\text{Compounded Index End}}{\text{Compounded index Start}} - 1 \right) \times \frac{\text{Numerator}}{d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Agent Bank, where:

“**Compounded Index**” shall mean either the SONIA Compounded Index or the SOFR Compounded Index, as specified in the relevant Pricing Supplement;

“**d**” is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

“**End**” means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

“**Index Days**” means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

“Numerator” means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

“Relevant Decimal Place” shall, unless otherwise specified in the Pricing Supplement, be the fourth decimal place in the case of the SONIA Compounded Index and the fifth decimal place in the case of the SOFR Compounded Index, in each case rounded up or down, if necessary (with 0.00005 or, as the case may be, 0.000005 being rounded upwards);

“Relevant Number” is as specified in the applicable Pricing Supplement, but, unless otherwise specified shall be five;

“SOFR Compounded Index” means the Compounded Daily SOFR rate as published at 3:00 p.m. (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source;

“SONIA Compounded Index” means the Compounded Daily SONIA rate as published at 10:00 a.m. (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England’s Interactive Statistical Database, or any successor source; and

“Start” means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

Provided that a Benchmark Event has not occurred in respect of the relevant Compounded Index, if, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Agent Bank shall calculate the rate of interest for that Interest Period as if Index Determination was not specified in the applicable Pricing Supplement and as if Compounded Daily SONIA or Compounded Daily SOFR (as defined in Condition 5.2(b)(iii) (*Interest – Floating Rate Notes referencing SONIA*) or Condition 5.2(b)(iv) (*Interest – Floating Rate Notes referencing SOFR*), as applicable) had been specified instead in the Pricing Supplement, and in each case “Observation Shift” had been specified as the Observation Method in the relevant Pricing Supplement, and where the Observation Shift Period for the purposes of that definition in Condition 5.2(b)(iii) (*Interest – Floating Rate Notes referencing SONIA*) or Condition 5.2(b)(iv) (*Interest – Floating Rate Notes referencing SOFR*) (as applicable) shall be deemed to be the same as the Relevant Number specified in the Pricing Supplement and where, in the case of Compounded Daily SONIA, the Relevant Screen Page will be determined by the Company. For the avoidance of doubt, if a Benchmark Event has occurred in respect of the relevant Compounded Index, the provisions of Condition 5.5(a) (*Benchmark Replacement (Independent Adviser)*) shall apply.

(vii) **Interest – Singapore Overnight Rate Average (“SORA”)**

- (A) This Condition 5.2(b)(vii) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable and the “Reference Rate” is specified in the relevant Pricing Supplement as being “SORA” (in which case such Note will be a **“SORA Note”**). The Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined below) plus or minus the Margin.
- (B) The **“SORA Benchmark”** will be determined based on Compounded Daily SORA or SORA Index Average, as follows (subject in each case to Condition 5.5(b) (*Benchmark Replacement (SORA)*)):

- (1) If Compounded Daily SORA is specified in the applicable Pricing Supplement, the SORA Benchmark for each Interest Period shall be determined based on Compounded Daily SORA, which shall be calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest), as specified in the applicable Pricing Supplement on the relevant Interest Determination Date in accordance with one of the formulas referenced below depending upon which is specified in the applicable Pricing Supplement:

- (I) Where Lockout is specified in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” is the number of calendar days in such Interest Period;

“d₀”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“i”, for the relevant Interest Period, is a series of whole numbers from one to d₀, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“Interest Determination Date” means the Singapore Business Day immediately following the Rate Cut-Off Date, unless otherwise specified in the applicable Pricing Supplement;

“n_i”, for any Singapore Business Day “i”, is the number of calendar days from and including such Singapore Business Day “i” up to but excluding the following Singapore Business Day;

“p” means five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement, which in no event shall be less than five Singapore Business Days);

“Rate Cut-Off Date” means, with respect to a Rate of Interest and Interest Period, the date falling “*p*” Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (or the date falling “*p*” Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

“Singapore Business Day” or **“SBD”** means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA” means, in respect of any Singapore Business Day “*i*”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such Singapore Business Day “*i*”;

“SORA_i” means, in respect of any Singapore Business Day “*i*” falling in the relevant Interest Period:

- (aa) if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day; and
- (bb) if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the **“Suspension Period SORA_i”**) (such first day of the Suspension Period coinciding with the Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period SORA_i shall apply to each day falling in the relevant Suspension Period;

“SORA Reset Date” means, in relation to any Interest Period, each Singapore Business Day during such Interest Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Interest Period; and

“Suspension Period” means, in relation to any Interest Period, the period from (and including) the date falling “*p*” Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period or such other date specified in the applicable Pricing Supplement (such Singapore Business Day coinciding with the Rate Cut-Off Date) to (but excluding) the Interest Payment Date of such Interest Period.

- (II) Where SORA Lookback is specified in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_{i-xSBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” is the number of calendar days in such Interest Period;

“d₀”, for any Interest Period, is the number of Singapore Business Days in such Interest Period;

“i”, for the relevant Interest Period, is a series of whole numbers from one to d₀, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the relevant Pricing Supplement;

“ni”, for any Singapore Business Day “i”, is the number of calendar days from and including such Singapore Business Day “i” up to but excluding the following Singapore Business Day;

“Observation Period” means, for the relevant Interest Period, the period from, and including, the date falling “p” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “p” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “p” Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

“**p**” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement but in any case shall not be less than five Singapore Business Days);

“**Singapore Business Day**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day “i”; and

“**SORAI – x SBD**” means, in respect of any Singapore Business Day “i” falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling “p” Singapore Business Days prior to the relevant Singapore Business Day “i”.

- (III) Where SORA Backward Shifted Observation Period is specified in the applicable Pricing Supplement:

“**Compounded Daily SORA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Observation Period;

“**d₀**”, for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d_0 , each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the relevant Pricing Supplement;

“**ni**”, for any Singapore Business Day “**i**”, is the number of calendar days from and including such Singapore Business Day “**i**” up to but excluding the following Singapore Business Day;

“**Observation Period**” means, for the relevant Interest Period, the period from, and including, the date falling “**p**” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “**p**” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “**p**” Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

“**p**” means five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement but in any case shall not be less than five Singapore Business Days);

“**Singapore Business Day**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “**i**”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day “**i**”; and

“**SORAI**” means, in respect of any Singapore Business Day falling “**i**” in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day “**i**”.

- (IV) Where SORA Payment Delay is specified in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” is the number of calendar days in such Interest Period;

“d₀”, for any Interest Period, is the number of Singapore Business Days in such Interest Period;

“i”, for the relevant Interest Period, is a series of whole numbers from one to d₀, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Interest Period, **provided that** the Interest Determination Date with respect to the final Interest Period will be one Singapore Business Day after the SORA Rate Cut-Off Date;

“Interest Payment Date” shall be the date falling the number of Business Days equal to the Interest Payment Delay following each Interest Period End Date; **provided that** if the Notes are being redeemed, the Interest Payment Date with respect to the final Interest Period will be the redemption date;

“Interest Payment Delay” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

“ni”, for any Singapore Business Day “i”, is the number of calendar days from and including such Singapore Business Day “i” up to but excluding the following Singapore Business Day;

“**Singapore Business Day**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such day “i”;

“**SORAI**” means, in respect of any Singapore Business Day falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day; and

“**SORA Rate Cut-Off Date**” means the date that is a number of Singapore Business Days prior to the end of the final Interest Period or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement.

For the purposes of calculating Compounded Daily SORA with respect to the final Interest Period ending on the Maturity Date or any redemption date, the level of SORA for each Singapore Business Day in the period from (and including) the SORA Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant redemption date, as applicable, shall be the level of SORA in respect of such SORA Rate Cut-Off Date.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

- (2) For each Floating Rate Note where the Reference Rate is specified as being SORA Benchmark and determined based on SORA Index Average (“**SORA Index Average**”), the SORA Benchmark for each Interest Period shall be equal to the value of the SORA Index Average rates for each day during the relevant Interest Period as calculated by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date as follows:

$$\left(\frac{SORA\ INDEX_{End}}{Sora\ Index_{start}} - 1 \right) \times \left(\frac{365}{d_c} \right)$$

and the resulting percentage being rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards, where:

“**dc**” means the number of calendar days from (and including) the SORA IndexStart to (but excluding) the SORA IndexEnd;

“**Singapore Business Day**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA Index**” means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) at the SORA Index Determination Time, **provided that** if the SORA Index does not so appear at the SORA Index Determination Time, then, if a SORA Index Cessation Event has not occurred, the SORA Index Average shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SORA formula described above in Condition 5.2(b)(vii)(B)(1)(III), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Interest Period that is used in the definition of SORA IndexStart as specified in the applicable Pricing Supplement;

“**SORA IndexEnd**” means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the Interest Period End Date relating to such Interest Period;

“**SORA IndexStart**” means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest Period; and

“**SORA Index Determination Time**” means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

- (3) If, subject to Condition 5.5(b) (*Benchmark Replacement (SORA)*), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such Singapore Business Day “i”, SORA in respect of such Singapore Business Day “i” has not been published and a SORA Index Cessation Event has not occurred, then SORA for that Singapore Business Day “i” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.
- (4) If the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Agent Bank (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 5.5(b) (*Benchmark Replacement (SORA)*), the Rate of Interest shall be:

- (I) that determined as at the last preceding Interest Determination Date or, as the case may be, SORA Rate Cut-Off Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or
 - (II) if there is no such preceding Interest Determination Date or, as the case may be, SORA Rate Cut-Off Date, the initial Rate of Interest which would have been applicable to such Series of SORA Notes for the first Interest Period had the SORA Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).
- (5) If the relevant Series of SORA Notes becomes due and payable in accordance with Condition 10 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such SORA Notes became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Interest on such SORA Notes shall, for so long as any such SORA Note remains outstanding, be that determined on such date.

(c) **Rate of Interest – Variable Rate Notes**

- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Rate of Interest**”.
- (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
 - (A) not earlier than 9 a.m. (local time in the Relevant Financial Centre) on the thirtieth calendar day nor later than 3 p.m. (local time in the Relevant Financial Centre) on the day (as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents)) prior to the commencement of each Interest Period, the Company and the VRN Relevant Dealer (as defined below) shall endeavour to agree on the following:
 - (1) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

- (2) if interest in respect of such Variable Rate Note is agreed between the Company and the VRN Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Company and the VRN Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and
 - (3) if interest in respect of such Variable Rate Note is agreed between the Company and the VRN Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an **"Agreed Rate"**) and, in the event of the Company and the VRN Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and
 - (B) if the Company and the VRN Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period in accordance with (A) above, or if there shall be no VRN Relevant Dealer during the period for agreement referred to in (A) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.
- (iii) The Company has undertaken to the Issuing and Paying Agent and the Agent Bank that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (local time in the Relevant Financial Centre) on the next following business day:
 - (A) notify the Issuing and Paying Agent and the Agent Bank of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and
 - (B) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no VRN Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the **"Fall Back Rate"**) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding the Spread (if any) stated on the face of such Variable Rate Note. The **"Spread"** is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5.4(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Agent Bank in accordance with the provisions of Condition 5.2(b) above (*mutatis mutandis*) and references therein to **"Rate of Interest"** shall mean **"Fall Back Rate"**.

- (iv) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Company will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a

Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Company will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

5.3 INTEREST ON HYBRID NOTES

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) Fixed Rate Period

- (i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Reference Date or Reference Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on a Reference Date.
- (ii) The first payment of interest will be made on the Reference Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not a Reference Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not a Reference Date, interest from the preceding Reference Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5.3 to the Relevant Date.
- (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Fixed Rate Day Basis shown on the face of the Note during the Fixed Rate Period.

(c) Floating Rate Period

- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each date ("**Interest Payment Date**") which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date would otherwise fall on a day which is not a business day, it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month. In any such case as aforesaid or if there is no date in the relevant month which corresponds numerically with the preceding Interest Payment Date or, as the case may be, the first day of the Floating Rate Period (i) the Interest Payment

Date shall be brought forward to the immediately preceding business day and (ii) each subsequent Interest Payment Date shall be the last business day of the month which is the last of the Specified Number of Months after the month in which the preceding Interest Payment Date or, as the case may be, the first day of the Floating Rate Period shall have fallen.

- (ii) The period beginning on the first day of the Floating Rate Period and ending on but excluding the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is herein called an **"Interest Period"**.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5.3 to the Relevant Date.
- (iv) The provisions of Condition 5.2(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

5.4 **RATE OF INTEREST, INTEREST AMOUNTS, REDEMPTION AMOUNT AND DEFINITIONS**

(a) **Determination of Rate of Interest and Calculation of Interest Amounts and Redemption Amount**

The Agent Bank will, as soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Agent Bank may be required to calculate any Redemption Amount in respect of any Notes, determine the Rate of Interest and calculate the amount of interest payable (the **"Interest Amounts"**) in respect of each Calculation Amount of the Floating Rate Notes, Variable Rate Notes or Hybrid Notes for the relevant Interest Period or calculate the Redemption Amount in respect of such Notes. The Interest Amounts shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such product by the actual number of days in the Interest Period concerned (including the first, but excluding the last, day of such Interest Period), divided by the FRN Day Basis or as the case may be, VRN Day Basis shown on the face of such Note and rounding the resultant figure to the nearest sub- unit of the Relevant Currency. The determination or calculation, as the case may be, of the Rate of Interest, the Interest Amounts and the Redemption Amount by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

(b) **Notification of Rate of Interest and Interest Amounts**

The Agent Bank will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount to be notified to the Issuing and Paying Agent, the Company and the Noteholders in accordance with Condition 13 as soon as possible after their determination and (in the case of Notes to be cleared through CDP where the Agent Bank is such person appointed as agent bank pursuant to clauses 14.1, 15.1 or 16.1 (as the case may be) of the Agency Agreement) no later than the first business day thereafter (or such other time as may be agreed in writing among the Company, the Agent Bank and the Issuing and Paying Agent) and (in any other case) no later than the second business day thereafter. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, the Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate

Notes, Variable Rate Notes or, as the case may be, the Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) **Failure to Determine or Calculate Rate of Interest**

If for any reason at any relevant time the Agent Bank defaults in its obligation to determine the Rate of Interest or the Agent Bank defaults in its obligation to calculate any Interest Amount in accordance with paragraph (a) above or as otherwise specified in the applicable Pricing Supplement, as the case may be, the Issuer shall notify the Trustee and as soon as reasonably practicable appoint an alternative Agent Bank. In doing so, the alternative Agent Bank shall determine the Rate of Interest at such rate as it shall in its sole opinion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Pricing Supplement) deem fair and reasonable in all the circumstances. The determination of any rate or amount pursuant to this Condition 5.4(c) shall (in the absence of manifest error) be final and binding upon all parties.

(d) **Agent Bank and Reference Banks**

The Company will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks and an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts or the Redemption Amount, the Company will appoint the local office of a leading bank or merchant bank operating in the Relevant Financial Centre and engaged in the local inter-bank market to act as such in its place. An Agent Bank may not resign its duties without a successor having been appointed

5.5 BENCHMARK REPLACEMENT

(a) **Benchmark Replacement (Independent Adviser)**

Notwithstanding the provisions above in this Condition 5.5, if a Benchmark Event occurs in relation to the Reference Rate (or any component part thereof) when any Rate of Interest remains to be determined by reference to such Reference Rate, then the Company shall use commercially reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.5(a)(i)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5.5(a)(ii)) and any Benchmark Amendments (in accordance with Condition 5.5(a)(iii)).

An Independent Adviser appointed pursuant to this Condition 5.5(a) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Company. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Company, the Trustee, the Agents or the Noteholders for any determination made by it pursuant to this Condition 5.5(a)). For the avoidance of doubt, in respect of any Tranche of Notes where a Benchmark Event has occurred and a Benchmark Replacement has been implemented, no Agent Bank shall be obliged to continue performing the duties of the Agent Bank for such Notes unless it has agreed to perform such duties in writing.

- (i) If the Independent Adviser (in consultation with the Company) determines that:
- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in this Condition 5.5(a)(i)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the operation of this Condition 5.5(a); or

- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in this Condition 5.5(a)(i)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the operation of this Condition 5.5(a).
- (ii) If the Independent Adviser (in consultation with the Company) determines (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).
- (iii) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.5(a) and the Independent Adviser (in consultation with the Company) determines (i) that amendments to these Conditions and/or the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Company shall, subject to giving notice thereof in accordance with this Condition 5.5(a)(iii), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions and/or the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Trustee, the Agent Bank and/or the Agents shall, at the direction and expense of the Company, without any requirement for the consent or approval of the Noteholders, consent to and effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as the Trustee, the Agents and (if applicable) the Agent Bank may be required in order to give effect to this Condition 5.5(a)) **provided that** the Trustee, the Principal Paying Agent and (if applicable) the Agent Bank shall not be obliged so to concur if in the opinion of the Trustee, the Principal Paying Agent and (if applicable) the Agent Bank, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities, or reduce or amend the protective provisions afforded to the Trustee, the Agents or the Agent Bank (as the case may be) in these Conditions or the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or agency agreement) in any way.

Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee, the Principal Paying Agent or the Agent Bank (if required).

- (iv) If (A) the Company is unable to appoint an Independent Adviser after using commercially reasonable endeavours or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5.5(a) prior to the relevant Interest Determination Date or Interest Payment Date (as the case may be), the Company (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate, failing which, an Alternative Rate and, in either case, an Adjustment Spread if any and any Benchmark Amendments. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Interest Period. For the avoidance of doubt, any adjustment pursuant to this Condition 5.5(a)(iv) shall apply to the relevant Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 5.5(a).

- (v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.5(a) will be notified promptly in writing by the Company to the Trustee, the Agent Bank, the Principal Paying Agent and, in accordance with Condition 13 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (vi) No later than notifying the Trustee of the same, the Company shall deliver to the Trustee a certificate signed by the duly authorised officer(s) of the Company:
 - (A) confirming (1) that a Benchmark Event has occurred, (2) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and (3) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.5(a); and
 - (B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee and (if the Benchmark Amendments affect the Principal Paying Agent) the Principal Paying Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof.

- (vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Company the Trustee and Principal Paying Agent, the Agent Bank, the other Paying Agents and the Noteholders.
- (viii) Without prejudice to the obligations of the Company under Condition 5.5(a)(i) to (iv), the Reference Rate and the fallback provisions provided for in Condition 5.2, as applicable, will continue to apply unless and until a Benchmark Event has occurred.
- (ix) As used in this Condition 5.5(a):

“Adjustment Spread” means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(a)(iv) above) determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

- (C) (if no such determination has been made, or in the case of an Alternative Rate) the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(a)(iv) above) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(a)(iv) above) determines that no such industry standard is recognised or acknowledged) the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(a)(iv) above) determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(a)(iv) above) determines in accordance with this Condition 5.5(a) has replaced the relevant Reference Rate in customary market usage in the local or international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the Relevant Currency;

“Benchmark Amendments” has the meaning given to it in Condition 5.5(a)(iii);

“Benchmark Event” means:

- (A) the relevant Reference Rate ceasing to be published for a period of at least five business days or ceasing to exist;
- (B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the **“Specified Future Date”**) and such Specified Future Date is prior to the Maturity Date;
- (C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by the Specified Future Date, be permanently or indefinitely discontinued and such Specified Future Date is prior to the Maturity Date;
- (D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate has been or will, by the Specified Future Date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes and such Specified Future Date is prior to the Maturity Date;
- (E) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, such Reference Rate is or will, by the Specified Future

Date, be no longer representative of its relevant underlying market or the methodology to calculate such Reference Rate has, or will by the Specified Future Date, materially changed; or

- (F) it has or will, by a specified date within the following six months, become unlawful for the Agent Bank, the Company or any other party to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

provided that the Benchmark Event shall be deemed to occur:

- (1) in the case of paragraphs (B) and (C) above, on the date of the cessation of publication of the relevant Reference Rate or the discontinuation of the relevant Reference Rate, as the case may be;
- (2) in the case of paragraph (D) above, on the date of the prohibition of use of the relevant Reference Rate; and
- (3) in the case of paragraph (E) above, on the date with effect from which the relevant Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement,

and, in each case, not the date of the relevant public statement.

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date.

“Independent Adviser” means an independent financial institution of good repute or an independent financial adviser with experience in the local or international debt capital markets, in each case appointed by the Company at its own expense;

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof; and

“Successor Rate” means the rate that the Independent Adviser or the Company (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

(b) **Benchmark Replacement (SORA)**

This Condition 5.5(b) shall only apply to Singapore dollar-denominated Notes where so specified in the relevant Pricing Supplement.

Where the Pricing Supplement specifies this Condition 5.5(a) as applicable:

(i) **Independent Adviser**

Notwithstanding the provisions above in Condition 5.5(b)(i) (*Benchmark Replacement (Independent Adviser)*), if a SORA Index Cessation Event occurs in relation to an Original Reference Rate prior to the relevant Interest Determination Date when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Company shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 5.5(b)(ii) (*Benchmark Replacement*)) and an Adjustment Spread, if any (in accordance with Condition 5.5(b)(iii) (*Adjustment Spread*)), and any Benchmark Amendments (in accordance with Condition 5.5(b)(iv) (*Benchmark Amendments*)) by the relevant Interest Determination Date.

An Independent Adviser appointed pursuant to this Condition 7(o) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Company. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Company, the Trustee, the Principal Paying Agent, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Company in connection with any determination made by the Company, pursuant to this Condition 5.5(b).

If the Company is unable to appoint an Independent Adviser after using its reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the relevant Interest Determination Date, the Company (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 5.5(b)(ii) (*Benchmark Replacement*)) and an Adjustment Spread if any (in accordance with Condition 5.5(b)(iii) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 5.5(b)(iv) (*Benchmark Amendments*)).

If the Company or the Independent Adviser appointed by it is unable to or does not determine the Benchmark Replacement prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. Where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph (i) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 5.5(b)(i).

(ii) **Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) shall (subject to adjustments as provided for in Condition 5.5(b)(iii) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.5(b)).

(iii) **Adjustment Spread**

If the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines (i) that an Adjustment Spread is required to be applied to the Benchmark Replacement and (ii) the quantum of, or a formula or methodology for determining such Adjustment Spread, then such Adjustment Spread shall be applied to the Benchmark Replacement.

(iv) **Benchmark Amendments**

If the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines (i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread, and (ii) the terms of the Benchmark Amendments, then the Company shall, subject to giving notice thereof in accordance with Condition 5.5(b)(v) (*Notices, etc.*), without any requirement for the consent or approval of Noteholders, the Trustee or the Agents, vary these Conditions, the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Company, but subject to receipt by the Trustee and (if the Benchmark Amendments affect the Principal Paying Agent) the Principal Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank of a certificate signed by the duly authorised officer(s) of the Company pursuant to Condition 5.5(b)(v) (*Notices, etc.*), the Trustee, the Principal Paying Agent and (if applicable) the Agent Bank shall (at the expense and direction of the Company), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Company in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement and these Conditions), **provided that** the Trustee, the Principal Paying Agent and (if applicable) the Agent Bank shall not be obliged so to concur if in the opinion of the Trustee, the Principal Paying Agent and (if applicable) the Agent Bank doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Agents or the Agent Bank (as the case may be) in these Conditions or the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or agency agreement) in any way.

For the avoidance of doubt, the Trustee, the Principal Paying Agent and (if applicable) the Agent Bank shall, at the direction and expense of the Company, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5.5(b)(iv). Noteholders' consent shall not be required in connection with the effecting of the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee the Agent Bank, the Issuing and Paying Agents, the Registrars or the Transfer Agents (if required). Further, none of the Trustee, the Agent Bank,

the Issuing and Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Company or the Independent Adviser with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 5.5(b)(iv), the Company shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) **Notices, etc.**

The occurrence of a SORA Index Cessation Event shall be determined by the Company and any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.5(b)(v) will be notified promptly by the Company to the Trustee, the Agent Bank, the Principal Paying Agent and, in accordance with Condition 13 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and of the Benchmark Amendments, if any. For the avoidance of doubt, neither the Trustee, the Agent Bank nor the Principal Paying Agent shall have any responsibility for making such determination.

No later than notifying the Trustee of the same, the Company shall deliver to the Trustee a certificate signed by the duly authorised officer(s) of the Company:

(A) confirming:

- (1) that a SORA Index Cessation Event has occurred;
- (2) the Benchmark Replacement; and
- (3) where applicable, any Adjustment Spread, and/or the specific terms of any Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 5.5(b); and

(B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Company, the Trustee, the Agent Bank, the Issuing and Paying Agents and the Noteholders.

(vi) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Company under Conditions 5.5(b)(i) (*Independent Adviser*), 5.5(b)(ii) (*Benchmark Replacement*), 5.5(b)(iii) (*Adjustment Spread*) and 5.5(b)(iv) (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in this Condition 5.5(b) will continue to apply unless and until the Agent Bank has been notified of the Benchmark Replacement, and any applicable Adjustment Spread and Benchmark Amendments, in accordance with Condition 5.5(b)(v) (*Notices, etc.*).

(vii) **Definitions:**

As used in this Condition 5.5(b):

“Adjustment Spread” means either a spread (which may be positive, negative or zero), or a formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:

- (A) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body;
- (B) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or
- (C) is determined by the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) and having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest accrual period and in the same currency as the Notes;

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines in accordance with Condition 5.5(b)(iv) (*Benchmark Replacement*) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or, if applicable, domestic debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes (including, but not limited to, Singapore Government Bonds);

“Benchmark Amendments” means with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period, any other amendments to these Conditions, the Trust Deed and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines that no market practice for use of such Benchmark Replacement

exists, in such other manner as the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) determines is reasonably necessary;

“Benchmark Replacement” means the Interpolated Benchmark, **provided that** if the Independent Adviser or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Interest Determination Date, then “Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Independent Adviser (in consultation with the Company) or the Company (in the circumstances set out in Condition 5.5(b)(i) (*Independent Adviser*)) (as the case may be):

- (A) the Successor Rate;
- (B) the ISDA Fallback Rate; and
- (C) the Alternative Rate;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

“Independent Adviser” means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the expense of the Company under Condition 5.5(b)(i) (*Independent Adviser*);

“Interpolated Benchmark” with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (2) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Original Reference Rate” means, initially, SORA (being the originally-specified benchmark rate used to determine SORA Benchmark and the Rate of Interest), **provided that** if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then **“Original Reference Rate”** means the applicable Benchmark Replacement;

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
 - (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
 - (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
 - (3) a group of the aforementioned central banks or other supervisory authorities; or
 - (4) the Financial Stability Board or any part thereof;

“SORA Index Cessation Event” means the occurrence of one or more of the following events:

- (A) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified future date (the **“Specified Future Date”**), cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and such Specified Future Date is prior to the Maturity Date; or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by the Specified Future Date, be permanently or indefinitely discontinued and such Specified Future Date is prior to the Maturity Date; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences by the Specified Future Date and such Specified Future Date is prior to the Maturity Date; or
- (E) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date, be deemed to be no longer representative; or
- (F) it has become unlawful for the Principal Paying Agent, the Agent Bank, the Company or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate, **provided that** the SORA Index Cessation Event shall be deemed to occur (1) in the case of sub-paragraphs (B) and (C) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (2) in the case of sub-paragraph (D) above, on the date of the prohibition or restriction of use of the Original Reference Rate and (3) in the case of sub-paragraph (E) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement;

provided that the Benchmark Event shall be deemed to occur:

- (1) in the case of paragraphs (B) and (C) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;
- (2) in the case of paragraph (D) above, on the date of the prohibition of use of the Original Reference Rate; and
- (3) in the case of paragraph (E) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement,

and, in each case, not the date of the relevant public statement.

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date; and

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator) for the Corresponding Tenor.

5.6 DEFINITIONS

As used in these Conditions, unless stated otherwise:

“Benchmark” means the rate specified as such in the applicable Pricing Supplement;

“Additional Business Centre(s)” means the city or cities specified as such in the applicable Pricing Supplement;

“Additional Financial Centre(s)” means the city or cities specified as such in the applicable Pricing Supplement;

“business day” means:

- (i) in the case of Notes denominated in Singapore Dollars, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for business in Singapore;
- (ii) in the case of Notes denominated in Renminbi, a day (other than a Sunday, Saturday or public holiday) on which commercial banks and foreign exchange markets are open for business and settle Renminbi payments in Hong Kong and Singapore and are not authorised or obligated by law or executive order to be closed; and
- (iii) in the case of Notes denominated in a currency other than Singapore Dollars and Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for business in Singapore and the Principal Financial Centre for that currency and in each (if any) Additional Business Centre;

“Calculation Amount” means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

“Financial Centres” means the Principal Financial Centre and (if any) the Additional Financial Centre(s);

“Interest Commencement Date” means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

“Interest Determination Date” means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

“Payment Business Day” means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“Principal Financial Centre” means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (i) in relation to euro, it means the principal financial centre of such Member State of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) as is specified in the applicable Pricing Supplement; and
- (ii) in relation to Renminbi, it means Hong Kong or the principal financial centre as is specified in the applicable Pricing Supplement;

“Reference Banks” means the institutions specified as such hereon or, if none, three major banks selected by the Company in the inter-bank market that is most closely connected with the Benchmark;

“Relevant Currency” means the currency in which payments in respect of the Notes and/or Coupons of the relevant Series are to be made as indicated in the applicable Pricing Supplement;

“Relevant Financial Centre” means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note, Variable Rate Note or Hybrid Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

“Relevant Rate” means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency (“**Bloomberg**”) and the Reuters Monitor Money Rates Service (“**Reuters**”)) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark;

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter- bank market in the Relevant Financial Centre; and

“VRN Relevant Dealer” means, in respect of any Variable Rate Note, the dealer party to the Programme Agreement (as defined in the Trust Deed) with whom the Company has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement.

6. PAYMENTS

(a) Principal and Interest

(i) Principal and interest in respect of Bearer Notes:

Payments of the Redemption Amount and interest in respect of the Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of the Issuing and Paying Agent outside the United States (i) in the case of a currency other than Renminbi, by a cheque drawn in the currency in which that payment is due on, or, at the option of the holders, by transfer to an account maintained with a bank in the Principal Financial Centre for that currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre of that currency.

Payments of principal and interest in respect of Bearer Notes held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Issue Position Report (as defined in the Agency Agreement) or any other relevant notification by the CMU, which notification shall be conclusive evidence of the records of the CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Company in respect of that payment.

(ii) Principal and interest in respect of Registered Notes:

(A) Payments of principal in respect of Registered Notes will subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of the Transfer Agent or of the Registrar and in the manner provided in Condition 6(b)(ii).

(B) Payments of principal and premium shall be made, in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in Hong Kong, and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.

(C) Interest on Registered Notes shall (1) in the case of a currency other than Renminbi, be paid to the person shown on the Register at the Record Date (as defined below). Payments of interest on each Registered Note shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or the first named of the joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account maintained by the holder in that currency with a bank in the Principal Financial Centre of that currency, and (2) in the case of Renminbi, by

transfer to an account denominated in that currency and maintained by the payee with a bank in Hong Kong, and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.

- (D) Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at (1) in the case of Renminbi, the opening of business in the place of the relevant Registrar's Specified Office on the fifth day before the due date for payment, and (2) in the case of a currency other than Renminbi, the close of business on the fifteenth day before the due date for payment (the "**Record Date**").
- (E) Payments of principal and interest in respect of Registered Notes held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Issue Position Report or any other relevant notification by the CMU, which notification shall be conclusive evidence of the records of the CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Company in respect of that payment.

(b) **Payments subject to law etc.**

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) **Appointment of Agents**

The Issuing and Paying Agents, Agent Banks, Registrars and Transfer Agents appointed by the Company and its specified office are listed below. The Company reserves the right at any time to vary or terminate the appointment of any of the Issuing and Paying Agents, Registrars, Transfer Agents and/or the Agent Banks in accordance with the terms of the Agency Agreement and to appoint additional or other Agents, **provided that** it will at all times maintain (i) a Singapore Issuing and Paying Agent having a specified office in Singapore, (ii) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through CMU, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Registrar in relation to Registered Notes, and (v) an Agent Bank where these Conditions so require.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 13.

The Agency Agreement may be amended by the Company and the Trustee, without the consent of any Issuing and Paying Agent, Registrar, Transfer Agent, Agent Bank or any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Company and the Trustee may mutually deem necessary or desirable and which does not, in the opinion of the Company and the Trustee, materially and adversely affect the interests of the holders. Any such amendment shall be binding on the Noteholders and the Couponholders.

(d) **Unmatured Coupons**

- (i) Bearer Notes which comprise Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmatured Coupons (if any) appertaining thereto (and in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within the prescription period relating thereto under Condition 9.
- (ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Where any Bearer Note comprising Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons relating to it (and in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Company may require.
- (iv) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

(e) **Non-business days**

Subject as provided in the relevant Pricing Supplement and/or in these Conditions, if any date for the payment in respect of any Note or Coupon is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day and shall not be entitled to any further interest or other payment in respect of such delay.

(f) **Renminbi fallback**

Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Company, not expected to be available to the Company when payment of the Notes is due as a result of circumstances beyond the control of the Company or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Company is not, in its sole and absolute discretion, able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi (in the case of Notes cleared through CMU, Euroclear or Clearstream) in Hong Kong, or (in the case of Notes cleared through CDP) in Singapore, the Company shall, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment (in the case of Notes cleared through CMU, Euroclear or Clearstream) in U.S. dollars, or (in the case of Notes cleared through CDP) in Singapore dollars, on the due date at (in the case of Notes cleared through CMU, Euroclear or Clearstream) the U.S. Dollar Equivalent, or (in the case of Notes cleared through CDP) the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 30 days after the originally scheduled due date. Interest on the Notes will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or interest in respect of the Notes shall be made by:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City; or
- (ii) in the case of Notes cleared through CDP, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(f) by the Agent Bank or the Company (as the case may be) will (in the absence of wilful default, bad faith or manifest error) be binding on all parties (including the Company, the Agents and all Noteholders).

In this Condition:

“Determination Business Day” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, in Hong Kong, in Singapore and New York City; or
- (ii) in the case of Notes cleared through CDP, in Singapore;

“Determination Date” means the day which is ten Determination Business Days before the due date for payment of the relevant amount under these Conditions;

“Governmental Authority” means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or
- (ii) in the case of Notes cleared through CDP, the MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore;

“Illiquidity” means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Company cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Company in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Company; or
- (ii) in the case of Notes cleared through CDP, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Company cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Company in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Company;

“Inconvertibility” means the occurrence of any event that makes it impossible for the Company to convert any amount due in respect of the Notes in the general Renminbi exchange market in, in the case of Notes cleared through CMU, Euroclear or Clearstream, Hong Kong, or, in the case of Notes cleared through CDP, Singapore, other than where such impossibility is due solely to the failure of the Company to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Company, due to an event beyond its control, to comply with such law, rule or regulation);

“Non-transferability” means the occurrence of any event that makes it impossible for the Company to transfer Renminbi between accounts:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Company to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Company, due to an event beyond its control, to comply with such law, rule or regulation); or
- (ii) in the case of Notes cleared through CDP, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Company to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Company, due to an event beyond its control, to comply with such law, rule or regulation);

“PRC” means the People’s Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan);

“Renminbi Dealer” means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, in Hong Kong; and
- (ii) in the case of Notes cleared through CDP, in Singapore;

“Singapore Dollar Equivalent” means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date as promptly notified to the Issuing and Paying Agents;

“Spot Rate” means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Company at or around 11:00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Bloomberg Page <CNH Curncy>, or, if no such rate is available, on a non-deliverable basis by reference to Bloomberg Page <CNH Curncy>.
- (ii) If such rate is not available, the Company will determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on Bloomberg Page <RMBMUSD Index>. Reference to a Bloomberg page includes such other display page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

- (iii) in the case of Notes cleared through CDP, for a Determination Date, means the spot Renminbi/Singapore dollar exchange rate as determined by the Company at or around 11:00 a.m. (Singapore time) on such date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Company may determine the rate taking into consideration all available information which the Company deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore; and

“U.S. Dollar Equivalent” means the Renminbi amount converted into U.S. dollars using the relevant Spot Rate for the relevant Determination Date as promptly notified to the Issuing and Paying Agents.

7. REDEMPTION AND PURCHASE

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Purchase at the Option of Company

If so provided hereon, the Company shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount (i) (in the case of Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes) on any date on which interest is due to be paid on such Notes or (ii) (in the case of Zero Coupon Notes) on any date prior to the Maturity Date as provided for on the face of such Note, and the Noteholders shall be bound to sell such Notes to the Company accordingly. To exercise such option, the Company shall give irrevocable notice to the Noteholders within the Company's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Company, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 15.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be purchased, which shall have been drawn by or on behalf of the Company in such place and in such manner as may be agreed between the Company and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on the Stock Exchange, the Company shall comply with the rules of such Stock Exchange (if any) in relation to the publication of any purchase of Notes.

(c) Purchase at the Option of Noteholders

- (i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Company at their Redemption Amount on any Interest Payment Date and the Company will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) any Variable Rate Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, or

(in the case of Registered Note) the Certificate representing such Variable Rate Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes or Certificates representing such Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Company. Such Variable Rate Notes or Certificates representing such Variable Rate Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation, in the case of Bearer Notes, by surrendering each such Variable Rate Note to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Variable Rate Notes to the Registrar. The Variable Rate Notes so purchased, while held by or on behalf of the Company, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 15.

- (ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes, Hybrid Notes or Zero Coupon Notes purchased by the Company at their Redemption Amount (i) (in the case of Fixed Rate Notes, Floating Rate Notes or Hybrid Notes) on any date on which interest is due to be paid on such Notes or (ii) (in the case of Zero Coupon Notes) on any date prior to the Maturity Date as provided for on the face of such Note, and the Company will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) any Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Notes which mature after the date fixed for purchase, or (in the case of Registered Notes) the Certificate representing such Note(s) to be purchased with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Company. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation, in the case of Bearer Notes, by surrendering such Note (together with all unmatured Coupons) to the Issuing and Paying Agent, and in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. The Notes so purchased, while held by or on behalf of the Company, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 15.

(d) **Redemption at the Option of the Company**

If so provided hereon, the Company may, on giving irrevocable notice to the Noteholders falling within the Company's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be redeemed, which shall have been drawn in such place and in

such manner as may be agreed between the Company and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on the Stock Exchange, the Company shall comply with the rules of such Stock Exchange (if any) in relation to the publication of any redemption of Notes.

(e) **Redemption at the Option of Noteholders**

If so provided hereon, the Company shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Note) such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Company.

(f) **Redemption for Taxation Reasons**

The Company may redeem all (but not some only) of the Notes on any Reference Date or Interest Payment Date (as the case may be) or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Company has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Company taking reasonable measures available to it, **provided that** no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Company shall deliver to the Trustee a certificate signed by a duly authorised officer of the Company stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Company has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

(g) **Early Redemption and Late Payment for Zero Coupon Notes**

(i) Unless otherwise specified in the relevant Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

- (A) the Reference Price; and
- (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the Maturity Date or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Pricing Supplement for the purposes of this Condition 7(g)(i).

- (ii) If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (A) the Reference Price; and
- (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(h) **Purchases**

The Company and any of its related corporations may at any time purchase Notes at any price (**provided that** they are purchased together with all unmatured Coupons relating to them) in the open market or otherwise, **provided that** in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Company or any of its related corporations may be surrendered by the purchaser through the Company to, in the case of Bearer Notes, the Issuing and Paying Agent and, in the case of Registered Notes, the Registrar for cancellation or may at the option of the Company or relevant related corporation be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislature, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(i) **Cancellation**

All Notes purchased by or on behalf of the Company or any of its related corporations may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar, and in each case, if so surrendered, shall, together with all Notes redeemed by the Company, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

8. **TAXATION**

All payments of principal and interest by or on behalf of the Company in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Company shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(a) **Other connection:**

by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it being connected with Singapore otherwise than by reason only of the holding of such Note or

Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or having a permanent establishment in, Singapore); or

(b) **Presentation more than 30 days after the Relevant Date:**

more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days; or

(c) **Declaration of Residence:**

by or on behalf of a holder to whom payment may be made free and clear of such withholding or deduction by making a declaration of residence or other similar claim for exemption and does not make such declaration or claim.

For the avoidance of doubt, neither the Company nor any other person shall be required to pay any additional amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or any intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

In these Conditions, “**Relevant Date**” means the date on which payment in respect of any Note or Coupon first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 13 that, upon further presentation of the Note or Coupon being made in accordance with these Conditions, such payment will be made, **provided that** payment is in fact made upon presentation. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 8 or pursuant to any undertaking given by the Company in addition to or substitution for it under the Trust Deed.

9. **PRESCRIPTION**

Notes and Coupons will become void unless presented for payment within three years (in the case of Notes which are denominated in Singapore Dollars) or five years (in the case of Notes which are denominated in a currency other than Singapore Dollars) from the appropriate Relevant Date.

10. **EVENTS OF DEFAULT**

The Trustee at its discretion may, and (a) if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding subject to such holders holding an aggregate principal amount of Notes of not less than S\$50,000,000 or (b) if so directed by an Extraordinary Resolution, shall, give notice to the Company that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, if any of the following events (“**Events of Default**”) occurs and is continuing:

- (i) the Company fails to pay (A) any principal sum payable on or in respect of any of the Notes within seven days of its due date, or (B) interest on or in respect of the Notes within 14 days of its due date; or
- (ii) the Company does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is in the opinion of the Trustee incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days (or such longer period as the Trustee may permit) after notice of such default shall have been given to the Company by the Trustee; or

- (iii) an order is made or an effective resolution is passed for the winding-up or dissolution of the Company or for the judicial management of the Company or the Company ceases or makes a decision to cease to carry on all or a material part of its business or operations (other than a cessation of business or operations arising as a result of the Aviation Sector Disruption), except for the purpose of and followed by a reconstruction, amalgamation, re-organisation, merger or consolidation on terms approved by the Trustee or by an Extraordinary Resolution; or
- (iv) (A) any other present or future indebtedness of the Company for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Company fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, **Provided that** the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more events mentioned above in this paragraph (iv) have occurred equals or exceeds S\$100,000,000 or its equivalent; or
- (v) the Company is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or expressly declares its intention to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the debts of the Company; or
- (vi) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (A) to enable the Company lawfully to enter into, exercise its rights and perform and comply with its obligations under the Notes and the Trust Deed, (B) to ensure that those obligations are legally binding and enforceable and (C) to make the Notes and the Trust Deed admissible in evidence in the courts of Singapore is not taken, fulfilled or done, unless such consent is no longer required or applicable; or
- (vii) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Company on or over all or a material part of the assets of the Company becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, judicial manager or other similar person); or
- (viii) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the undertaking, property, assets or revenues of the Company and is not discharged or stayed within 30 days (or such longer period as the Trustee may permit); or
- (ix) it is or will become unlawful for the Company to perform or comply with any one or more of its payment or other material obligations under the Notes or the Trust Deed; or
- (x) any governmental authority or agency or court seizes, compulsorily acquires, expropriates or nationalises all or a material part of the assets of the Company; or
- (xi) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

In this Condition 10, “**Aviation Sector Disruption**” means the disruption and other business stoppages affecting the Company and its subsidiaries as a consequence of a pandemic declared by the World Health Organisation.

11. ENFORCEMENT

- (a) At any time after the Notes have become due and payable, the Trustee may, at its discretion and without notice, institute such proceedings against the Company as it may think fit to enforce the terms of the Trust Deed, the Notes or the Coupons but it need not take any such proceedings unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, and (ii) it shall have been indemnified by or on behalf of the Noteholders to its satisfaction.
- (b) No Noteholder or Couponholder shall be entitled to proceed directly against the Company unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

12. REPLACEMENT OF NOTES, CERTIFICATES AND COUPONS

Should any Note, Certificate or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws and stock exchange or other relevant regulatory requirements, at the specified office of the relevant Issuing and Paying Agent (in the case of Bearer Notes) and of the Registrar (in the case of Certificates), (or at the specified office of such other person as may from time to time be designated by such Issuing and Paying Agent or, as the case may be, Transfer Agent for the purpose and notice of whose designation is given to the Noteholders in accordance with Condition 13 below) upon payment by the claimant of the costs, expenses and duties incurred in connection with the replacement and on such terms as to evidence, security, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate or Coupon is subsequently presented for payment, there will be paid by the claimant to the Company on demand the amount paid or payable by the Company in respect of such Note, Certificate or Coupon) and otherwise as the Company may require. Mutilated or defaced Notes, Certificates or Coupons must be surrendered before replacements will be issued.

13. NOTICES

- (a) All notices to the Noteholders will be valid if published in a leading English language daily newspaper published in Singapore (in the case of Notes which are denominated in Singapore Dollars) or either The Wall Street Journal or the Financial Times (in the case of Notes which are denominated in a currency other than Singapore Dollars). The Company shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which any Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.
- (b) Until such time as any Definitive Notes (as defined in the Trust Deed) are issued, there may so long as the Global Note(s) or Global Certificate(s) is or are held in its or their entirety on behalf of (i) CDP, be substituted for such publication in such newspapers the delivery of the relevant notice to CDP for communication by it to the Noteholders, where any such notice shall be deemed to have been given to the Noteholders on the third day after the day on which the said notice was given to CDP, or (ii) the CMU, be substituted for such publication in such newspapers the delivery of the relevant notice to the persons shown in a CMU Issue Position Report issued by the Hong Kong Monetary Authority on the business day preceding the date of despatch of such notice, except in each case, that if the Notes are listed on the SGX-ST, notices to the holders of Notes of that Series shall be valid if published through the internet-based submission system operated by the SGX-ST. For the purposes of this paragraph, all references to CDP shall be deemed to include references to any additional or alternative clearing system (including Euroclear and/or Clearstream) as specified in the Pricing Supplement.

- (c) Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Certificates).
- (d) Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Company, notices to such Noteholders will be valid if given individually to all such Noteholders by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

14. FURTHER ISSUES

The Company may from time to time without the consent of the Noteholders or Couponholders create or issue further securities either having the same terms and conditions as the Notes in all material respects and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Company may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

15. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

- (a) The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.
- (b) The Trustee or the Company at any time may, and the Trustee upon the request in writing, at any time after any Notes of any Series shall have become repayable due to default, by Noteholders holding not less than 25 per cent. in principal amount of the Notes of any Series for the time being outstanding shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution described as a special quorum resolution in the proviso to paragraph 2 of Schedule 7 to the Trust Deed will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.
- (c) The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, which in any such case is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or may agree, without any such consent as aforesaid, to any modification, waiver or authorisation which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of Singapore law.
- (d) In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the

Company, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

- (e) Any modification, abrogation, waiver, authorisation determination or substitution shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, any modification, abrogation or substitution shall be notified by the Company to the Noteholders as soon as practicable thereafter in accordance with Condition 13.

16. INDEMNIFICATION OF THE TRUSTEE, ITS CONTRACTING WITH THE COMPANY AND ITS COMPLIANCE WITH ANTI-MONEY LAUNDERING AND TERRORISM POLICIES

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified to its satisfaction.

The Trust Deed contains provisions relating to compliance by the Trustee with laws, policies and regulations relating to, amongst others, anti-money laundering, terrorism and criminal activities and as such, the payment obligations of the Trustee are subject to such laws, policies and regulations. Any delay in the payment under the Trust Deed or the Notes which is caused by such action shall not constitute an Event of Default under the Notes or a breach of any provisions of the Trust Deed or the Notes. The Company shall not be liable for any further interest (including default interest) on the Notes resulting from such non-payment.

17. CONSENT TO USE OF PERSONAL DATA

Personal data or information provided to the Company, the Issuing and Paying Agents, the Agent Banks, the Registrars, the Transfer Agents or the Trustee or their agents (whether directly from a person acquiring an interest in the Notes or a Noteholder or indirectly through their agents or otherwise, and whether or not pursuant to a request from the Company, the Issuing and Paying Agents, the Agent Banks, the Registrars, the Transfer Agents or the Trustee or their agents), and personal data or information relating to (if any) employees, officers, shareholders or beneficial owners of any such person acquiring an interest in the Notes or the Noteholder provided by such person or the Noteholder or otherwise collected by or on behalf of the Company, the Issuing and Paying Agents, the Agent Banks, the Registrars, the Transfer Agents or the Trustee in connection with such acquisition or any other matter in relation to the Notes (collectively the “**Data**”) may be held by or on behalf of the Company, the Issuing and Paying Agents, the Agent Banks, the Registrars, the Transfer Agents, the Trustee, their respective agents (each a “**Recipient**”) and/or any third party engaged by the Recipient to provide administrative, computer or other services or products. Each of the foregoing persons may collect, use, disclose, process and transfer such Data so as to enable each of the aforesaid persons to: (i) carry out their respective duties and obligations, or to enforce their respective rights and remedies, in connection with any matter in relation to the Notes or any local or foreign order, rule, regulation or law applicable to the respective parties; (ii) implement any corporate action related to the Notes; (iii) administer Noteholders’ holdings of Notes, (iv) carry out internal analysis; (v) carry out any investor relations communication; (vi) comply with requests from any local or foreign regulator or authority; and (vii) for such other purposes as specified in the Trust Deed or the Agency Agreement. By acceptance of an interest in a Note, each such person and each Noteholder consents to all such use and warrants that it has obtained legally valid consents from all relevant individuals to allow the Recipients and those third parties to collect, use, disclose, process and/or transfer Data as described above (including, for the avoidance of doubt, all purposes as specified in the Trust Deed or the Agency Agreement), and also agrees to provide written evidence of such consents upon reasonable request from a Recipient.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 2001 of Singapore or the Contracts (Rights of Third Parties) Act 1999 of England and Wales (where relevant).

19. **GOVERNING LAW**

Notes issued pursuant to the Singapore Law Trust Deed shall be governed by, and construed in accordance with, the laws of Singapore. Notes issued pursuant to the English Law Trust Deed shall be governed by, and construed in accordance with, the laws of England.

20. **SUBMISSION TO JURISDICTION**

In relation to Notes which are issued pursuant to the Singapore Law Trust Deed, the courts of Singapore are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes or the Coupons and, accordingly, any suit, action or proceedings arising out of or in connection with such Notes or the Coupons (together referred to as "**Proceedings**") may be brought in the courts of Singapore. In relation to Notes which are issued pursuant to the English Law Trust Deed, the courts of England are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes or the Coupons and, accordingly, any Proceedings may be brought in the courts of England.

FORM OF PRICING SUPPLEMENT

Pricing Supplement

[*LOGO, if document is printed*]

SINGAPORE AIRLINES LIMITED
(Incorporated with limited liability in Singapore)

S\$10,000,000,000
Multi-currency Medium Term Note Programme

SERIES NO:
TRANCHE NO:
[*Brief Description and Amount of Notes*]
Issue Price: [] per cent.

ISIN NO:
COMMON CODE:

[*Publicity Name(s) of Dealer(s)*]

[Principal Issuing and Paying Agent
The Bank of New York Mellon, London Branch]

[Singapore Issuing and Paying Agent
DBS Bank Ltd.]

[CMU Lodging and Paying Agent
The Bank of New York Mellon, Hong Kong Branch]

The date of this Pricing Supplement is [].

[PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS] – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**EU MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**EU Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**EU PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS] – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the “**FSMA**”) to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[EU MIFID II product governance / Professional investors and ECPs only target market] – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible

counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**EU MiFID II**”)]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any [person subsequently offering, selling or recommending the Notes (a “**distributor**”)] should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.]²

[UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.]³

[Singapore Securities and Futures Act Product Classification – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

This Pricing Supplement relates to the Tranche of Notes referred to above.

This Pricing Supplement, under which the Notes described herein (the “**Notes**”) are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated [●] 2025 (as revised, supplemented, amended, updated or replaced from time to time, the “**Information Memorandum**”) issued in relation to the S\$10,000,000,000 Multicurrency Medium Term Note Programme of Singapore Airlines Limited (the “**Company**”). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

Where interest, discount income, early redemption fee or redemption premium is derived from any of the Notes by any person who (i) is not resident in Singapore and (ii) carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the “**Income Tax Act**”) shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

Signed: _____
Duly Authorised Signatory

² Include if any of the managers are EU MiFID II entities and are “manufacturers” for the purposes of EU MiFID II.

³ Include if any of the managers are UK MiFIR II entities and are “manufacturers” for the purposes of UK MiFIR.

Signed: _____
Duly Authorised Signatory

The terms of the Notes and additional provisions relating to their issue are as follows:

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Pricing Supplement.]

1. Series No.: []
2. Tranche No.: []
3. Relevant Currency or Currencies: []
4. Aggregate Principal Amount: []
 - (a) Series: []
 - (b) Tranche: []
5. Principal Amount of Tranche: []
6. Denomination Amount: []

(In the case of Registered Notes, this means the minimum integral amount in which transfers can be made.)

(In the case of Bearer Notes, where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)

7. Calculation Amount (if different from Denomination Amount): []

(If only one Specified Denomination, insert the Specified Denomination.

If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

8. (a) Trade Date: []
 - (b) Issue Date []
 - (c) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
9. Redemption Amount (including early redemption): [Denomination Amount/[others]]
10. Interest Basis: [Fixed Rate/Floating Rate/Variable Rate]

(further particulars specified below)

11. **Fixed Rate Note** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub- paragraphs of this paragraph)*
- (a) Maturity Date: []
- (b) Fixed Rate Day Basis: [30/360/Actual/Actual (ICMA/ISDA)/ Actual/365 (Fixed)/ other]
- (c) Reference Date(s): []
- (d) Initial Broken Amount: []
- (e) Final Broken Amount: []
- (f) Interest Rate: [●] per cent. per annum [payable [annually/ semi-annually/quarterly/monthly/other (specify)] in arrear]
12. **Floating Rate Notes** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub- paragraphs of this paragraph)*
- (a) Redemption Month: []
- (b) Specified Number of Months (Interest Period(s)) []
- (Specified Number of Months and Specified Interest Payment Dates are alternatives. Specified Number of Months, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*
- (c) Specified Interest Payment Dates: []
- (Specified Number of Months and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (d) Additional Business Centre(s): [Not Applicable/give details]
- (e) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (f) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Issuing and Paying Agent): [[Name] shall be the Agent Bank (no need to specify if the Principal Issuing and Paying Agent is to perform this function)]
- (g) Screen Rate Determination: [Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [SONIA/SOFR/€STR/SONIA compounded Index/SOFR Compounded Index/SORA]
 - [Linear Interpolation: [Not Applicable/Applicable — the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]]

- Observation Method: [Lag / Observation Shift]
(Only applicable where the Reference Rate is SONIA/ SOFR/€STR)
- Lag Period: [5 / [] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
- Observation Shift Period: [5 / [] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days /Not Applicable]
(NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Agent Bank)
- D: [360/365/[]] / [Not Applicable]
(Only applicable in the case of €STR)
- Index Determination: [Applicable/Not Applicable]
- Compounded Index: [SONIA Compounded Index / SOFR Compounded Index]
- Relevant Decimal Place: [] [5] *(unless otherwise specified in the Pricing Supplement, it should be the fifth decimal)*
- Relevant Number of Index Days [] [5] *(unless otherwise specified in the Pricing Supplement, the Relevant Number shall be 5)*
- Interest Determination Date(s): [The first Business Day in the relevant Interest Period]/ [[●] [London Banking Days/U.S. Government Securities Business Days/TARGET Settlement Days] prior to each Interest Payment Date] prior to each Interest Payment Date]/ [[●]/[1] Singapore Business Day [immediately following the Rate Cut-Off Date]/[after the end of each [Observation Period]/[Interest Period]]]
- Relevant Screen Page: []
- Relevant Time: []
- Relevant Financial Centre: []
- SORA Benchmark: [Compounded Daily SORA/SORA Index Average]
(Only applicable where the Reference Rate is SORA)
- Calculation method for Compounded Daily SORA: [Lockout/SORA Lookback/SORA Backward Shifted Observation Period/SORA Payment Delay] *(Only applicable where the SORA Benchmark is Compounded Daily SORA)*
- “p”: [Not applicable / []]
(Only applicable in the case of SORA Lookback, SORA Backward Shifted Observation Period and Lockout. A minimum of 5 should be specified unless otherwise agreed with the Agent Bank)

- SORA Rate Cut-Off Date: [Not applicable / The day that is [] Singapore Business Days(s) prior to the end of the final Interest Period]
 - SORA Index_{Start}: *(Only applicable in the case of SORA Payment Delay)*
[Not Applicable / [●] Singapore Business Day(s) preceding the first date of the relevant Interest Period]
(Only applicable in the case of SORA Index Average. A minimum of 5 should be specified unless otherwise agreed with the Agent Bank)
 - SORA Index_{End}: [Not Applicable / [●] Singapore Business Day(s) preceding the Interest Period End Date]
(Only applicable in the case of SORA Index Average. A minimum of 5 should be specified unless otherwise agreed with the Agent Bank)
- (h) ISDA Determination: [Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: [●]
 - Designated Maturity: [●]
(Designated Maturity will not be relevant where the Floating Rate Option is a risk free rate)
 - Reset Date: [●]/[as specified in the ISDA Definitions]/[the first day of the relevant Interest Period]
 - [ISDA Definitions [2006 ISDA Definitions / 2021 ISDA Definitions]
- (i) [Linear Interpolation: Not Applicable/Applicable — the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (j) Margin(s): [+/-][●] per cent. per annum
- (k) Minimum Rate of Interest: [●] per cent. per annum
- (l) Maximum Rate of Interest: [●] per cent. per annum
- (m) Reference Banks: [*Specify three*/Not Applicable]
- (n) Relevant Time: []
- (o) Relevant Financial Centre: [*This should be the financial centre most closely connected to the Benchmark. Specify if not Singapore*]
- (p) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [Condition 5.5(a) (*Benchmark Replacement (Independent Adviser)*) / Condition 5.5(b) (*Benchmark Replacement (SORA)*)] *specify other if different from those set out in the Conditions*

13. Variable Rate Note

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub- paragraphs of this paragraph)

- (a) Redemption Month: []

- (b) Interest Determination Date: []
- (c) VRN Day Basis: []
- (d) Specified Number of Months []
(Interest Period(s))
(Specified Number of Months and Specified Interest Payment Dates are alternatives. Specified Number of Months, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")
- (e) Specified Interest Payment Dates: []
(Specified Number of Months and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")
- (f) Benchmark: [Specify Benchmark]
- (g) Primary Source: [Specify relevant screen page or "Reference Banks"]
- (h) Minimum Rate of Interest [●] per cent. per annum
- (i) Maximum Rate of Interest [●] per cent. per annum
- (j) Reference Banks: [Specify three]
- (k) Spread: [] per cent. per annum
- (l) Relevant Time: []
- (m) Relevant Financial Centre: *[This should be the financial centre most closely connected to the Benchmark. Specify if not Singapore]*

14. Hybrid Note

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub- paragraphs of this paragraph)

- (a) Fixed Rate Period: []
- (b) Floating Rate Period: []
- (c) Maturity Date: []
- (d) Redemption Month: [month and year]
- (e) Interest Determination Date: []
- (f) Fixed Rate Day Basis: []
- (g) FRN Day Basis: []
- (h) Reference Date(s): []
- (i) Initial Broken Amount: []
- (j) Final Broken Amount: []
- (k) Interest Rate: [] per cent. per annum

- (l) Specified Number of Months []
(Interest Period(s))
- (m) Specified Interest Payment []
Dates:
- (n) Benchmark: [Specify Benchmark]
- (o) Primary Source: [Specify relevant screen page or "Reference Banks"]
- (p) Minimum Rate of Interest [●] per cent. per annum
- (q) Maximum Rate of Interest [●] per cent. per annum
- (r) Reference Banks: [Specify three]
- (s) Spread: [] per cent. per annum
- (t) Relevant Time: []
- (u) Relevant Financial Centre: [This should be the financial centre most closely connected to the Benchmark. Specify if not Singapore]
- (v) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [Condition 5.5(a) (Benchmark Replacement (Independent Adviser)) / Condition 5.5(b) (Benchmark Replacement (SORA)) / specify other if different from those set out in the Conditions]
15. **Zero Coupon Note** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub- paragraphs of this paragraph)
- (a) Maturity Date: []
- (b) Reference Price: []
- (c) Accrual Yield: [] per cent. per annum
- (d) Day Count Fraction: []
- (e) Any other formula/basis of []
determining amount payable:
16. Redemption at the Option of the Company: [Yes/No]
[Specify maximum and minimum number of days for notice period]
Company's Redemption Option [Specify Dates]
Period (Condition 7(d)):
17. Redemption at the Option of Noteholders: Yes/No
[Specify maximum and minimum number of days for notice period]
Noteholder's Redemption Option [Specify Dates]
Period (Condition 7(e)):
18. Purchase at the Option of Company: Yes/No
Company's Purchase Option Period [Specify maximum and minimum number of days for notice period]
(Condition 7(b)): [Specify Dates]

19. Redemption at the Option of Noteholders: Yes/No]
Noteholders' VRN Purchase Option Period (Condition 7(c)(i)): *[Specify maximum and minimum number of days for notice period]*
[Specify Dates]
20. Redemption at the Option of Noteholders: [Yes/No]
Noteholders' Purchase Option Period (Condition 7(c)(ii)): *[Specify maximum and minimum number of days for notice period]*
[Specify Dates]
21. Redemption for Taxation Reasons (Condition 7(f)): Yes
[on [insert other dates of redemption not on interest payment dates]]
22. Form of Notes: [Bearer / Registered]
23. Notes to be represented on issue by [Global Certificate/Temporary Global Note/ Permanent Global Note.
If nothing is specified and this Pricing Supplement does not specify that the TEFRA C Rules apply, Notes will be represented initially by a Temporary Global Note]
24. Temporary Global Note exchangeable for Definitive Notes: [Yes/No]
25. Temporary Global Note exchangeable for Permanent Global Note: [Yes/No]
26. Listing: []
27. Clearing System: []
28. Method of issue of Notes: [Individual Dealer/ Syndicated Issue]
29. The following Dealer(s) [is/are] *[insert legal name(s) of Dealer(s)]* subscribing for the Notes:
30. The aggregate principal amount of Notes issued has been translated in Singapore Dollars at the rate of [] producing a sum of
(for Notes not denominated in Singapore Dollars):
31. Governing Law: [English law/Singapore law]
32. Issuing and Paying Agent: []
33. Agent Bank: *[Specify/None]*
34. Principal Financial Centre []

35. Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable / give details]⁴
Financial Centre(s) are:
(a) [repeat the details of the Financial Centre(s) as per above if applicable]⁵;
(b) [New York City]⁶ / [Hong Kong]⁷ / [Singapore]⁸ / [London]⁹ / [TARGET Business Day (being any day on which T2 is open for the settlement of payments in euro)].¹⁰
[Note that this paragraph relates to the date and place of payment, and not interest period end dates to which sub paragraph 12(d) relates.]
36. Other terms: []
37. U.S. Selling Restrictions: [Reg S Compliance Category [1/2]; [TEFRA C/TEFRA D/TEFRA not applicable]
38. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products, “Applicable” should be specified.)]
39. Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products, “Applicable” should be specified.)]

HONG KONG SFC CODE OF CONDUCT

40. Rebates [A rebate of [] bps is being offered by the Company to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] / [Not Applicable]

⁴ Only include where an additional Financial Centre has been indicated for the drawdown (this is typically set out in the term sheet). This could include the Paying Agent's principal place of business for example.

⁵ Include where an Additional Financial Centre has been indicated for the drawdown.

⁶ For USD denominated drawdowns.

⁷ For HKD or CNH denominated drawdowns.

⁸ For SGD denominated drawdowns.

⁹ For Sterling denominated drawdowns.

¹⁰ For euro denominated drawdowns

41. Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: *[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – OCs to provide] / [Not Applicable]*
42. Marketing and Investor Targeting Strategy *[As indicated in the Offering Circular] OR [Describe if different from the programme Offering Circular]*

Details of any additions or variations to terms and conditions of the Notes as set out in the Information Memorandum:

Any additions or variations to the selling restrictions:

CAPITALISATION

The following table sets out the capitalisation of the Group as at 30 September 2025 based on the unaudited consolidated financial statements of the Group as at 30 September 2025:

	As at 30 September 2025
	Unaudited
	(S\$ million)
Share capital of Singapore Airlines - issued and fully paid	7,952.8
General reserves	7,802.7
Treasury Shares	(16.9)
Foreign currency translation reserve	(39.4)
Share-based compensation reserve	20.0
Fair value reserve	2.0
Capital reserve	(190.8)
Equity holders' funds	15,530.4
 Short-term liabilities	
Lease liabilities	477.6
Borrowings	1,565.4
Long-term liabilities	
Lease liabilities	2,599.1
Borrowings	6,232.7
Total Indebtedness	10,874.8
 Total Capitalisation	26,405.2

On 13 November 2025, the Company announced its plans to return capital to shareholders via a special dividend package of 10 cents per share annually over three financial years, amounting to about S\$0.9 billion over the three years, reflecting the Group's strong financial position.

Save as disclosed above, there has been no material change to the capitalisation and indebtedness of the Group since 30 September 2025.

SINGAPORE AIRLINES LIMITED

(A) INTRODUCTION

Singapore Airlines traces its history to the birth of Malayan Airways Limited in May 1947. Singapore Airlines' first flight in its own name took place on 1 October 1972.

Shares in the capital of Singapore Airlines were listed on the SGX-ST in December 1985. Its market capitalisation was approximately S\$20.9 billion¹¹ as at the Latest Practicable Date. The substantial shareholder (as shown in the Register of Substantial Shareholders) of Singapore Airlines, Temasek, holds approximately 50.6 per cent. of the total share capital of Singapore Airlines. Temasek is wholly-owned by the government of Singapore.

Singapore Airlines provides commercial airline services to destinations in Asia, America, Europe, Middle East, Africa, Australia and New Zealand from its hub at Singapore's Changi Airport. In FY2025, the Group's revenue reached a record high of S\$19,540 million with the two Singapore-based airlines in the Group, namely Singapore Airlines and Scoot, collectively carrying a record 39.4 million passengers. Singapore Airlines alone carried over 26.5 million passengers. The Group passenger load factor ("PLF") remains buoyant at 86.6 per cent. Singapore Airlines achieved a PLF of 86.1 per cent., while Scoot delivered a PLF of 88.4 per cent.

The Group reported a net profit of S\$2.8 billion in FY2025, which included a one-off non-cash accounting gain of S\$1.1 billion from the completion of the merger of Air India Limited (a wholly-owned subsidiary of Talace Private Limited) ("**Air India**") and TATA SIA Airlines Limited ("**Vistara**") (the "**Merger**") in November 2024.

Amidst rising geopolitical tensions, supply chain constraints, cost inflation and an increasingly uncertain macroeconomic landscape due to global tariff wars, the Group remains well-positioned in this uncertain operating landscape. The Group leverages its strong foundations—a robust balance sheet, industry-leading digital capabilities, and a committed workforce—to stay ahead in the airline industry. Its financial strength gives Singapore Airlines a distinct advantage, enabling it to navigate uncertainties from a position of strength and seize new opportunities. Long-standing investments in digital capabilities provide a competitive edge whilst investments in digital skills enable its staff to stay relevant in a rapidly evolving environment. The Group continues to invest in the three pillars of its brand promise—network connectivity, product leadership and service excellence—to enhance the end-to-end customer experience. While the aviation landscape is rapidly evolving, the Group will continue to focus on its customers and operational efficiency to enable the Group to extend its leadership position.

As at 31 March 2025, the major subsidiaries of the Group were SIAEC and Scoot. SIAEC is listed on the SGX-ST. The operating results of the main companies in the Group for FY2025 are as follows:

Operating Profit/(Loss)	FY2025 (S\$ million)	FY2024 (S\$ million)
Full-Service Carrier	1,668.9	2,635.2
Low-Cost Carrier	35.8	118.1
Engineering services	14.6	2.3

Singapore Airlines is one of the most awarded airlines globally. A comprehensive list of the awards won by the Group are set out on pages 55 and 56 of its Annual Report for FY2025. Singapore Airlines aims to be one of the favourite airlines among business and leisure travellers in numerous international rankings, highlighting its continued focus on product innovation and service excellence.

In addition to global and regional "Best Airline" awards which Singapore Airlines has won in rankings covering diverse markets, numerous other accolades have been received in categories such as in-flight entertainment, food and beverages, ground services, safety and company management, among others. In 2025, Singapore Airlines was one of the Top 50 World's Most Admired Companies

¹¹ Based on closing price of S\$6.65 as at the Latest Practicable Date.

(ranked 28), becoming the highest-ranked firm in the airline category.¹² In 2025, Singapore Airlines was awarded Best Airline (Overall) in the DestinAsian (Asia) Readers' Choice Awards 2025. For the fourth year running, Scoot was named Best Long Haul Low-Cost Airline at the Skytrax World Airline Awards and Best Low-Cost Carrier at the TTG Travel Awards.

(B) PRINCIPAL ACTIVITIES OF THE GROUP

The principal activities of the Group consist of passenger and cargo air transportation, engineering services, training of pilots, air charters, tour activities, payments and lifestyle reward application, sale of merchandise and related activities.

The Group focuses on its core airline business, with key stakes in airline-related services in order to maintain high quality and safety standards. The Group also supplements its organic growth through partnerships and strategic stakes in other airlines, and related businesses that provide alternative sources of income.

The table below shows the contribution of various business units to the Group's revenue and overall results for the financial years ended 31 March 2025 and 2024.

	Revenue		Profit/(Loss)	
	FY2025 (S\$ million)	FY2024 (S\$ million)	FY2025 (S\$ million)	FY2024 (S\$ million)
Full-Service Carrier	16,738.0	16,177.1	2,639.0	2,435.6
Low-Cost Carrier	2,349.2	2,445.5	22.2	182.4
Engineering services	1,245.1	1,094.2	141.6	97.1
Others	154.2	140.5	(0.3)	(22.2)
	20,486.5	19,857.3	2,802.5	2,692.9
Inter-segment transactions	(946.7)	(844.6)	9.7	2.2
Total	19,539.8	19,012.7	2,812.2	2,695.1

Source: Annual Report of the Group for FY2025.

PASSENGER SEGMENT

The table below summarises certain key indicators of the Group's passenger segment for FY2025, FY2024, FY2023, FY2022 and FY2021:

	FY2025	FY2024	FY2023	FY2022	FY2021
Passengers carried (thousand)	39,383	36,443	26,486	3,890	596
Revenue passenger-km (million)	153,133.1	143,889.6	113,628.1	20,664.5	2,890.6
Available seat-km (million)	176,883.7	163,467.9	133,031.9	68,570.3	21,721.2
Passenger load factor (%)	86.6	88.0	85.4	30.1	13.3
Passenger yield (cents/pkm)	10.3	10.9	11.8	13.6	23.7
Revenue per available seat-km (cents/ask)	9.0	9.6	10.0	4.1	3.2

Revenue passenger-km	=	Number of passengers carried x distance flown (in km)
Available seat-km	=	Number of available seats x distance flown (in km)
Passenger load factor	=	Revenue passenger-km expressed as a percentage of available seat-km
Passenger yield	=	Passenger revenue from scheduled services divided by revenue passenger-km
Revenue per available seat-km	=	Passenger revenue from scheduled services divided by available seat-km

Source: Annual Reports of the Group for FY2025, FY2024, FY2023 and FY2022.

Singapore Airlines has a geographically diversified revenue base from passenger operations. For FY2025 and FY2024, Singapore Airlines derived 67.9 per cent. and 69.2 per cent., respectively, of its passenger revenue (by route region) from routes to destinations outside of East Asia. This diversification has allowed it to tap on the international connectivity from its hub in Singapore, reduce its reliance on any particular country or region outside its base, and enable the airline to reallocate capacity when required, thus enhancing the stability of Singapore Airlines' revenue stream.

¹² Based on Fortune's List of World's Most Admired Companies in 2025.

Singapore Airlines Passenger Revenue by Route Region¹³

	FY2025		FY2024	
	(S\$ million)	%	(S\$ million)	%
East Asia	4,387.0	32.1	4,107.3	30.8
Americas	2,186.6	16.0	2,137.2	16.0
Europe	2,949.8	21.6	2,850.6	21.4
South West Pacific	2,704.9	19.8	2,751.3	20.6
West Asia and Africa	1,424.5	10.4	1,499.2	11.2
Systemwide	13,652.8	100.0	13,345.6	100.0

Source: Annual Report of the Group for FY2025.

Singapore Airlines Passenger Revenue by Area of Original Sale¹⁴

	FY2025		FY2024	
	(S\$ million)	%	(S\$ million)	%
East Asia	6,626.5	48.5	6,353.8	47.6
Americas	1,253.4	9.2	1,209.8	9.1
Europe	2,141.6	15.7	2,089.0	15.7
South West Pacific	2,601.5	19.1	2,590.3	19.4
West Asia and Africa	1,029.8	7.5	1,102.7	8.3
Systemwide	13,652.8	100.0	13,345.6	100.0

Source: Annual Report of the Group for FY2025.

CARGO SEGMENT

The table below summarises certain key indicators of the Group's cargo segment for FY2025 and FY2024:

	FY2025	FY2024	% Change
Cargo and mail carried (million kg)	1,107.6	952.4	+16.3
Cargo load (million tonne-km)	6,059.0	5,347.9	+13.3
Gross capacity (million tonne-km)	10,792.4	9,804.8	+10.1
Cargo load factor (%)	56.1	54.5	+1.6 pts
Cargo yield (cents/ltk)	36.5	39.6	-7.8
Cargo unit cost (cents/ctk)	20.2	21.1	-4.3

Cargo load	=	Cargo and mail load carried (in tonnes) x distance flown (in km)
Gross capacity	=	Cargo capacity production (in tonnes) x distance flown (in km)
Cargo load factor	=	Cargo and mail load (in tonne-km) expressed as a percentage of gross capacity (in tonne-km)
Cargo yield	=	Cargo and mail revenue from scheduled services divided by cargo load (in tonne-km)
Cargo unit cost	=	Cargo operating expenditure divided by gross capacity (in tonne-km)

Source: Annual Report of the Group for FY2025.

In FY2025, cargo flown revenue improved by S\$94 million (increased 4.4 per cent.) to S\$2,212 million, buoyed by strong demand for e-commerce and perishables, as well as spillover demand from disruptions to sea freight. While the cargo load factor rose 1.6 percentage points to 56.1 per cent., yields decreased 7.8 per cent. due to increased competition.

¹³ Each route region comprises routes originating from Singapore to final destinations in countries and territories within the region concerned and vice versa. East Asia covers Brunei, Cambodia, Hong Kong SAR, Indonesia, Japan, Malaysia, Myanmar, the People's Republic of China, the Philippines, South Korea, Taiwan, Thailand and Vietnam. Americas denotes Canada and the USA. Europe consists of Denmark, England, France, Germany, Italy, the Netherlands, Spain, Switzerland, and Turkey. South West Pacific covers Australia and New Zealand. West Asia and Africa are made up of Bangladesh, India, Maldives, Nepal, South Africa, Sri Lanka and United Arab Emirates.

¹⁴ Each area of original sale comprises countries and territories within a region from which the sale is made.

The tables below set out the Group's cargo revenue for FY2025 and FY2024, by route region and area of original sale:

Group Cargo Revenue by Route Region

	FY2025		FY2024	
	(S\$ million)	%	(S\$ million)	%
East Asia	589.0	26.6	576.0	27.2
Americas	440.1	19.9	362.8	17.1
Europe	531.9	24.0	512.0	24.2
South West Pacific	401.7	18.2	431.3	20.4
West Asia and Africa	249.5	11.3	236.5	11.2
Systemwide	2,212.2	100.0	2,118.6	100.0

Source: Annual Report of the Group for FY2025.

Group Cargo Revenue by Area of Original Sale¹⁵

	FY2025		FY2024	
	(S\$ million)	%	(S\$ million)	%
East Asia	1,481.6	67.0	1,354.6	63.9
Americas	78.4	3.5	90.4	4.3
Europe	313.9	14.2	348.6	16.5
South West Pacific	147.7	6.7	160.6	7.6
West Asia and Africa	190.6	8.6	164.4	7.8
Systemwide	2,212.2	100.0	2,118.6	100.0

Source: Annual Report of the Group for FY2025.

(C) OTHER BUSINESS ACTIVITIES

Apart from airline operations, the Group's other principal business activities are undertaken by its subsidiaries, as described in the section below titled "Major Subsidiaries".

(D) STRATEGIC OVERVIEW

The below provides an overview of the Group's business strategies, financial strategies and sustainability agenda.

BUSINESS STRATEGY

The Group's business strategies support and sustain its mission statement: "Singapore Airlines is a global company dedicated to providing air transportation services of the highest quality and to maximising returns for the benefit of its shareholders and employees".

The Group's key business strategies aim to:

- achieve steady capacity growth in a cyclical business and build a portfolio of airlines and a diversified route network to protect against regional business downturns;
- sustain growth with Singapore as the premier air hub with optimal flight connectivity for its customers;
- make effective use of alliances and other partnerships for greater marketing and distribution reach beyond the services that it operates;
- enhance digital capabilities to tap new revenue generation opportunities, upskill employees and raise operational efficiency;
- improve and upgrade customers' travel experience on the ground and in the air, through continual product and service improvements and fleet renewal;

¹⁵ Each area of original sale comprises countries and territories within a region from which the sale is made.

- develop human resources, with a strong emphasis on training, to deliver superior customer services; and
- strive for sustainable improvements in cost efficiency through continuous focus on streamlining business processes and investing in airline-related services.

(1) Delivering on the Group's Brand Pillars

The Group continues to strengthen its industry-leading position through the three pillars of its brand promise: Service Excellence, Product Leadership and Network Connectivity. These pillars continue to guide the Group's efforts to deliver world-class experiences, reinforcing its reputation as the airline of choice for customers.

Service Excellence

The Group is committed to shaping the travel journey into a seamless and comfortable one for its customers. Singapore Airlines' brand is designed to project a personality committed to success and excellence as embodied in the "Singapore Girl"—Singapore Airlines' famous icon that symbolises the grace and warmth of its service to its customers. In January 2023, Singapore Airlines launched its global brand campaign titled "Welcome to World Class", reflecting its commitment to deliver an exceptional customer experience across the end-to-end travel journey. Singapore Airlines' focus on building its brand awareness and customer loyalty has contributed to its consistent growth. By adhering to its longstanding policy of maintaining a young and modern fleet, together with its award-winning service, Singapore Airlines believes in providing customers with a superior air travel experience and focuses on constantly improving standards in all classes of travel.

Singapore Airlines' commitment to service excellence is supported by its focus on attracting and nurturing top talent, as well as continued investments in training and development, to uphold the high standards customers have come to expect from Singapore Airlines. To better anticipate and respond to customer needs, the Group also deepened its use of artificial intelligence ("AI"). By leveraging AI tools to analyse customer data with greater speed and precision, the Group is able to sharpen its ability to deliver more personalised, meaningful interactions across its touchpoints.

People Development

The Group continues to strengthen its position as an employer of choice by focusing on its key value propositions. These include fostering a strong sense of pride and shared purpose, providing diverse opportunities for learning and growth, and cultivating a positive and inclusive workplace culture. These initiatives aim to attract and retain talent while positioning the Group for sustainable growth.

Singapore Airlines promotes diverse career opportunities through talent outreach initiatives, including career fairs, institutional engagements, and internships that connect Singapore Airlines with fresh graduates, tertiary students, and mid-career professionals. In early 2025, Singapore Airlines launched the Cabin Crew Flying Internship Programme with ITE College East and ITE College Central, reinforcing its commitment to developing future talent and fostering a learning culture.

In FY2025, Singapore Airlines continued to build a future-ready workforce through continuous learning and development programmes. The Group focused on developing core soft and technical skills, as well as capabilities in digital innovation, sustainability, and inclusiveness. Singapore Airlines also encourages employees to pursue higher education through company sponsorship programmes. Cabin crew and pilots receive comprehensive training in service excellence and safety, supported by clear career progression pathways. Internal mobility remains a key pillar career development at Singapore Airlines, offering opportunities for cross-functional rotations and international exposure through schemes like the Overseas Manager Scheme and Trainee Station Manager Scheme across the Group's network. The Group Mobility Scheme further supports professional growth and collaboration between Singapore Airlines and Scoot.

The Group launched UPLIFT 2, a two-year upskilling plan to promote innovation and agility across the organisation. The programme focuses on three key behaviours: Sharing Boldly, Creating Possibilities, and Doing What Matters. Singapore Airlines launched the Share Boldly campaign in April 2024, encouraging open communication and respect for diverse perspectives. In October 2024, Singapore Airlines introduced e-learning programmes to drive innovation, identify business opportunities, align ideas with outcomes, and prioritise impact.

Customer Experience

“Customer Focus” is a core value at Singapore Airlines that drives the Group’s commitment to delivering exceptional experiences. In FY2025, Singapore Airlines intensified efforts to embed a customer-first mindset across the organisation, evolving from training and practice to actively recognising and celebrating customer experience excellence.

Singapore Airlines taps on two key digital platforms, the Customer Insights Portal (“**CIP**”) and the Customer Experience Management (“**CEM**”) system, to enable its staff to deliver a more personalised customer experience. The CIP consolidates customer feedback and offers a comprehensive view of customer sentiment across all touchpoints in the travel journey. The portal is recently enhanced with Generative Artificial Intelligence (“**GenAI**”) capabilities and now provides near real-time insights to Singapore Airlines staff worldwide, enabling more efficient analysis of customer feedback. A recent upgrade to the post-flight Voice of Customer survey introduced individual meal ratings, providing Singapore Airlines’ in-flight food and beverage team with valuable feedback and data to evaluate and refine specific in-flight dishes. Meanwhile, the CEM system enables personalisation at scale. Singapore Airlines introduced a service recommender tool that alerts frontline staff on opportunities to deliver services that are better tailored to enhance the customer experience. This includes recommendations to recognise and delight first-time flyers travelling in First Class, and proactive measures to prevent recurrence of negative experiences.

Product Leadership

The Group continues to invest across its suite of products, such as infrastructure, its fleet, and in-flight offerings to retain its premium position in the industry.

On 4 November 2024, Singapore Airlines announced plans to install its next-generation long-haul cabin products across 41 Airbus A350-900 long-haul and ultra-long-range (“**ULR**”) aircraft. This S\$1.1 billion investment aims to elevate the premium travel experience for customers across its network. In addition to refreshed cabin interiors, all cabin classes will also be equipped with Singapore Airlines’ next-generation KrisWorld in-flight entertainment system, offering a more personalised interface and an expanded selection of entertainment and lifestyle content.

On 1 August 2024, Singapore Airlines launched its enhanced e-Library feature, offering customers a more seamless reading experience. Developed in partnership with PressReader, a global leader in digital publications, the revamped e-Library provides access to over 1,400 international newspapers and magazines through the SingaporeAir mobile application. Spanning 32 content categories, from business to photography and aviation, the library includes titles such as The New York Times, The Economist, Financial Times, Bloomberg Businessweek, and Yazhou Zhoukan. KrisFlyer members can download their preferred publications from 48 hours before departure and up to seven days after arrival, while Priority Passenger Service Club members enjoy extended access for up to 30 days after arrival. These enhancements reinforce Singapore Airlines’ commitment to elevating the customer experience by leveraging digital tools.

Enhancements also extended to the ground experience. Singapore Airlines re-opened its SilverKris lounges at London Heathrow and Sydney on 31 July 2024 and 24 August 2024, respectively. Both lounges were upgraded with expanded seating areas and a broader selection of food and beverage options, designed to offer greater comfort and convenience for travellers. Singapore Airlines will also transform the SilverKris and KrisFlyer Gold lounges at Singapore Changi Airport Terminal 2 over the next two years, investing S\$45 million to elevate the on-ground customer experience at our main hub.

Singapore Airlines also continues to offer personalised touches in its customer service, such as introducing the Cristal 2015 champagne in its Suites and First Class cabins in 2024. Singapore Airlines’ Guest Chef programme was enhanced in FY2025 with the introduction of three new chefs, and a new Business Class amenity kit was introduced in December 2024. This new amenity kit was developed in partnership with New York-based slow perfumery brand Le Labo Fragrances. The pouch, designed to develop unique textures and hues over time, serves as a personal keepsake and travel document holder.

In September 2025, Singapore Airlines unveiled a new in-flight safety video in collaboration with Singapore Tourism Board, showcasing Singapore’s diverse cultures and landmarks such as Gardens by the Bay, Sentosa and Lau Pa Sat. The production integrates safety messaging with storytelling that

highlights the vibrancy of Singapore's communities, reinforcing Singapore Airlines' focus on safety, innovation and brand excellence. The video is being progressively introduced across the Singapore Airlines fleet from end-October 2025.

Network Connectivity

In FY2025, the Group also continued to expand its route network, adjusting capacity to meet evolving market demand while pursuing new growth opportunities.

The Group increased flight frequencies to key markets including the Americas, China, Europe, and South East Asia. It also reinstated services to cities such as Chengdu, Chongqing, Shenzhen, and Xiamen. Singapore Airlines also launched new non-stop services to Brussels in April 2024 and London Gatwick in June 2024, followed by daily flights to Beijing Daxing in November 2024. Meanwhile, Scoot launched services to eight new destinations during the financial year, namely Kertajati, Koh Samui, Malacca, Padang, Phu Quoc, Shantou, Sibul and Subang. Scoot also expanded its network with new services to Iloilo City in April 2025, and launched its first service to Vienna in June 2025.

As a result of these changes, the Group's passenger network stood at 128 destinations as at 31 March 2025. Singapore Airlines operated 1,184 weekly services to 79 destinations by the end of FY2025, including Singapore. Meanwhile, Scoot operated 591 weekly frequencies to 71 destinations, including Singapore.

(2) A Portfolio Strategy Built for Flexibility and Growth

The Group is committed to its portfolio strategy, to cater to both the full-service premium segment with Singapore Airlines, and the low-cost segment with Scoot, with the ability to offer the right products to match the demand. With cross-selling and network collaboration between Singapore Airlines and Scoot, the Group can optimise aircraft deployment to the right markets depending on the route best served by its airlines. This allows the Group to serve a broader spectrum of markets and customers. The Group will continue to strengthen synergies between both airlines, optimising fleet and network planning, enhancing cost efficiency, and delivering greater customer value.

(3) Advancing a Multi-hub Growth Strategy

The Group's portfolio of airlines is also part of its multi-hub strategy which provides access to new markets and allows it to tap into new traffic flows through investments and partnerships with other airlines.

The Group is at the heart of Singapore's aviation ecosystem and anchors Singapore's air hub status. Singapore Airlines and Scoot carried a total of 39.4 million passengers in FY2025. Beyond Singapore, the Group's multi-hub strategy complements its efforts to strengthen and grow the Singapore aviation hub. By investing in airlines outside Singapore, the Group is able to set up new hubs in growing markets, extending its reach and tapping on new traffic flows.

On 29 November 2022, the Group announced that Singapore Airlines and Vistara entered into an implementation agreement with Tata Sons Private Limited ("**Tata Sons**"), Talace Private Limited ("**Talace**") (a wholly-owned subsidiary of Tata Sons) and Air India, in connection with the Merger. Upon completion of the Merger in November 2024, the Group has a 25.1 per cent. stake in the enlarged Air India Group—making Singapore Airlines the only non-Indian airline with direct participation in one of the world's fastest-growing aviation markets. This move strengthens Singapore Airlines' foothold in India, one of the world's fastest growing economies, driven by a young population and rising income levels. As the third-largest aviation market globally, India holds considerable potential for international air travel. The newly expanded Air India Group is well positioned to tap this opportunity, with a broad portfolio that spans full-service and low-cost carriers across both domestic and international segments.

The Group's joint ventures in the aviation value chain also enhances Singapore's position as a leading aviation hub. Examples of such joint ventures include SIAEC's joint venture with Rolls-Royce Overseas Holdings ("**Rolls-Royce**") and the joint venture between Airbus and Singapore Airlines.

Singapore Aero Engine Services ("**SAESL**") is a 50 per cent. SIAEC-owned joint venture with Rolls-Royce. SAESL began construction of a new Loyang facility in January 2025. Once completed, this state-of-the-art facility will increase SAESL's capacity for next-generation Rolls-Royce engines by

40 per cent. and become the world's largest maintenance site for these engines. SAESL is also expanding its Seletar site to support advanced repair technologies.

Airbus Asia Training Centre (“**AATC**”), a joint venture between Singapore Airlines and Airbus, is the world's largest Airbus flight crew training facility, housing nine full flight simulators: two Airbus A320s, one A330, one A380, four A350s, and one ATR 72-600. In FY2025, AATC welcomed four new airline customers: Air Niugini, Hong Kong Express, KM Malta Airlines, and Skytrans. The centre also expanded its training capabilities with the introduction of a new A330 Airbus Procedure Trainer Standard 3, which supports both New Engine Option and Current Engine Option aircraft variants. These developments reflect AATC's ongoing commitment to meet growing demand for pilot training with industry-leading solutions.

(4) Strengthening Strategic Partnerships

Developing and maintaining win-win partnerships remains a key part of the Group's strategy to expand its network reach and enhance value for customers.

In June 2024, Singapore Airlines signed a Memorandum of Understanding (“**MoU**”) to establish a new partnership with the upcoming airline Riyadh Air. The following month, Singapore Airlines received regulatory approval to embark on a commercial joint venture with Garuda Indonesia. Over the course of FY2025, both airlines strengthened their partnership by offering reciprocal frequent flyer benefits and expanding codeshare arrangements. In August 2025, Singapore Airlines and Garuda Indonesia launched joint sales of fare products, added new destinations to their codeshare agreement and introduced reciprocal lounge access on each other's codeshare flights between Singapore and Indonesia. Meanwhile, Singapore Airlines and Air India significantly expanded their codeshare agreement in October 2024 for the first time in more than 10 years, adding 11 Indian cities and 40 international destinations to their network. Singapore Airlines also launched a commercial joint venture with All Nippon Airways in April 2025, following approval from the Competition and Consumer Commission of Singapore. This partnership allows the two airlines to more effectively coordinate flight schedules between Singapore and Japan, introduce more competitive fare options, and provide a smoother travel experience for customers.

Singapore Airlines announced on 23 September 2025 that it had signed a new codeshare agreement with Vietnam Airlines which came into effect on 26 October 2025. Under the arrangement, Singapore Airlines will codeshare on Vietnam Airlines-operated flights between Singapore and the Vietnamese cities of Hanoi and Ho Chi Minh City, while Vietnam Airlines will codeshare on Singapore Airlines-operated flights between Singapore and Da Nang, Hanoi and Ho Chi Minh City. All flights are subject to regulatory approvals. This agreement deepens the partnership between Singapore Airlines and Vietnam Airlines. Both airlines will also explore adding other destinations in their network to the codeshare agreement, as well as deepening the commercial cooperation that could offer customers more options, enhanced connectivity and greater value.

(5) Enhancing Digital Capabilities

The Group recognises the importance of capturing business value through digital innovation and invests in technologies to enhance its digital capabilities. The Group continues to embrace digital transformation as a key strategic enabler across its operations.

Since August 2022, Singapore Airlines and Scoot have identified over 300 use cases for GenAI, with around 80 already implemented to support revenue generation, enhance customer experience, improve operational efficiency, and boost employee productivity. One such tool is JARVIS, a GenAI-powered intelligent assistant that enables employees, regardless of technical background, to leverage AI to create content and optimise workflows. Some of the tools provided by JARVIS include translation, copywriting, optimisation coach, ReviewMyWork and business-to-business account research. In FY2025, the penetration rate is approximately 90 per cent., with 5,079 unique users from a base of 5,600 ground staff.

In March 2025, Singapore Airlines announced a collaboration with Salesforce to deploy AI-driven applications that deliver more personalised and consistent customer service. Singapore Airlines also partnered with OpenAI in April 2025 to enhance existing tools to bolster customer experience and operational efficiencies.

Innovation is also driven through KrisLab, Singapore Airlines' digital innovation lab, which collaborates with startups, small and medium-sized enterprises, and research institutions to explore emerging technologies and foster open innovation. Since its inception in 2019, KrisLab has co-developed more than 70 proof-of-concepts, with over 25 digital solutions successfully implemented across the Group. In FY2025, the KrisLab Co-innovation Programme completed 35 projects and reduced proof-of-concepts and prototype cycle time by 30 per cent. year-over-year.

The Group remains committed to building a dynamic and resilient workforce and a priority is to equip its people with the skills to remain future-ready. This includes deepening the digital mindset and culture in employees, and grooming internal entrepreneurs.

In FY2025, Singapore Airlines continued to advance its digital innovation efforts, enhancing productivity and competitiveness across the organisation. Building on the foundational GenAI 101 e-learning programme, Singapore Airlines introduced GenAI 201 workshops to equip managers with the knowledge and tools to prioritise GenAI use cases. The GenAI 202 workshop also helped to develop technical capabilities for Scrum Masters and Developers to build GenAI applications. Singapore Airlines also launched Sustainability 101, an e-learning programme that outlines the organisation's key sustainability initiatives and commitments. The programme aims to raise awareness and encourage employee participation in advancing Singapore Airlines' sustainability goals.

On the commercial front, Singapore Airlines upskilled field teams in digital marketing tools such as Tableau, while regional sales teams received training on platforms such as Sales Management Tool and Agent360. The teams also enhanced their soft skills through courses like airline marketing and sales, and sales and business development. Singapore Airlines enhanced training roadmaps for cargo sales and marketing teams, introducing a new digital and e-commerce curriculum to support the growth of Parxl. As part of the enhanced training roadmap, Cargo employees received training in lead generation, international logistics, and last-mile delivery.

(6) Other Business Initiatives

The Group continues to pursue new channels of growth and expand its ecosystem to complement its core revenue streams.

KrisFlyer is the Group's rewards programme. Its digital wallet application is the world's first blockchain-based airline loyalty digital wallet. It allows the extensive KrisFlyer membership base to use digital KrisFlyer miles for point-of-sale transactions at participating retail merchants. Over the last few years, KrisFlyer has evolved to offer more on-ground lifestyle-centric accrual and redemption opportunities. In March 2025, KrisFlyer reached 10 million members, growing 15.9 per cent. from FY2024. Revenue rose 12.5 per cent. to exceed S\$1.4 billion, with more than 79 per cent. of that driven by partnerships with over 1,700 KrisFlyer brand partners around the world. Engagement also deepened across the Group ecosystem, with a 15.3 per cent. rise in members interacting with three or more platforms, including KrisShop, Kris+ and Pelago.

The Group also enhanced its KrisFlyer loyalty programme to provide members with greater value and flexibility. This included Scoot's new KrisFlyer award chart, which allows members to redeem one-way flights from as low as 1,500 miles, and adjustments to KrisFlyer accrual and redemption tiers across Singapore Airlines and Scoot. Together with refreshed milestone rewards and an expanded range of lifestyle and travel partners, these enhancements allow KrisFlyer members to enjoy a more seamless and rewarding experience across the Group's ecosystem.

Pelago is the Group's travel experience platform. In FY2025, the Group further strengthened the platform by launching a dedicated mobile application and deepening its integration within the Group ecosystem. As at 31 March 2025, Pelago offers more than 200,000 experiences, encompassing attractions, travel activities and tours, across over 150 countries. These can be booked via the Pelago application or website, or through the Kris+ application, providing customers with greater flexibility and convenience. Singapore Airlines' and Scoot's customers, as well as KrisFlyer members, continue to enjoy exclusive deals on the platform, with the added benefit of earning and redeeming miles as part of their journey.

FINANCIAL STRATEGY

The Group's financial strategies are driven by the dual objectives to maintain a flexible and prudent financial structure that facilitates the commercial activities of the Group and to enhance shareholder value.

The Group targets gearing and debt service levels that are, in the foreseeable future, consistent with or better than the best airlines among its peers globally, providing it with the financial flexibility to pursue its business strategies.

Maintenance of adequate liquidity for the Group's needs is a critical objective. It retains liquidity in the form of cash and other liquid resources, committed credit facilities and access to debt markets through its multi-currency medium term note programme, medium term bond programme, secured and unsecured bank loans and any other cost-effective financing structures. The majority of aircraft on the Group's balance sheet are unencumbered.

The Group's operations carry certain financial and commodity risks, including the effects of changes in passenger demand, jet fuel prices, foreign currency exchange rates, interest rates and counterparty risks. Its overall risk management approach is to moderate the effects of such volatility on its financial performance. These financial risks are described in more detail in the section "Risk Factors".

The Board Executive Committee sets directions, policies and guidelines pertaining to financial strategy, including management of surplus funds, liquidity management, financing and financial risk management.

From FY2021 to FY2023, the Group had raised approximately S\$23.5 billion in fresh liquidity. This includes S\$15 billion from shareholders through the issuances of rights shares and rights mandatory convertible bonds ("**Rights MCBs**"), with the remainder from sources including bond issuances, secured financing and aircraft sale-and-leaseback transactions. As of June 2024, Singapore Airlines has redeemed all the Rights MCBs. Accreted principal amounts of approximately S\$3.9 billion and S\$6.8 billion were paid for the redemption of the Rights MCBs issued in June 2020 and June 2021, respectively.

The Group also has committed credit facilities of about S\$3.3 billion as at 30 September 2025 available for utilisation. The Group also has a medium term note programme and medium term bond programme under which it may issue notes and/or bonds up to S\$12.0 billion and as of 30 September 2025, S\$8.1 billion remained unutilised. Under these uncommitted programmes, notes and/or bonds issued by Singapore Airlines may have varying maturities as contracted with the relevant financial institutions.

The Group continues to explore other sources of funding (including the sale and leaseback of aircraft) to further strengthen its liquidity position to enable the Group to address its cashflow requirements for near-term operations and provide financial flexibility to capture medium to long-term growth while ensuring ongoing fleet renewal and improving future operating efficiencies.

SUSTAINABILITY

In FY2025, the Group reaffirmed its commitment to sustainability by continuing to embed environmental, social, and governance ("**ESG**") principles across its operations. A core part of this strategy is the Group's ambition to achieve net zero carbon emissions from its operations by 2050. To reach this goal, Singapore Airlines has embarked on several decarbonisation pathways, aligned with the International Air Transport Association's ("**IATA**") Four-pillar Strategy. These efforts include investing in new-generation aircraft, enhancing operational efficiencies, adopting low-carbon technologies such as sustainable aviation fuels ("**SAF**"), and supporting global market-based measures as a harmonised approach to reduce emissions from international aviation.

The Group adopts a multi-pronged approach to achieve its sustainability goals. Besides operating a young fleet of new generation aircraft to reduce its carbon emissions, it enhances fuel efficiency by improving operational procedures across its flight and ground operations and through engineering solutions. The Group invested in airframe and engine improvement packages that reduce drag and optimise performance. Singapore Airlines and Scoot also reduce fuel usage through aircraft weight management and the optimisation of flight routes. The Group continues to engage research institutions to explore technology and data analytics solutions that can further improve fuel efficiency and help reduce its carbon footprint.

The adoption of SAF is key to the Group's long-term plan to achieve net zero carbon emissions by 2050. For instance, Singapore Airlines secured 1,000 tonnes of neat SAF from Neste and signed an MoU with Aether Fuels to support their efforts to develop potential new feedstocks. These partnerships accelerate the Group's progress towards replacing 5 per cent. of its total fuel needs with SAF by 2030 and achieving net zero carbon emissions by 2050. Recognising the need to align global SAF supply with demand, the Group will continue to collaborate with governments and industry partners to further deploy and commercialise sustainable fuel in the aviation industry.

The Group participates in carbon-offsetting schemes and other discussions and will continue to work closely with ecosystem partners to develop practical pathways towards greener air travel that is viable and accessible to all. Initiatives to conserve resources by reducing waste across its operations, both on the ground and in the air, will further help reduce the Group's carbon footprint. For instance, in FY2025, Singapore Airlines replaced half of the plastic used for Economy Class earphones packaging with kraft paper, while Scoot switched from pulp paper to recycled paper serviettes. Further, since June 2023, all Singapore Airlines-owned buildings in Singapore have been equipped with solar panels, generating an estimated 6,372 megawatt-hours ("MWh") of renewable energy annually. Of this amount, 5,458 MWh of clean energy was used to power Singapore Airlines' buildings in FY2025, equivalent to offsetting 2,249 tonnes of carbon dioxide equivalent, with the excess unconsumed energy sent to the grid.

On the social front, the Group launched the Singapore Airlines Foundation in June 2024 with a S\$30 million endowment, focusing on programmes that uplift vulnerable youth and cultivate Singapore's next generation of aviation professionals. In its inaugural year, the Singapore Airlines Foundation launched two flagship initiatives, the Youth Uplift Programme and the Youth Outreach Programme. These annual programmes aim to benefit more than 100 youths each year.

(E) FLEET AND ROUTE NETWORK

FLEET

The Group has a modern fleet with relatively few aircraft and engine types. Such fleet commonality reduces maintenance and training costs. As at 31 March 2025, the Group's operating fleet consisted of 205 aircraft comprising 198 passenger aircraft and seven freighters. Singapore Airlines' operating fleet comprised 145 passenger aircraft¹⁶ and seven freighters, while Scoot had 53 passenger aircraft.¹⁷

In FY2025, Singapore Airlines expanded its fleet with the addition of two Airbus A350-900s and four Boeing 787-10s, while Scoot took delivery of one Airbus A320neo, one Boeing 787-8, and five Embraer E190-E2s.

Scoot is the first airline in Singapore to operate the Embraer E190-E2, complementing its larger Airbus A320 and Boeing 787 aircraft. The Embraer E190-E2, which joined Scoot's fleet in April 2024, enhances its ability to serve thinner routes to non-metro destinations.

With an average age of seven years and eight months, the Group's fleet is one of the youngest and most fuel-efficient in the airline industry where the global average is more than 15 years.¹⁸ This allows it to pursue operating efficiencies and continue offering world-class products and services to its customers. This also supports the Group's decarbonisation goals, as operating a young fleet of new generation aircraft is the most effective and direct way for an airline to materially lower carbon emissions in the near term.

¹⁶ Singapore Airlines' 145-passenger aircraft fleet comprised 65 Airbus A350s, 12 A380s, 16 Boeing 737-8s, four 737-800 NGs, 22 777-300ERs, and 26 787-10s.

¹⁷ Scoot's 53-passenger aircraft fleet comprised 11 Airbus A320neos, seven A320neos, nine A321neos, 11 Boeing 787-8s, 10 787-9s, and five Embraer E190-E2s.

¹⁸ According to Centre for Aviation (CAPA) data.

The table below sets out certain key details on the Group's operating fleets¹⁹ based on FY2025 figures:

Aircraft Type	Owned	Leased	Number of Aircraft	Average Age in Years (y) and Months (m)	On firm order	On Option / Purchase Rights
Singapore Airlines:						
A380-800	12		12	10 y 7 m		
A350-900 XWB	58	7	65	5 y 11 m		
777-300ER	19	3	22	14 y 11 m		
787-10	22	4	26	4 y 2 m	5	
777-9				—	31	
737-800NG		4	4	9 y 8 m		
737-8	10	6	16	4 y 7 m	13	
Sub-total	121	24	145	7 y 3 m	49	
Singapore Airlines (Freighters):						
747-400F	7		7	21 y 4 m		
A350F					7	5
Sub-total	7		7	21 y 4 m	7	5
Scoot:						
787-8	8	3	11	8 y 0 m	1	
787-9	7	3	10	8 y 6 m	1	
A320		11	11	12 y 1 m		
A320neo	3	4	7	4 y 3 m	11	11
A321neo		9	9	3 y 5 m	6	
E190-E2		5	5	0 y 8 m	4	
Sub-total	18	35	53	6 y 11 m	23	11
Total	146	59	205	7 y 8 m	79²⁰	16

New aircraft will be added to the fleet in the coming years. As at 31 March 2025, Singapore Airlines' aircraft order book includes 56 passenger aircraft on firm order, comprising 13 Boeing 737-8s, 31 Boeing 777-9s, and five Boeing 787-10s, as well as seven Airbus A350F freighters on firm order. As at 31 March 2025, in addition to four Embraer E190-E2s, Scoot has another 11 Airbus A320neos, six A321neos, one Boeing 787-8, and one Boeing 787-9 on firm order, bringing its order book to 23 aircraft.

The new aircraft will replace older aircraft, to ensure that the Group maintains a modern and fuel-efficient fleet of aircraft, and to provide the airline with additional expansion opportunities to ensure that Singapore Airlines retains its industry-leading position.

To hedge its exposure to aircraft residual value risk, the Group uses the sale-and-leaseback market to dispose of some of its aircraft. In a sale-and-leaseback transaction, an investor purchases the aircraft and leases it back to the Group via an operating lease for an agreed fixed term. In certain cases, aircrafts are also acquired on direct operating leases. As at 31 March 2025, 59 aircraft in the Group's operating fleet were on operating leases, of which 24 were leased by Singapore Airlines.

ROUTE NETWORK

The Group's network growth strategy is premised on pursuing sustainable, profitable growth across a well-diversified network. With support from the Singapore Government, the Group has developed Singapore's importance as an air hub, ferrying substantial hub traffic between key markets capitalising

¹⁹ Operating fleet includes aircraft that have been parked temporarily and excludes aircraft that have been (i) delivered but yet to enter commercial service and (ii) taken out of commercial service in preparation for lease return or disposal.

²⁰ As of 1 May 2025, the Group had 78 aircraft on order. This comprises 23 Airbus aircraft (11 A320neos, five A321neos, seven A350Fs), 51 Boeing aircraft (31 777-9s, 13 737-8s, seven 787s), and four Embraer E190-E2 aircraft.

on Singapore's strategic geographical location to feed traffic into other parts of Asia and the Southwest Pacific. A high frequency of services to key metro-city destinations, together with a dedication to offer premium service products, have helped to attract and retain higher yielding business travellers.

The Group operates an extensive and well-connected international route network. The demand for air travel remained healthy in FY2025, supported by the continued growth of key markets. To capture this momentum, Singapore Airlines increased flight frequencies and boosted passenger capacity across its network to support the higher demand for air travel to several popular destinations in Australia, Hong Kong SAR, Japan and New Zealand. Singapore Airlines also expanded its footprint in Europe. In response to shifting demand, Singapore Airlines and Scoot also restructured their services to the Chinese market—Singapore Airlines introduced new daily services to Beijing Daxing in November 2024 while Scoot suspended flights to Jinan, Nanchang and Ningbo and launched new services to Shantou. Closer to Singapore, Singapore Airlines also stepped up its frequencies of direct flights to key South East Asian cities in FY2025. Beyond Asia, Singapore Airlines increased its direct services to Seattle to five daily flights in May 2025 in response to heightened demand, while Scoot debuted its first service to Vienna in June 2025.

As a result of these changes, the Group's passenger network²¹ covered 128 destinations in 36 countries and territories as of 31 March 2025. Singapore Airlines served 79 destinations while Scoot operated to 71 destinations. The cargo network comprised 132 destinations in 37 countries and territories.



For the Northern Winter 2025 operating season (26 October 2025 to 28 March 2026), Singapore Airlines will increase frequencies to destinations such as Auckland, Busan, Da Nang, Kathmandu, Kochi, Phuket, Siem Reap and Tokyo (Haneda), to meet the higher demand for air travel during the year-end peak. SIA will also operate supplementary services to Chitose (Sapporo) (November 2025 to January 2026), Christchurch (November 2025 to February 2026) and Taipei (February 2026 to March 2026).

Scoot deepened its presence in South East Asia, launching services to Da Nang and Kota Bharu in October 2025. Additionally, in the Northern Winter 2025 operating season, it will increase frequencies to Denpasar (Bali), Bangkok, Jakarta and Penang. Scoot will commence operations to Nha Trang in November 2025, Labuan Bajo, Okinawa and Semarang in December 2025, Chiang Rai and Palembang in January 2026, Medan in February 2026 and Tokyo (Haneda) in March 2026.

(F) SIA CARGO

SIA Cargo manages and markets the bellyhold capacity of all airlines within the Group, namely Singapore Airlines and Scoot. SIA Cargo recorded a 1.6 per cent. year-on-year increase in cargo loads, generating S\$2,213 million in revenue for FY2025. The strong momentum in the first half of FY2025 was driven by robust demand for e-commerce goods and higher traffic due to sea freight disruptions and port congestion. This performance was sustained in the second half by continued strength in e-commerce flows, a rise in freighter charter activity, and healthy demand for the transport of perishables.

SIA Cargo has seven Airbus A350F freighters on firm order to replace the Boeing 747-400F fleet. The new fleet will use 40 per cent. less fuel for similar missions. It will also allow greater operational

²¹ Number of destinations, countries, and territories include Singapore.

flexibility in terms of freighter deployment, and continue to effectively service key verticals such as aerospace, pharmaceuticals and fresh produce.

SIA Cargo's key service capabilities include the following areas:

- reliable service ensuring timely uplift and delivery for both small and large shipments, including guaranteed uplift services to meet customers' time-sensitive needs;
- expertise in transporting various specialised commodities such as perishable goods, race cars for Formula One, aerospace engines, odd-sized oil and gas equipment, as well as live animals around the world;
- an extensive global network, achieved with the Group's airlines, offering greater choice and flexibility for customers worldwide;
- continuous enhancement of information technology applications to improve staff productivity and enhance customer experience;
- professional and safe handling of time and temperature sensitive pharmaceutical shipments via THRU COOL, a dedicated pharmaceutical service, which taps on its CEIV Pharma certified network and Coolport at its Singapore hub;
- trusted and high-performance logistics for time and temperature sensitive goods via the THRU FRESH network for perishable cargo, ensuring produce and perishables arrive fresh and in peak condition; and
- short transit times due to convenient flight connections at its hub in Singapore ensure shipments across the world in good time.

To meet the growing demand for cross-border e-commerce deliveries, SIA Cargo launched Parxl in 2021, offering an end-to-end e-commerce logistics platform that provides cross-border delivery solutions for retailers to book, manage, and track their shipments. Parxl has achieved continuous growth since its launch in 2021, and has extended its active delivery network to more than 30 destinations worldwide, including to e-retailers located in Australia, Hong Kong SAR, South Korea, and the United States. To drive further growth and enhance its offerings, Parxl introduced new technologies, including GenAI, to strengthen business development capabilities. It also deepened its integration with major e-commerce platforms, enabling faster onboarding and improved service delivery for merchants.

Singapore Airlines' THRU COOL pharmaceutical logistics programme expanded its quality corridor network to 23 destinations worldwide as of 31 March 2025. THRU COOL is designed to manage temperature-sensitive pharmaceutical cargo, ensuring optimal conditions throughout the transport process. As THRU COOL approaches its third anniversary, the ongoing re-validation of its stations helps ensure that the programme continues to meet the evolving needs of the pharmaceutical industry, and reinforces Singapore Airlines' commitment to excellence in this critical segment. Meanwhile, the THRU FRESH network for perishable cargo has grown to serve 17 destinations. Designed to uphold the integrity of the cold chain, THRU FRESH provides customers with trusted, high-performance logistics for time- and temperature-sensitive goods, ensuring produce and perishables arrive fresh and in peak condition. Singapore Airlines also continued to showcase its logistics capabilities by operating charters for concert tours and motorsports events such as Formula One. These highlight Singapore Airlines' ability to support high-profile events with specialised logistics services, ensuring the safe and timely transport of essential equipment and materials for the global sports and entertainment industry.

In line with the Group's digital transformation, SIA Cargo has also been driving productivity and efficiency improvements through various initiatives. Building on its partnership with air freight distribution platform cargo.one, SIA Cargo expanded its digital marketing presence by integrating with two additional platforms, WebCargo in June 2024 and CargoAi in September 2024. Freight forwarders in more than 20 markets can conveniently book cargo space across the Group's network. Plans are underway to expand coverage to more stations and introduce new service offerings on these platforms in FY2026. The Cargo Digital Checklist ("CDC"), initially deployed in Singapore under the SIA-DHL Express partnership, has now been implemented across all destinations in the SIA-DHL freighter network. The CDC automates routine cargo checks and provides real-time alerts for anomalies,

enabling prompt action and enhancing operational safety. This digital tool has delivered efficiency gains equivalent to approximately 1,200 man-hours saved per year.

In FY2025, SIA Cargo also expanded its partnerships with IBS Software (“**IBS**”) and Cargo Community Network (“**CCN**”) on IATA’s ONE Record data-sharing standard. ONE Record is an end-to-end digital logistics and transport supply chain, where data is transparently and securely exchanged among air cargo stakeholders. Collaborating closely with IBS, CCN, and IATA, Singapore Airlines championed this global initiative through a series of presentations at key industry events in Singapore, Bangkok, Geneva, and Hong Kong SAR. These outreach efforts helped build momentum for a more connected and standardised global air cargo ecosystem. Together with SATS Ltd, CCN, and IBS, Singapore Airlines also implemented two advanced freight status update initiatives, namely Freight into Warehouse and Freight out of Warehouse, under the ONE Record platform. These initiatives significantly enhance shipment tracking visibility, particularly for time and temperature-sensitive cargo during operations.

(G) MAJOR SUBSIDIARIES

Singapore Airlines conducts its other principal business activities through the subsidiaries described below:

SIAEC GROUP

The following table sets out certain key financial information for SIAEC for the periods indicated:

	FY2025 (S\$ million)	FY2024 (S\$ million)	Change %
Total revenue	1,245.1	1,094.2	+13.8
Total expenditure	(1,230.5)	(1,091.9)	+12.7
Operating profit	14.6	2.3	n.m.
Net profit	139.6	97.1	+ 43.8

SIAEC is a major provider of aircraft maintenance, repair and overhaul (“**MRO**”) services in the Asia-Pacific region. SIAEC has a client base of more than 80 international airline carriers and aerospace equipment manufacturers. It provides line maintenance services at over 30 airports in nine countries, base maintenance, and engine and component services on some of the most advanced and widely used commercial aircraft. Its global MRO network comprises six hangars in Singapore and three hangars in Philippines. The first of the two hangars in Subang, Malaysia is expected to commence operations in the second half of 2025. Apart from MRO services, SIAEC also offers a comprehensive and integrated suite of solutions under its fleet management services.

A key business strategy of SIAEC is to extend its ability to provide a broad range of MRO services to its customers through alliances and partnerships. As at 31 March 2025, SIAEC had 28 subsidiary, joint venture and associated companies, some of which were established in partnerships with well-established aerospace companies and other and strategic partners, which enabled it to increase the depth and breadth of SIAEC’s service offerings.

SIAEC was listed on the SGX-ST on 12 May 2000. As at the Latest Practicable Date, its market capitalisation was approximately S\$4.2 billion²² and Singapore Airlines held 77.7 per cent. of the total share capital of SIAEC.

SIAEC’s Line Maintenance operations handled 8 per cent. more flights in FY2025, supported by healthy traffic at Changi Airport. By the fourth quarter of FY2025, the number of flights handled was close to pre-COVID-19 volumes and continued to rise. The SIAEC Group expanded its Line Maintenance network by adding new stations in Indonesia and Japan. These international stations also recorded increased flight volumes. Demand for Base Maintenance check remained stable in FY2025, although some aircraft required extended hangar time due to complex repair requirements which resulted in longer average hangar occupancy periods. Meanwhile, SIAEC’s engine and component shops processed higher volumes of repair and overhaul work. To meet growing demand, SIAEC doubled its engine test capacity by streamlining rosters to enable extended shift hours, and plans to expand its engine test capabilities for the CFM LEAP-1B engine. SIAEC’s component services also

²² Based on closing price of S\$3.75 as at the Latest Practicable Date.

benefitted from the uptick in flight activity, alongside an expanded range of MRO capabilities. At the end of FY2025, SIAEC managed 187 aircraft from nine airlines under its Inventory Technical Management programme.

SIAEC has experienced limited direct impact from higher tariffs, though it recognises that indirect effects may emerge over time. SIAEC is proactively implementing measures to manage these risks and is keeping a close watch on global trade developments, geopolitical shifts, and trends in air travel and aircraft usage. Amidst the uncertainties in the operating environment, SIAEC will continue to strengthen its core business, while remaining open to new opportunities as conditions evolve. To drive sustainable growth, SIAEC will continue to invest in three key areas: expanding its footprint across the Asia-Pacific region, building additional capacity and capabilities for next-generation aircraft maintenance, and enhancing its core business to deliver greater value to airline customers.

As the Asia-Pacific region continues to drive global air travel, accounting for more than half of passenger traffic growth in 2024, SIAEC is focusing its expansion efforts in this fast-growing region. In FY2025, SIAEC has strengthened its presence with new Line Maintenance stations in Indonesia and Japan. It also established TIA Engineering Services Company Limited to provide Line Maintenance services at Cambodia's upcoming Techo International Airport, which has begun operations in September 2025. SIAEC is also deepening its reach in India and China, two key markets for the region's aviation growth. During FY2025, Air India appointed SIAEC as its strategic partner to develop its base maintenance facility in Bengaluru, slated to open in 2026. In China, SIAEC signed a non-binding agreement with Xiamen Iport Group to explore investing in its subsidiary, Airport Aircraft Maintenance & Engineering (Fujian), which provides line maintenance and ground handling services.

As airlines modernise their fleets, SIAEC is expanding its regional capacity and technical capabilities to support new-generation aircraft. This will position SIAEC to meet the airlines' evolving needs and capture future growth in next-generation aircraft maintenance. For instance in Subang, Malaysia, one of the two new hangars is expected to open in the second half of 2025, adding cost-efficient capacity for base maintenance. The facility will support upcoming cabin retrofit work on Singapore Airlines' A350 long-haul fleet and feature fully digital operations.

Beyond expanding its regional presence, SIAEC is focused on strengthening its core business to boost efficiency, agility, and competitiveness, while upholding high standards of safety and quality. A new company-wide Enterprise Operating System is being rolled out in phases to streamline MRO processes and improve productivity. This includes applying Lean principles to reduce waste and improve planning and operations. Digital tools are also being adopted to support smarter decision-making.

SCOOT

The following table sets out certain key financial information for Scoot for the periods indicated:

	FY2025 (\$ million)	FY2024 (\$ million)	Change %
Total revenue	2,349.2	2,445.5	-3.9
Total expenditure	(2,313.4)	(2,327.4)	-0.6
Operating profit	35.8	118.1	-69.7
Profit after taxation	22.2	182.4	-87.8

Scoot was launched as a Singapore-based low-cost carrier ("**LCC**") in 2012. As at 31 March 2025, Scoot's network encompassed 71 passenger destinations, including Singapore. Scoot accelerated its growth in FY2025 by expanding its fleet and network, harnessing new technologies, and investing more deeply in its people and culture. These strategic moves enabled Scoot to seize new opportunities and navigate challenges, while maintaining operational efficiency.

Scoot welcomed its first Embraer E190-E2 aircraft in April 2024, complementing its fleet of Airbus A320 Family and Boeing 787 aircraft. The 112-seater aircraft is an important addition to the Group's operating fleet, unlocking significant growth potential in the Asia-Pacific region by enabling it to serve thinner routes to non-metro destinations. Since then, Scoot has added four more E190-E2 aircraft to its fleet, with the remaining four scheduled to arrive by end-2025. The expansion of Scoot's fleet enabled the airline to launch services to eight new destinations, amongst other changes. Scoot operates in 73

destinations across 18 countries and territories as of 3 June 2025. Scoot also expanded its global reach through interline agreements with Air New Zealand and Bangkok Airways, and a codeshare partnership with Air Canada, in FY2025.

Scoot continued to refresh its products and services to meet evolving customer expectations in FY2025. For instance, in response to demand for greater flexibility and peace of mind when travelling, Scoot expanded Scootsurance to cover departures from Australia, and introduced a new Cancel Your Trip option alongside its existing Change Your Flight service. Scoot continued to integrate GenAI initiatives across its operations to enhance customer experience and operational efficiency. For example, Scoot upgraded its customer service chatbot, MARVIE, with GenAI capabilities to handle more complex customer queries such as the cost of additional check-in baggage. In May 2024, Scoot introduced the Scoot Agency Booking Portal to strengthen engagement with its online travel agents.

Scoot's drive to achieve leading industry standards was rewarded with a number of accolades. For the fourth year running, Scoot won the Best Long Haul Low-Cost Airline at the Skytrax World Airline Awards and the Best Low-Cost Carrier at the TTG Travel Awards. Notably, Scoot was named Value Airline of the Year at the 2025 Air Transport World ("**ATW**") Airline Industry Achievement Awards, becoming the first airline in ATW history to win this honour two years in a row.

SELECTED FINANCIAL INFORMATION

The following tables present selected financial information for the Group and the Company as at and for the financial years ended 31 March 2025, 2024 and 2023. The selected financial information as at and for the financial years ended 31 March 2025, 2024 and 2023 have been extracted from and should be read in conjunction with the audited consolidated financial statements of the Group and the Company as at and for the financial years ended 31 March 2025 and 2024 and the related notes thereto, which are included elsewhere in this Information Memorandum. Selected financial information for the Group and the Company for 1H FY2026 and 1H FY2025 can be found in the section titled "Financial Review – 1H FY2026 compared with 1H FY2025".

Group

Profit and Loss Statement:

	FY2025 (S\$ million)	FY2024 (S\$ million)	FY2023 (S\$ million)
Total revenue	19,539.8	19,012.7	17,774.8
Total expenditure	17,830.7	16,285.2	15,082.7
Operating profit	1,709.1	2,727.5	2,692.1
Profit before taxation	2,964.8	3,037.1	2,636.8
Profit attributable to the owners of the Company	2,778.0	2,674.8	2,156.8

Balance Sheet:

	FY2025 (S\$ million)	FY2024 (S\$ million)	FY2023 (S\$ million)
Cash and bank balances	8,257.1	11,256.0	16,327.6
Total assets	43,086.8	44,264.7	49,101.2
Total liabilities	27,016.8	27,520.1	28,851.4
Equity attributable to owners of the Company	15,656.2	16,337.9	19,858.3

Cash Flow Statement:

	FY2025 (S\$ million)	FY2024 (S\$ million)	FY2023 (S\$ million)
Profit before taxation	2,964.8	3,037.1	2,636.8
Net cash provided by operating activities	4,707.7	5,042.1	9,130.1
Net cash used in investing activities	(3,301.7)	(1,436.2)	(134.0)
Net cash used in financing activities	(4,326.5)	(8,779.1)	(6,213.4)
Net cash inflow/(outflow)	(2,920.5)	(5,173.2)	2,782.7
Cash and cash equivalents at the beginning of the year	11,256.0	16,327.6	13,762.7
Effect of exchange rate changes	(78.4)	101.6	(217.8)
Cash and cash equivalents at the end of the year	8,257.1	11,256.0	16,327.6

Company

Profit and Loss Statement:

	FY2025 (S\$ million)	FY2024 (S\$ million)	FY2023 (S\$ million)
Total revenue	16,738.0	16,177.1	15,590.1
Total expenditure	15,069.1	13,541.9	12,988.9
Operating profit	1,668.9	2,635.2	2,601.2
Profit before taxation	2,604.7	2,969.7	2,724.9
Profit after taxation	2,461.3	2,570.8	2,218.9

Balance Sheet:

	FY2025 (S\$ million)	FY2024 (S\$ million)	FY2023 (S\$ million)
Cash and bank balances	7,960.1	10,976.0	15,975.7
Total assets	42,641.8	44,441.6	49,099.3
Total liabilities	26,145.7	26,971.7	27,989.6
Equity attributable to owners of the Company	16,496.1	17,469.9	21,109.7

FINANCIAL REVIEW

The following sets out a financial review for each of FY2025, FY2024, FY2023, 1H FY2026 and 1H FY2025.

FY2025 COMPARED WITH FY2024

COMPANY

	FY2025 (S\$ million)	FY2024 (S\$ million)	Change %
Total revenue	16,738.0	16,177.1	+3.5
Total expenditure	15,069.1	13,541.9	+11.3
Operating profit	1,668.9	2,635.2	-36.7
Non-operating items	935.8	334.5	+179.8
Profit before taxation	2,604.7	2,969.7	-12.3
Taxation	(143.4)	(398.9)	-64.1
Profit after taxation	2,461.3	2,570.8	-4.3

Company Revenue

The Company's revenue rose 3.5 per cent. to S\$16,738 million, predominantly from robust demand for air travel and cargo uplift, albeit at lower yields amidst intense competition. Ticket breakage revenue contributed to the increase in other revenue.

Company Expenditure

The Company's expenditure rose 11.3 per cent. to S\$15,069.1 million in FY2025.

Fuel expenditure before hedging increased by 0.8 per cent. from S\$4,657.9 million to S\$4,693.7 million largely due to a 10.1 per cent. increase in volume uplifted, 8.5 per cent. decrease in weighted average fuel price, and a weaker US Dollar as compared against the Singapore Dollar.

Staff costs increased S\$163 million (+6.2 per cent.) largely due to higher pay and allowances with the increase in staff strength and average pay, as well as higher crew allowances from the expansion of operations.

Depreciation was S\$179 million (+10.0 per cent.) higher, mainly due to the addition of new aircraft and completion of maintenance and overhaul jobs.

Most ex-fuel variable costs increased to support the network expansion and passenger traffic growth, on top of rate increases.

Other costs rose S\$314 million (+45.3 per cent.), primarily due to the swing from a foreign exchange gain last year to a loss this year and provision for Carbon Offsetting and Reduction Scheme for International Aviation obligations.

Company Operating Profit

As a result, the operating profit for the Company in FY2025 was S\$1,668.9 million, a decrease of S\$966.3 million from the previous financial year.

GROUP

	FY2025 (S\$ million)	FY2024 (S\$ million)	Change %
Total revenue	19,539.8	19,012.7	+2.8
Total expenditure	17,830.7	16,285.2	+9.5
Operating profit	1,709.1	2,727.5	-37.3
Non-operating items	1,255.7	309.6	+305.6
Profit before taxation	2,964.8	3,037.1	-2.4
Taxation	(152.6)	(342.0)	-55.4
Profit after taxation	2,812.2	2,695.1	+4.3
Profit attributable to owners of the Company	2,778.0	2,674.8	+3.9

Group Earnings

The Group recorded a lower operating profit of S\$1,709 million for FY2025, down S\$1,019 million (-37.3 per cent.) from the prior financial year due to weaker performance from the Group airlines. Operating performance was weighed down by higher costs from capacity expansion and rate increases, and lower revenue growth amidst intensified competition.

Group revenue rose S\$527 million (+2.8 per cent.) year-on-year to a record S\$19,540 million, driven by resilient demand for air travel and cargo uplift. Passenger flown revenue increased S\$164 million to S\$15,849 million on the back of a 6.4 per cent. growth in passenger traffic (measured in revenue-passenger kilometres), partially offset by a 5.5 per cent. decline in passenger yields. Group passenger load factor ("**PLF**") declined 1.4 percentage points. to 86.6 per cent., as passenger capacity (measured in available seat-kilometres) rose 8.2 per cent., higher than the traffic increase.

Cargo flown revenue improved by S\$94 million (+4.4 per cent.) to S\$2,212 million, buoyed by the strong demand for e-commerce and perishables as well as the spillover from disruptions to sea freight. While the cargo load factor rose 1.6 percentage points. to 56.1 per cent., yields decreased 7.8 per cent. due to increased competition.

Group expenditure increased S\$1,546 million (+9.5 per cent.) year-on-year to S\$17,831 million.

Fuel cost after hedging rose S\$309 million (+6.1 per cent.) to S\$5,386 million, largely from higher fuel volume uplifted due to higher capacity deployed (+S\$508 million) and lower fuel hedging gains (+S\$336 million). These were partially offset by a decrease in average jet fuel prices (-S\$510 million) as well as a weaker US Dollar against the Singapore Dollar (-S\$25 million).

Non-fuel expenditure increased S\$1,237 million (+11.0 per cent.), mainly attributable to the expansion in operations and increase in rates.

The Group's net profit improved S\$103 million (+3.9 per cent.) to a record S\$2,778 million, due to a non-cash accounting gain following the completion of the Air India-Vistara merger during the year (+S\$1,098 million), mitigating the weaker operating performance (-S\$1,019 million).

Financial Position

Equity attributable to owners of the parent fell by S\$682 million (-4.2 per cent.) to S\$15,656 million as at 31 March 2025, largely due to the redemption of mandatory convertible bonds ("**MCBs**") (-S\$1,548 million), payment of dividends (-S\$1,429 million), reduction in fair values on hedges (-S\$295 million) primarily from fuel hedges with a decrease in average forward fuel prices and maturity of contracts, as well as recognition of accreted interest on redemption of MCBs (-S\$197 million) during the year. These were partially offset by the net profit for the financial year (+S\$2,778 million).

Total Group assets fell S\$1,178 million (-2.7 per cent.) to S\$43,087 million, mainly due to a decrease in cash and bank balances (-S\$2,999 million), derivative assets (-S\$736 million), right-of-use ("**ROU**") assets (-S\$284 million) and trade debtors (-S\$159 million). These were partially offset by an increase in associated companies (+S\$2,085 million) and other receivables and assets (+S\$868 million).

Cash and bank balances fell mainly due to capital expenditure (-S\$1,768 million), redemption of MCBs (-S\$1,745 million), placement of fixed deposits with original maturity of more than 12 months (-S\$1,739 million), dividend payment (-S\$1,429 million), investment and capital injection in Air India (-S\$996 million), repayment of borrowings (-S\$736 million), lease payments (-S\$697 million), repayment of bonds (-S\$300 million) and interest payments (-S\$265 million). These were partly offset by net cash generated from operations (+S\$4,708 million), proceeds from borrowings (+S\$902 million), proceeds from maturity of fixed deposits with original maturity of more than 12 months (+S\$766 million) and interest received from investments and deposits (+S\$481 million).

Total Group liabilities decreased by S\$503 million (-1.8 per cent.) to S\$27,017 million as at 31 March 2025, primarily arising from a decrease in lease liabilities (-S\$392 million), derivative liabilities (-S\$371 million), sales in advance of carriage (-S\$180 million) and borrowings (-S\$142 million). These were partially offset by increase in trade and other creditors (+S\$245 million), deferred revenue (+S\$233 million) and deferred taxes (+S\$82 million).

The Group's net debt²³ was S\$4,138 million as at 31 March 2025, a decrease of S\$2,465 million from the prior year, attributable to lower cash and bank balances (-S\$2,999 million), partially offset by lower lease liabilities (+S\$392 million) and notes payable (+S\$312 million). Total debt to equity ratio remained constant at 0.82 times as at 31 March 2025.

FY2024 COMPARED WITH FY2023

COMPANY

	FY2024 (S\$ million)	FY2023 (S\$ million)	Change %
Total revenue	16,177.1	15,590.1	+3.8
Total expenditure	13,541.9	12,988.9	+4.3
Operating profit	2,635.2	2,601.2	+1.3
Non-operating items	334.5	123.7	+170.4
Profit before taxation	2,969.7	2,724.9	+9.0
Taxation	(398.9)	(506.0)	-21.2
Profit after taxation	2,570.8	2,218.9	+15.9

Company Revenue

The Company's revenue rose 3.8 per cent. to S\$16,177 million, predominantly from higher passenger flown revenue as travel demand continued to be strong during the financial year. In addition, ticket breakage revenue contributed to the increase in other revenue. These were partially offset by lower cargo revenue primarily driven by weaker cargo yields amid the recovery in bellyhold cargo capacity across the industry.

Company Expenditure

The Company's expenditure rose 4.3 per cent. to S\$13,541.9 million in FY2024.

Fuel expenditure before hedging decreased by 11.6 per cent. from S\$5,267.2 million to S\$4,657.9 million largely due to a 11.7 per cent. increase in volume uplifted, 18.9 per cent. decrease in weighted average fuel price, and a weaker US Dollar as compared against the Singapore Dollar.

Staff costs increased S\$273 million (+11.6 per cent.) largely due to higher pay and allowances with the absence of payroll-related government grants and increase in staff strength and average pay, as well as higher crew allowances from the increase in flying hours.

Most ex-fuel variable costs increased to support the network expansion and passenger traffic growth, including inflight meals & other passenger costs (+S\$245 million, +44.5 per cent.), handling charges (+S\$211 million, +20.2 per cent.), aircraft maintenance and overhaul costs (+S\$133 million, +30.5 per cent.) and airport & overflying charges (+S\$102 million, +18.2 per cent.). The higher than proportionate increase in inflight meals and other passenger costs were largely due to enhanced product offerings such as the introduction of free unlimited Wi-Fi to all Krisflyer members.

²³ Net debt is defined as the sum of lease liabilities, loans and bonds issued, net of cash and bank balances and short-term investments.

Company Operating Profit

As a result, the operating profit for the Company in FY2024 was S\$2,635.2 million, an increase of S\$34.0 million from the previous financial year.

GROUP

	FY2024 (S\$ million)	FY2023 (S\$ million)	Change %
Total revenue	19,012.7	17,774.8	+7.0
Total expenditure	16,285.2	15,082.7	+8.0
Operating profit	2,727.5	2,692.1	+1.3
Non-operating items	309.6	(55.3)	n.m.
Profit before taxation	3,037.1	2,636.8	+15.2
Taxation	(342.0)	(473.5)	-27.8
Profit after taxation	2,695.1	2,163.3	+24.6
Profit attributable to owners of the Company	2,674.8	2,156.8	+24.0

Group Earnings

Group operating profit reached a record high S\$2,728 million for the financial year, surpassing the previous year's record of S\$2,692 million, as the demand for air travel remained buoyant throughout FY2023/24, boosted by a rebound in North Asia as China, Hong Kong SAR, Japan and Taiwan fully reopened their borders.

Group revenue rose S\$1,238 million (+7.0 per cent.) year-on-year to a record S\$19,013 million. Passenger flown revenue increased S\$2,319 million on the back of a 26.6 per cent. growth in passenger traffic (measured in revenue-passenger kilometres), partially offset by a 7.6 per cent. decline in passenger yields. To meet the demand for air travel, the Group ramped up passenger capacity (measured in available seat-kilometres) by 22.9 per cent. Supported by passenger traffic growth, Group PLF improved 2.6 per cent. to a record 88.0 per cent.

Cargo flown revenue continued to trend downwards from its COVID-19 peak, falling S\$1,485 million (-41.2 per cent.) year-on-year. While cargo loads increased by 1.7 per cent. due to strong demand from the e-commerce segment, yields were 42.2 per cent. lower, albeit 29.8 per cent. above pre-pandemic levels.

Group expenditure increased S\$1,202 million (+8.0 per cent.) year-on-year to S\$16,285 million.

Fuel cost after hedging fell S\$132 million (-2.5 per cent.) to S\$5,077 million, largely from an 18.5 per cent. decrease in average jet fuel prices (-S\$1,280 million) as well as a weaker US Dollar against the Singapore Dollar (-S\$128 million). These were partially offset by the higher fuel volume uplifted due to higher capacity deployed (+S\$918 million) and lower fuel hedging gains (+S\$358 million).

Non-fuel expenditure increased S\$1,334 million (+13.5 per cent.), mainly attributable to the expansion in operations and increase in rates.

The Group achieved a record net profit of S\$2,675 million, an increase of S\$518 million from last year. This was mainly due to the better operating performance (+S\$36 million), a net interest income versus net finance charges last year (+S\$215 million), lower tax expense (+S\$132 million), and a share of profits against a share of losses of associated companies last year (+S\$104 million).

Financial Position

Equity attributable to owners of the parent fell by S\$3,520 million (-17.7 per cent.) to S\$16,338 million as at 31 March 2024, largely due to the redemption of MCBs (-S\$4,648 million), payment of dividends (-S\$1,130 million) and recognition of accreted interest on redemption of MCBs (-S\$416 million) during the year. MCBs were treated as equity. These were partially offset by the net profit for the financial year (+S\$2,675 million).

Total Group assets fell S\$4,836 million (-9.9 per cent.) to S\$44,265 million, mainly due to a decrease in cash and bank balances (-S\$5,072 million), ROU assets (-S\$484 million) and property, plant and equipment (-S\$397 million). These were partially offset by an increase in other short-term assets (+S\$820 million) and trade debtors (+S\$196 million).

Cash and bank balances fell mainly due to the redemption of MCBs (-S\$5,064 million), repayment of bonds (-S\$1,350 million), capital expenditure (-S\$1,231 million), dividend payment (-S\$1,130 million), net repayment of borrowings (-S\$849 million), placement of fixed deposits with original maturity of more than 12 months (-S\$805 million), lease payments (-S\$739 million) and interest payments (-S\$285 million), partially offset by net cash generated from operations (+S\$5,055 million), proceeds from issuance of bonds (+S\$670 million) and interest received (+S\$617 million).

Total Group liabilities decreased by S\$1,331 million (-4.6 per cent.) to S\$27,520 million as at 31 March 2024, primarily arising from a decrease in borrowings (-S\$1,508 million), lease liabilities (-S\$383 million) and derivative liabilities (-S\$182 million). These were partially offset by higher deferred taxation (+S\$373 million) and trade and other creditors (+S\$344 million).

The Group's net debt²⁴ was S\$1,660 million as at 31 March 2024, a swing of S\$3,052 million from the net liquid assets of S\$1,392 million recorded in the prior year, attributable to lower cash and bank balances (-S\$5,072 million), partially offset by lower borrowings (+S\$1,508 million), lease liabilities (+S\$383 million) and higher short-term investments (+S\$116 million). Total debt to equity ratio increased from 0.77 times to 0.82 times as at 31 March 2024.

1H FY2026 COMPARED WITH 1H FY2025

GROUP

	1H FY2026 Unaudited (S\$ million)	1H FY2025 Unaudited (S\$ million)	Change %
Total revenue	9,675.2	9,497.4	1.9
Total expenditure	8,872.3	8,701.8	2.0
Operating profit	802.9	795.6	0.9
Non-operating items	(376.9)	135.4	n.m.
Profit before taxation	426.0	931.0	(54.2)
Taxation	(166.9)	(171.8)	(2.85)
Profit after taxation	259.1	759.2	(65.9)
Profit attributable to owners of the Company	238.5	742.0	(67.9)

Group Earnings

The Group recorded an operating profit of \$803 million in the first half of FY2025/26, marginally higher versus the previous year (+\$7 million; +0.9%).

Group revenue rose by \$178 million (+1.9%) from the year before to a first half record of \$9,675 million. The demand for air travel remained strong, with Singapore Airlines and Scoot carrying 20.8 million passengers, 8.0 per cent. more year-on-year. Group PLF increased by 1.3 percentage points to 87.7 per cent., as traffic growth of 4.6 per cent. exceeded capacity expansion of 3.0 per cent. Passenger yields declined 2.9 per cent. to 9.9 cents per revenue passenger-kilometre, driven by increased competition.

Cargo flown revenue declined by \$31 million (-2.8%) to \$1,071 million as yields fell 4.1 per cent. Cargo load factor fell 0.9 percentage points to 56.5 per cent., as the 1.2 per cent. growth in cargo loads trailed capacity expansion of 2.8 per cent.

Group expenditure rose by \$170 million (+2.0%) to \$8,872 million, as the increase in non-fuel expenditure (+\$353 million; +5.9%) outpaced the reduction in net fuel cost (-\$183 million; -6.7%). The higher non-fuel expenditure reflected the 2.9 per cent. expansion in overall capacity and inflationary pressure on several cost components. Net fuel cost fell 6.7 per cent. (-\$183 million) largely due to the 12.7 per cent. contraction in fuel prices (-\$370 million), and partially offset by higher volumes uplifted (+\$130 million) and a fuel hedging loss this year compared to a gain last year (+\$143 million).

²⁴ Net debt is defined as the sum of lease liabilities, loans and bonds issued, net of cash and bank balances and short-term investments.

The Group's net profit for the first half fell by \$503 million (-67.8%) to \$239 million. Interest income fell \$103 million from lower cash balances and interest rate cuts, while the Group's share of results of associated companies was \$417 million lower year-on-year, notably reflecting Air India's losses which were not included in the previous year. The Group began equity accounting for Air India's financial performance from December 2024, following the full integration of Vistara into Air India.

BOARD OF DIRECTORS AND EMPLOYEES OF SINGAPORE AIRLINES

BOARD MEMBERS

The Board of Singapore Airlines Limited oversees the business performance and affairs of the Company and provides general guidance to Management. The Board comprises 10 members and meets at least four times a year. It holds separate Strategy Sessions to assist the Management in developing its plans and strategies for the future. The Board has established six Board Committees to assist it in the discharge of its functions. These Board Committees are: the Board Executive Committee, the Board Audit Committee, the Board Compensation and Industrial Relations Committee (the “BCIRC”), the Board Nominating Committee, the Board Safety and Risk Committee and the Customer Experience, Technology and Sustainability Committee. Each Board Committee has its own written Charter. The address of each of the Directors of the Company, in their capacity as Directors of the Company, is Airline House, 25 Airline Road, Singapore 819829.

Peter Seah Lim Huat

Chairman

Mr Seah is the Chairman of DBS Bank Ltd, DBS Group Holdings Ltd and LaSalle College of the Arts Limited. A banker for more than 30 years, Mr Seah was with the former Overseas Union Bank between 1977 and 2001, retiring as Vice-Chairman and Chief Executive Officer. Prior to that, he was with Citibank N.A. Between December 2001 and December 2004, Mr Seah served as President and Chief Executive Officer of Singapore Technologies Pte Ltd. Mr Seah was awarded the *Order of Nila Utama* in 2021, the *Distinguished Service Order* in 2012, and the *Public Service Star (Bintang Bakti Masyarakat)* in 1999.

Mr Seah has been a Director of Singapore Airlines Limited since 1 September 2015 and Chairman since 1 January 2017.

Goh Choon Phong

Director and Chief Executive Officer

Mr Goh joined Singapore Airlines Limited in 1990 and assumed the role of Chief Executive Officer on 1 January 2011. Previously, he served as Executive Vice President for Marketing and the Regions. He also served as President of Singapore Airlines Cargo Pte Ltd. His other senior management positions included Senior Vice President Finance and Senior Vice President Information Technology. Mr Goh serves on the Boards of several companies including SIA Engineering Company Limited, Mastercard Incorporated, and Air India Limited. He chairs Budget Aviation Holdings Pte Ltd, which oversees SIA’s low-cost subsidiary Scoot. In addition, Mr Goh serves on the National University of Singapore Board of Trustees and the MIT Presidential CEO Advisory Board, which comprises CEOs from leading global companies across various industries.

Within the aviation industry, he is a member of the Association of the Asia Pacific Airlines’ Executive Committee, having chaired it in 2023. He was previously on the Board of Governors of the International Air Transport Association, serving as its Chairman from June 2017 to June 2018. He also held Board positions at Mount Alvernia Hospital (2006 to 2015), and Virgin Australia Holdings Limited (2014 to 2015).

Mr Goh was the 2015 recipient of the Centre for Aviation’s *Asia-Pacific Airline CEO of the Year Award*. In 2016, he was honoured with the *CEO Lifetime Achievement Award* from the Airline Passenger Experience Association, and the *Eisenhower Global Innovation Award* from the Business Council for International Understanding. He was named *Outstanding Chief Executive Officer* of the Year in the 2017 Singapore Business Awards and *Person of the Year* by Orient Aviation magazine in 2018. He was recognised as *Best Chief Executive Officer* for companies with \$1 billion or more in market capitalisation at the 2019 Singapore Corporate Awards. Most recently, he won the *Excellence in Leadership Award* at Air Transport World magazine’s 2024 Airline Industry Achievement Awards.

Mr Goh has been a Director of Singapore Airlines Limited since 1 October 2010.

Gautam Banerjee

Director

Mr Banerjee is Chairman and a Senior Managing Director of Blackstone Singapore. He joined Blackstone Singapore as Chairman in January 2013 and was appointed a Senior Managing Director in April 2014. He was with professional services firm, PricewaterhouseCoopers (“PwC”) Singapore from April 1982 to 31 December 2012, including as its Executive Chairman for Singapore, and in various leadership positions within the firm in India and the Asia-Pacific region. Apart from his executive role in Blackstone, he is a Board Member of Singapore Telecommunications Limited and GIC Private Limited.

He was the Chairman of Singapore Centre for Social Enterprise Ltd and the Listings Advisory Committee of the Singapore Exchange, and served on the Boards of The Indian Hotels Company Limited, Piramal Enterprises Limited, India, Singapore Business Federation Council, Corporate Governance Council of the Monetary Authority of Singapore, Companies Act Reform Steering Committee, and the Economic Strategies Committee chaired by the Finance Minister of Singapore from 2009 to 2010.

Mr Banerjee was a Nominated Member of Parliament in Singapore between 2007 and 2009. In 2014, Mr Banerjee was awarded the *Public Service Medal* by the Singapore Government and an *Honorary Doctor of Laws* by the University of Warwick, England.

Mr Banerjee has been a Director of Singapore Airlines Limited since 1 January 2013.

Simon Cheong Sae Peng

Director

Mr Cheong is the Founder and Chairman of SC Global Developments Pte Ltd, a leading luxury high-end residential developer in Singapore. He has more than 43 years of experience in real estate, banking, and international finance. Mr Cheong established SC Global in 1996 as a real estate and hotel advisory and direct investment group, specialising in structuring large and complex transactions worldwide. He is also the Chairman and majority shareholder of AVJennings Limited. He was with Citibank (Singapore) as Head of Real Estate Finance for Singapore, and with Credit Suisse First Boston as Regional Real Estate Head for Asia.

Mr Cheong previously served as a Board Member of Republic Polytechnic and was also a Council Member of the Singapore Business Federation. He served two terms as President of the Real Estate Developers’ Association of Singapore.

Mr Cheong has been a Director of Singapore Airlines Limited since 1 June 2017.

David John Gledhill

Director

Mr Gledhill was the Group Chief Information Officer as well as Head of Group Technology & Operations at DBS Bank Ltd, before his retirement from the bank in August 2019 after 11 years of service. Prior to joining DBS, he was with JP Morgan for more than 20 years, holding senior regional positions in Technology & Operations in Singapore, Tokyo, and London. Before joining JP Morgan, Mr Gledhill was with British Telecom in the United Kingdom, holding various roles in software and hardware design. Mr Gledhill is a Board Member of the National University of Singapore Institute of Systems Science and Santander UK plc.

He was a Director of Singapore Clearing House Pte Ltd, and served as Advisor to a number of organisations in Singapore and overseas. In 2017, Mr Gledhill was the recipient of the *Massachusetts Institute of Technology Sloan CIO Leadership Award*, becoming the first Chief Information Officer from an Asian company to have won.

Mr Gledhill has been a Director of Singapore Airlines Limited since 1 September 2018.

Goh Swee Chen

Director

Ms Goh joined Shell in 2003 and retired as Chairperson, Shell Companies in Singapore in January 2019. She was previously with Procter & Gamble and IBM. A global leader, she has lived and worked

in Singapore, Malaysia, the Netherlands, Australia, USA, Japan, and China. Ms Goh has a diverse professional background, having led significant businesses in the oil and gas, consumer goods, and information technology sectors.

Ms Goh is currently Chairperson, National Arts Council, and Chairperson, Nanyang Technological University Board of Trustees. She also serves on the Boards of Singapore Power Limited (also known as SP Group), JTC Corporation, Woodside Energy Group Ltd (Australia) and Carbon Solutions Platform Pte. Ltd. (also known as GenZero). She is a member of the Singapore Legal Services Commission.

Ms Goh had previously chaired or served in the Boards of Shell Joint Ventures in China, South Korea and Saudi Arabia. She was named Distinguished Alumni, Chicago Booth, in 2018.

Ms Goh has been a Director of Singapore Airlines Limited since 1 January 2019.

Dominic Ho Chiu Fai

Director

Mr Ho is the past Chairman of DBS Bank (China) Limited. He began his career as an auditor with KPMG LLP in 1975 in the US city of Houston, covering a wide range of industries. He retired in 2007 as Co-Chairman of KPMG LLP, China, and Hong Kong. During his career with KPMG LLP, Mr Ho was regarded as its China business specialist. He advised on China's offshore oil industry, participated in the formation of China's taxation system, was involved in initial public offerings of Chinese companies, and assisted foreign companies with their investments in China.

Mr Ho is also a past Member of the Corruption Prevention Advisory Committee of Hong Kong's Independent Commission Against Corruption, and a past Member of Hong Kong's Insurance Advisory Committee.

Mr Ho has been a Director of Singapore Airlines Limited since 1 May 2017.

Lee Kim Shin

Director

Mr Lee is a lawyer and a Counsel of Allen & Gledhill LLP, after having retired as one of its Partners. He has been with Allen & Gledhill for more than 30 years, with six years spent as its Managing Partner. Mr Lee was appointed Senior Counsel in January 2015. He is a Director of Epimetheus Limited, Singapore Power Limited, Singapore Institute of Legal Education, and Goh Foundation Limited.

Mr Lee has been a Director of Singapore Airlines Limited since 1 September 2016.

Jeanette Wong Kai Yuan

Director

Ms Wong has over 35 years of experience in financial services. Until her retirement from DBS Bank in March 2019, Ms Wong was DBS Bank's Group Executive responsible for the Institutional Banking Group, which encompassed Corporate Banking, Global Transaction Services, and Strategic Advisory. Prior to that, she served as Chief Financial Officer of DBS Group between 2003 to 2008.

Ms Wong's banking career began in 1982, working at Banque Paribas and Citibank before joining JP Morgan in 1986. She was at JP Morgan for 16 years. During her tenure at JP Morgan, she had regional responsibilities for the Global Markets and Emerging Markets Sales and Trading business in Asia, and was also JP Morgan's head for Singapore between 1997 to 2002.

Ms Wong sits on the Boards of several organisations including listed companies, Prudential plc and UBS Group AG. She is also currently the Chairperson of the CareShield Life Council, a Board Director of GIC Private Limited and PSA International Pte Ltd and a member of the Securities Industry Council.

Ms Wong has been a Director of Singapore Airlines Limited since 1 June 2021.

Yeoh Oon Jin

Director

Mr Yeoh was the Executive Chairman of PwC Singapore before his retirement in June 2021, following a 38-year career with PwC. He was a key member of the firm's Leadership Team for more than 15 years, and has led the firm through key growth milestones. Mr Yeoh has also chaired several of the firm's regional joint ventures such as PwC SEA Consulting and PwC SEA Corporate Finance. He was a member of the PwC Executive Board for the CaTSH firm, which comprises the PwC firms in Singapore, China, Hong Kong, and Taiwan, and was also a member of the PwC Strategy Council, which comprises leaders from the largest 21 firms in the PwC global network.

Mr Yeoh serves as the Chairman of Singapore Land Authority and ICAEW Singapore Advisory Board. He is the Chair of the Governing Council of the Singapore Institute of Directors. He is also a member of the Board of Singapore Exchange Limited, and the Corporate Governance Advisory Committee, which was set up by the Monetary Authority of Singapore.

Mr Yeoh was previously Vice Chairman of Singapore Business Federation and a board member of Singapore Press Holdings Limited, JTC Corporation, Accounting & Corporate Regulatory Authority, National Arts Council, and council member of Singapore Institute of International Affairs.

Mr Yeoh has been a Director of Singapore Airlines Limited since 1 August 2021.

INCENTIVE PLANS

As at 31 March 2025, the Group had a global staff strength of 28,548, including the staff strength of Singapore Airlines of 18,042.

The Company has put in place long term incentive plans, which are share-based remuneration programmes as part of its plan to motivate and retain senior executives and management responsible for planning and executing the Company's strategic objectives and to align their interests with the interests of shareholders. The Share Incentive Plans comprise the following: the SIA Performance Share Plan 2014 ("**PSP 2014**"), the SIA Restricted Share Plan 2014 ("**RSP 2014**"), the Strategic Share Award ("**SSA**") under the RSP 2014 and the Share Plan Mandates. The SSA had the objective of rewarding, motivating and retaining a select group of key senior management staff throughout the COVID-19 recovery period and is currently planned to be phased out in FY2026.

Under the PSP 2014 and RSP 2014, the total number of shares which may be delivered (whether in the form of shares or cash in lieu of shares) is subject to a maximum limit of 5 per cent. of the total number of issued shares (excluding treasury shares). In addition, the total number of shares under awards to be granted under the PSP 2014 and RSP 2014 from the forthcoming Annual General Meeting to the next Annual General Meeting (the "**Relevant Year**") shall not exceed 0.5 per cent. of the total number of issued shares (excluding treasury shares) from time to time (the "**Yearly Limit**"). However, if the Yearly Limit is not fully utilised during the Relevant Year, any unutilised portion of the Yearly Limit can be used for the grant of awards under the SIA Performance Share Plan 2024 ("**PSP 2024**") and the SIA Restricted Share Plan 2024 ("**RSP 2024**") in subsequent years, for the duration of the PSP 2024 and the RSP 2024 respectively.

At the Annual General Meeting held on 29 July 2024, shareholders have approved a new RSP 2024 and PSP 2024 Share Plan Mandate, which will apply to awards granted from July 2025 onwards.

The PSP 2014 is a share-based incentive scheme established with the objective of rewarding, motivating, and retaining a select group of key senior management staff who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group through innovation, creativity and superior performance. Awards under the PSP 2014 are performance-based, with stretched targets. Depending on the achievement of pre-determined performance targets over a three-year period, the final award under the PSP 2014 could range between 0 per cent. and 200 per cent. of the initial award granted. For FY2025 PSP 2014, a third performance measure on carbon emissions reduction (absolute scope 1 emissions) was added to support Singapore Airlines' target of reducing emissions to be achieved by the end of 2030 from base year 2019. These performance measures are intended to reflect key drivers of long-term shareholder wealth creation and to support Singapore Airlines' ESG strategy. The final award will cliff vest after completion of the performance period. The number of outstanding shares granted under the PSP 2014 was 1,618,135 as at 31 March 2025.

An initial award of FY2025 PSP 2014 was granted during the financial year under consideration in July 2024. Due to the sustained performance of Singapore Airlines' share price relative to peer airlines, the Group attained an achievement factor that exceeded the pre-determined target performance level for the PSP awards granted in FY2023, covering the performance period from FY2023 to FY2025. These shares will cliff vest accordingly in July 2025.

The RSP 2014 is targeted at a broader base of selected employees and enhances Singapore Airlines' ability to recruit and retain talented employees, as well as to reward for Group, Company and individual performance. To retain these employees, an extended vesting period of a further two years is imposed beyond the initial one-year performance period. Depending on the achievement of pre-determined performance targets over a one-year period, the final award under the RSP 2014 could range between 0 per cent. and 150 per cent. of the initial award granted. The number of outstanding shares granted under the RSP 2014 was 3,120,264 as at 31 March 2025.

An initial award of FY2025 RSP 2014 was granted during the financial year under consideration in July 2024. Due to the sustained performance of Singapore Airlines for FY2025, the Group has attained an achievement factor which is reflective of achieving the pre-determined target performance level for the FY2025 RSP 2014 awards granted based on the performance period of FY2025 only and shares will commence vesting accordingly. Previous final awards of RSP 2014 continued to vest during the financial year.

Under the 5th SSA, an initial award was granted in July 2024 in the form of rights to shares taking into account the senior management's efforts with regards to the post-COVID-19 operating environment and performance for FY2024 as assessed by the BCIRC. The 6th SSA for FY2025 supports the three financial year strategic plan and will be granted in July 2025.

Under the SSA, 50 per cent. of the final award vests upon grant and the balance vests in equal tranches over the next two years. An additional 20 per cent. equity kicker is awarded upon final vesting for retention purposes.

Senior management are required to hold a portion of the shares released to them under a share ownership guideline, which requires them to maintain a beneficial ownership stake in the Company, further aligning their interests with shareholders.

USE OF PROCEEDS

The Programme will provide the Company the flexibility to procure funding at competitive rates as and when the opportunity and/or the need arises. The net proceeds of each issue of Notes under the Programme will be used for general corporate or working capital purposes, or such other purposes as may be specified in the relevant Pricing Supplement.

CLEARING AND SETTLEMENT

INTRODUCTION

Investors in the Notes may hold the Notes through any of Euroclear or Clearstream or through CDP or CMU. Initial settlement and all secondary trades will settle as described below.

(1) CLEARANCE AND SETTLEMENT UNDER EUROCLEAR AND/OR CLEARSTREAM

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream participants are financial institutions from around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a direct or indirect custodial relationship with a Euroclear or Clearstream participant.

A participant's overall contractual relations with either Euroclear or Clearstream are governed by the respective rules and operating procedures of Euroclear or Clearstream and any applicable laws. Both Euroclear and Clearstream act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the relevant Issuing and Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

(2) CLEARANCE AND SETTLEMENT UNDER THE DEPOSITORY SYSTEM

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global note or a global certificate for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through securities sub-accounts held with certain corporate depositors ("**Depository Agents**"). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Company, the Singapore Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

(3) **CLEARANCE AND SETTLEMENT UNDER THE CMU**

The CMU is a central depository service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the “**HKMA**”) for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of capital markets instruments (“**CMU Notes**”) which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Notes issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “authorized institutions” under the Banking Ordinance (Cap. 155) of Hong Kong.

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike Euroclear and Clearstream), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Notes. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Notes are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note in bearer form, references in the Conditions to “**Noteholder**” are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary for Euroclear and/or Clearstream and/or a sub-custodian for CDP and/or CMU and/or any other relevant clearing system, will be that depositary or common depositary or sub-custodian, as the case may be.

In relation to any Tranche of Notes represented by one or more Global Certificates, references in the Terms and Conditions of the Notes to “**Noteholder**” are references to the person in whose name the relevant Global Certificate is for the time being registered in the Register which in the case of any Global Certificate which is held by or on behalf of a depositary or a common depositary for Euroclear and/or Clearstream and/or a sub-custodian for CDP and/or CMU and/or any other relevant clearing system, will be that depositary or common depositary or a nominee for that depositary or common depositary.

Each of the persons shown in the records of Euroclear and/or Clearstream and/or CDP and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Certificate (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream and/or CDP and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Company to the holder of such Global Note or Global Certificate and in relation to all other rights arising under such Global Note or Global Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Certificate will be determined by the respective rules and procedures of Euroclear, Clearstream, CDP and any other relevant clearing system (as the case may be) from time to time. For so long as the relevant Notes are represented by a Global Note or Global Certificate, Accountholders shall have no claim directly against the Company in respect of payments due under the Notes and such obligations of the Company will be discharged by payment to the holder of such Global Note or Global Certificate.

If a Global Note or a Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Issue Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled or, in the case of Registered Notes, directed or deemed by the CMU as entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Lodging and Paying Agent for its share of each payment so made by the Issuer in respect of such Global Note or Global Certificate.

Transfers of Interests in Global Notes and Global Certificates

Transfers of interests in Global Notes and Global Certificates within Euroclear, Clearstream, CDP, CMU or any other relevant clearing system will be in accordance with their respective rules and operating procedures. None of the Company, the Trustee, the Registrar, the Dealers or the Agents will have any responsibility or liability for any aspect of the records of any of Euroclear, Clearstream, CDP, CMU or any other relevant clearing system or any of their respective participants relating to payments made on account of beneficial ownership interests in a Global Note or Global Certificate or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream, CDP, CMU or any other relevant clearing system or the records of their respective participants relating to such beneficial ownership interests.

The laws of some states of the United States require that certain persons receive individual certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Global Certificate to such persons will be limited. Because clearing systems only act on behalf of participants,

who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Certificate to pledge such interest to persons or entities which do not participate in the relevant clearing systems, or otherwise take actions in respect of such interest, may be affected by the lack of an Certificate representing such interest.

Although Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Certificates among participants and accountholders of Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Company, the Trustee, the Registrar, the Dealers or the Agents will have any responsibility for the performance by Euroclear or Clearstream or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their respective operations.

While a Global Certificate is lodged with Euroclear, Clearstream, CDP, CMU or any relevant clearing system, Certificates for the relevant Series of Notes will not be eligible for clearing and settlement through such clearing systems.

Conditions Applicable to Global Notes

Each Global Note and Global Certificate will contain provisions which modify the Conditions as they apply to the Global Note or Global Certificate. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Certificate which, according to the Conditions, require presentation and/or surrender of a Note or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Certificate to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Company in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Company shall procure that the payment is noted in a schedule thereto.

Payment Record Date: Each payment in respect of a Global Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the “**Record Date**”) where “**Clearing System Business Day**” means a day on which each clearing system for which the Global Certificate is being held is open for business.

Exercise of put option: In order to exercise the option contained in Condition 7(e) (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note or the holder of a Global Certificate must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Issuing and Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 7(d) (*Redemption at the option of the Company*) in relation to some only of the Notes where such Notes are held with Euroclear, Clearstream, CDP, CMU or any relevant clearing system, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, CDP, CMU or any other clearing system (as the case may be).

Notices: Notwithstanding Condition 13 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Certificate and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or Global Certificate is, held (i) on behalf of Euroclear or Clearstream, or any other clearing system (except as provided in (ii) and (iii) below)), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by these Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate, (ii) by CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in the list of Noteholders provided by CDP or may be given by way of publication in a leading English language daily newspaper of general circulation in Singapore, or (iii) by a sub-custodian for the CMU, notices to

the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Issue Position Report issued by the HKMA on the business day prior to the date of despatch of such notice and any such notice shall be deemed to have been given to the holders of Notes of that Series in accordance with Condition 13 (*Notices*) on the second day after the day on which such notice is delivered to the persons shown in the relevant CMU Issue Position Report. Except as provided in (iii), any such notice will be deemed to have been given on the third day after the day on which the said notice was given to the relevant clearing system or on the date of first publication, as the case may be.

TAXATION

The statements below are general in nature and are based on certain aspects of tax laws in Singapore and administrative guidelines and circulars issued by MAS and the Inland Revenue Authority of Singapore in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis, including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities (“QDS”) scheme for early redemption fee (as defined in the ITA) and redemption premium (as such term has been amended by the ITA). Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Company, the Arrangers nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of the Notes.

Singapore Taxation

1. **INTEREST AND OTHER PAYMENTS**

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (i) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (a) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (b) deductible against any income accruing in or derived from Singapore; or
- (ii) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is currently 24%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

As the Programme as a whole was arranged by Citicorp Investment Bank (Singapore) Limited and DBS in Singapore, each of which was a Financial Sector Incentive (Bond Market) Company (as defined in the ITA) at such time and is a Specified Licensed Entity (as defined below), any tranche of

the Notes (the “**Relevant Notes**”) issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2028 would be QDS for the purposes of the ITA, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Company, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Notes as MAS may require and the inclusion by the Company in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Relevant Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the “**Qualifying Income**”) from the Relevant Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person’s operation through a permanent establishment in Singapore, are exempt from Singapore income tax;
- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Company, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Notes as MAS may require), Qualifying Income from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (iii) subject to:
 - (aa) the Company including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (bb) the furnishing by the Company, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Notes as MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Company.

Notwithstanding the foregoing:

- (i) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Company, such Relevant Notes would not qualify as QDS; and
- (ii) even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50% or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Company, Qualifying Income derived from such Relevant Notes held by:
 - (a) any related party of the Company; or
 - (b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Company,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

Pursuant to the ITA, the reference to the term **“Specified Licensed Entity”** above means:

- (i) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;
- (ii) a finance company licensed under the Finance Companies Act 1967 of Singapore; or
- (iii) a person who holds a capital markets services licence under the SFA to carry on a business in any of the following regulated activities: advising on corporate finance or dealing in capital markets products.

The terms **“early redemption fee”**, **“redemption premium”** and **“related party”** are defined in the ITA as follows:

“early redemption fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities; and

“related party”, in relation to a person (A), means any person (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person.

References to **“early redemption fee”**, **“redemption premium”** and **“related party”** in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

2. **CAPITAL GAINS**

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who are adopting Singapore Financial Reporting Standard 109—Financial Instruments (**“FRS 109”**) or Singapore Financial Reporting Standard (International) 9 (**“SFRS(I) 9”**) (as the case may be), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 109 and SFRS(I) 9 for Singapore income tax purposes”.

3. **ADOPTION OF FRS 109 AND SFRS(I) 9 FOR SINGAPORE INCOME TAX PURPOSES**

Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The Inland Revenue Authority of Singapore has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109—Financial Instruments”.

Holders of the Notes who may be subject to the tax treatment under Section 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. **ESTATE DUTY**

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Proposed Financial Transactions Tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

United States Foreign Account Tax Compliance Act (“FATCA”) Tax Provisions

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Company may be a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining “foreign passthru payment”. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Notes to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Company and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Notes from the Company pursuant to the Programme Agreement.

IMPORTANT NOTICE TO CMIs (INCLUDING PRIVATE BANKS)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Information Memorandum and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMI (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;
- a unique identification number for each investor;
- whether an underlying investor has any “Associations” (as used in the SFC Code);
- whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code); and
- whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealer may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Dealers that it is not a Sanctions Restricted Person. A “**Sanctions Restricted Person**” means an individual or entity (a “**Person**”): (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current “Specially Designated Nationals and Blocked Persons” list (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of the following (i) — (vi) to the extent that it will not result in violation of any sanctions by the CMIs: (i) their inclusion in the most current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the “**EU Annexes**”), (iii) their inclusion in any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the U.S. Department of Commerce’s Bureau of Industry and Security (“**BIS**”) under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled “Addressing the Threat from Securities Investments that Finance Certain Companies of the People’s Republic of China” (known as the Non-SDN Chinese Military- Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled “Addressing the threat from Securities Investments that Finance Chinese Military Companies”; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign

government from accessing the data of U.S. persons; or (c) that is located, organized or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Russia, the Crimea region of Ukraine, the Donetsk's People's Republic or Luhansk People's Republic. "**Sanctions Authority**" means: (a) the United Nations; (b) the United States; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) the People's Republic of China; (f) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (g) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury.

United States

- (A) The Notes have not been and will not be registered under the Securities Act. Subject to certain exceptions, Notes may not be offered or sold within the United States or to U.S. persons. Each Dealer has represented and agreed that, except as permitted by the Programme Agreement, it will not offer, sell or in the case of Bearer Notes, deliver the Notes within the United States or to U.S. persons. In addition, until 40 days after the commencement of any offering, an offer or sale of Notes from that offering within the United States by any dealer whether or not participating in the offering may violate the registration requirements of the Securities Act.
- (B) Bearer Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or to United States persons, except in certain transactions permitted by U.S. tax regulations.
- (C) In addition, unless the Pricing Supplement or the Subscription Agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either "C Rules" or "not applicable", each Dealer has represented and agreed in relation to each Tranche of bearer Notes:
 - (i) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**"):
 - (a) it has not offered or sold, and during a 40-day restricted period shall not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and
 - (b) it has not delivered and shall not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
 - (ii) it has and throughout the restricted period shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes in bearer form may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
 - (iii) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it shall only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
 - (iv) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (a) repeats and confirms the representations contained in sub-paragraphs (i), (ii) and (iii) on behalf of such affiliate or (b) agrees that it shall obtain from such affiliate for the benefit of the Company the representations contained in sub-paragraphs (i), (ii) and (iii).

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the D Rules.

- (D) In addition, to the extent that the Pricing Supplement and the Subscription Agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is “C Rules”, under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”), Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented and agreed that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes within the United States or its possessions in connection with their original issuance. Further, in connection with their original issuance of Notes, it has not communicated, and shall not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the C Rules.

Prohibition of Sales to EEA Retail Investors

If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, each Dealer has represented, and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**EU MiFID II**”); or
- (ii) a customer within the meaning of Directive (EU) 2016/97 (“**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

Public Offer Selling Restriction Under the EU Prospectus Regulation

If the Pricing Supplement in respect of any Notes does not include a legend entitled “Prohibition of Sales to EEA Retail Investors”, in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation.

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**EU Prospectus Regulation**” means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors: If the Pricing Supplement in respect of any Notes includes the legend “Prohibition of Sales to UK Retail Investors”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

If the Pricing Supplement in respect of any Notes does not include the legend “Prohibition of Sales to UK Retail Investors”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of UK Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other UK regulatory restrictions

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree:

- (a) *No deposit-taking:* in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:

- (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, if it was not an authorised person, apply to the Issuer; and
- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance, Chapter 571 of Hong Kong (the “SFO”) and any rules made thereunder; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of Hong Kong (the “C(WUMP)O”), or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or

provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948), as amended (the “**FIEA**”). Accordingly, each Dealer represents, warrants and agrees, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, “**resident of Japan**” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes has been, or will be, lodged with the Australian Securities and Investment Commission (“**ASIC**”) or any other regulatory authority in Australia. Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that, unless an applicable Pricing Supplement (or a supplement to this Information Memorandum) otherwise provides, it:

- (a) has not offered or invited applications, and will not offer or invite applications for the issue, sale or purchase of the Notes in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, the Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency, and in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a “**retail client**” as defined for the purposes of Section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws, regulations and directives in Australia (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act); and

such action does not require any document to be lodged with ASIC, or any other regulatory authority in Australia.

Korea

The Notes have not been registered and will not be registered with the Financial Services Commission of Korea for a public offering in Korea under the Korea Financial Investment Services and Capital Markets Act (“**FSCMA**”). The Notes have not been and will not be offered, sold or delivered directly or indirectly, or offered, sold or delivered to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea (as defined in the Foreign Exchange Transactions Law of Korea (“**FETL**”) and its Enforcement Decree) within 1 year of the issuance of the Notes, except as otherwise permitted under applicable Korean laws and regulations, including the FSCMA and the FETL and the decrees and regulations thereunder. Without prejudice to the foregoing, the number of Notes offered in Korea or to a resident in Korea shall be less than 50 and for a period of one year from the issue date of the Notes, none of the Notes may be divided resulting in an increased number of Notes. By the purchase of a Note, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased such Note pursuant to the applicable laws and regulations of Korea.

Taiwan

The Notes have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or other regulatory authority of Taiwan pursuant to relevant securities laws and regulations of Taiwan and may not be issued, offered or sold within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority of Taiwan. No person or entity in Taiwan has been authorised to offer or sell the Securities in Taiwan. The Notes may be made available outside Taiwan for purchase outside Taiwan by Taiwan resident investors, but may not be offered or sold in Taiwan.

PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes may not be offered or sold directly or indirectly in the People's Republic of China (the "**PRC**") (which, for the sole purpose herein, does not include Hong Kong, Macau or Taiwan). This Information Memorandum, the Notes and any material or information contained or incorporated by reference herein relating to the Notes have not been, and will not be, submitted to or approved/verified by or registered with the China Securities Regulatory Commission ("**CSRC**") or other relevant governmental and regulatory authorities in the PRC pursuant to relevant laws and regulations and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Notes in the PRC. Neither this Information Memorandum nor any material or information contained or incorporated by reference herein relating to the Notes constitutes an offer to sell or the solicitation of an offer to buy any securities in the PRC.

The Notes may only be invested by PRC investors that are authorised to engage in the investment in the Notes of the type being offered or sold. PRC investors are responsible for informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant government regulatory approvals/licenses, verification and/or registrations themselves, including, but not limited to, any which may be required from the People's Bank of China, the State Administration of Foreign Exchange, CSRC, the National Financial Regulatory Administration and other relevant regulatory bodies or successors of the aforementioned regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or overseas investment regulations.

General

The selling restrictions contained in the Programme Agreement may be modified, varied or amended from time to time by notification from the Company to the Dealers and each Dealer has undertaken that it will at all times comply with all such selling restrictions.

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Arranger and Dealer has represented, warranted and undertaken to the Company that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Information Memorandum and any related offering material.

Certain of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking transactions with, and may perform services for, the Company and its respective subsidiaries in the ordinary course of business for which they have and/or will receive fees and expenses. In the ordinary course of their various business activities, certain of the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto in order to manage their exposure, their

general market risk, or other trading activities. Such transactions, investments and securities activities may involve securities and instruments of the Company or its respective subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but whether or not with a view to later distribution. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Company in such jurisdiction.

GENERAL INFORMATION

Legal Entity Identifier

The Legal Entity Identifier of the Company is 549300ZG62N2599PWR15.

Material Change

Save as disclosed in this Information Memorandum, there has been no material adverse change in the financial position or business of the Company since 31 March 2025.

Working Capital

The Company is of the opinion that, after taking into account the present banking facilities, the Company has adequate working capital for its present requirements.

Changes in Accounting Policies

There has been no changes in accounting policies which would have a material adverse effect in the financial performance or position of the Group since 31 March 2025.

Litigation

Neither the Company nor the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened or contemplated) which may have or may have had (during the 12 months prior to the date of this Information Memorandum) a significant effect on the financial or trading position or profitability of the Group.

Documents for Inspection

As long as the Notes are outstanding, copies of the following documents may be inspected at the specified offices of each of the Principal Issuing and Paying Agent, the Singapore Issuing and Paying Agent and the CMU Lodging and Paying Agent during usual business hours on any weekday (public holidays excepted) or may be provided by email to the requesting Noteholder:

- (i) the Constitution of the Company;
- (ii) the Information Memorandum;
- (iii) the Agency Agreement;
- (iv) the Singapore Law Trust Deed (which contains the forms of the Notes in global and definitive form); and
- (v) the English Law Trust Deed (which contains the forms of the Notes in global and definitive form).

INDEX TO THE FINANCIAL STATEMENTS

The information in this section has been reproduced from the annual reports of the Company and its subsidiaries for the financial years ended 31 March 2025 and 2024 and from the unaudited management accounts of the Company and its subsidiaries for the six months ended 30 September 2025 and has not been specifically prepared for inclusion in this Information Memorandum.

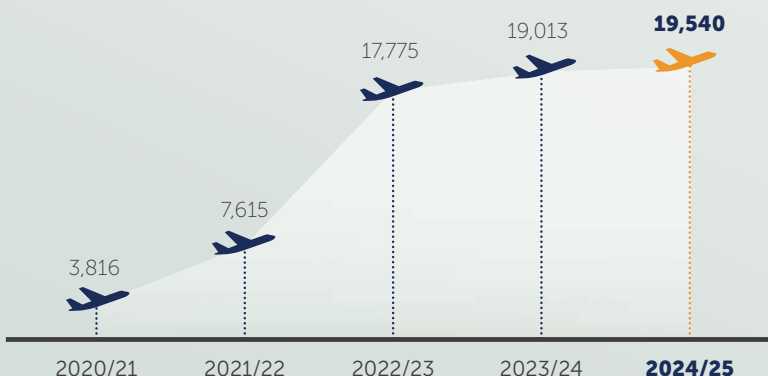
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FINANCIAL REVIEW

HIGHLIGHTS OF THE GROUP'S PERFORMANCE

REVENUE

(\$ million)



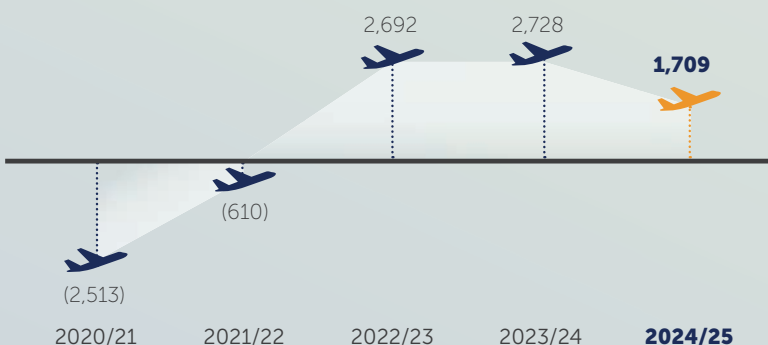
TOTAL REVENUE

**\$19,540
million**

(+\$527 million, +2.8%)

OPERATING PROFIT/(LOSS)

(\$ million)



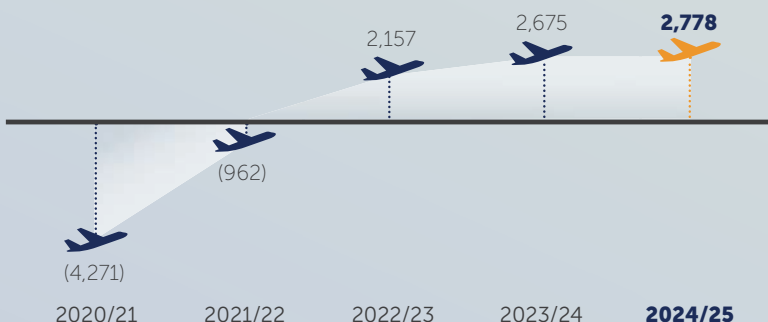
OPERATING PROFIT

**\$1,709
million**

(-\$1,019 million, -37.3%)

PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

(\$ million)



PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

**\$2,778
million**

(+\$103 million, +3.9%)

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE GROUP

KEY FINANCIAL HIGHLIGHTS

	2024/25	2023/24	% Change		
Profit for the Year (\$ million)					
Revenue	19,539.8	19,012.7	+	2.8	
Expenditure	(17,830.7)	(16,285.2)	+	9.5	
Operating profit	1,709.1	2,727.5	-	37.3	
Profit attributable to owners of the Company	2,778.0	2,674.8	+	3.9	
Per Share Data (cents)					
Profit per share – basic	89.3	63.3	+	41.1	
Ratios (%)					
Return on equity holders’ funds	17.4	14.8	+	2.6	points
Return on total assets	6.4	5.8	+	0.6	points

GROUP PROFIT

The Group registered an operating profit of \$1,709 million for the financial year, a decline of \$1,019 million from the previous year due to weaker performance from the Group Airlines. Operating performance was weighed down by higher costs from capacity expansion and rate increases, and lower revenue growth amidst intensified competition.

Group revenue rose \$527 million (+2.8%) year-on-year to a record \$19,540 million, driven by resilient demand for air travel and cargo uplift.

Passenger flown revenue increased \$164 million to \$15,849 million on the back of a 6.4% growth in passenger traffic (measured in revenue-passenger kilometres), partially offset by a 5.5% decline in passenger yields. Group passenger load factor ("PLF") declined 1.4% points to 86.6%, as passenger capacity (measured in available seat-kilometres) rose 8.2%, higher than the traffic increase.

Cargo flown revenue improved by \$94 million (+4.4%) to \$2,212 million, buoyed by the strong demand for e-commerce and perishables as well as the spillover from disruptions to sea freight. While the cargo load factor ("CLF") rose 1.6% points to 56.1%, yields decreased 7.8% due to increased competition.

	2024/25 \$ million	2023/24 \$ million	% Change	
Passenger flown revenue	15,848.5	15,684.7	+	1.0
Cargo flown revenue	2,212.2	2,118.6	+	4.4
Engineering services	521.6	449.1	+	16.1
Others	957.5	760.3	+	25.9
Total revenue	19,539.8	19,012.7	+	2.8

GROUP PROFIT (Continued)

Group expenditure increased \$1,546 million (+9.5%) year-on-year to \$17,831 million.

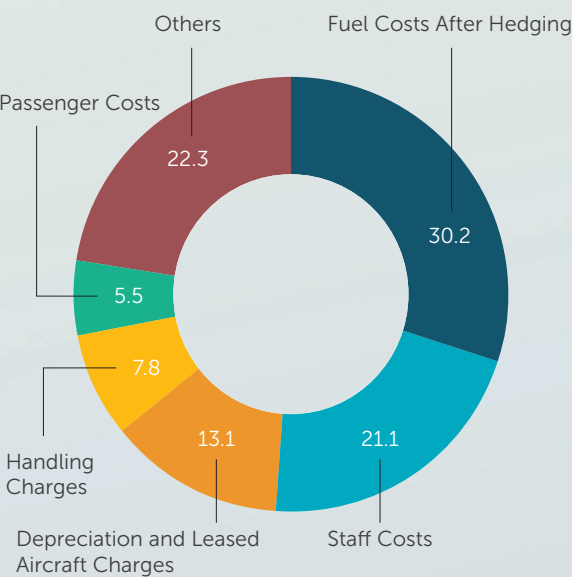
Fuel cost after hedging rose \$309 million (+6.1%) to \$5,386 million, largely from higher fuel volume uplifted due to higher capacity deployed (+\$508 million) and lower fuel hedging gains (+\$336 million). These were partially offset by a decrease in average jet fuel prices (-\$510 million) as well as a weaker US Dollar against the Singapore Dollar (-\$25 million).

Non-fuel expenditure increased \$1,237 million (+11.0%), mainly attributable to the expansion in operations and increase in rates.

The Group’s net profit improved \$103 million (+3.9%) to a record \$2,778 million, due to a non-cash accounting gain following the completion of the Air India-Vistara merger during the year (+\$1,098 million), mitigating the weaker operating performance (-\$1,019 million).

GROUP EXPENDITURE

(%)



QUARTERLY TREND OF GROUP FUEL PRICE AND FUEL COSTS (EXCLUDING HEDGING)



FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE GROUP (Continued)

FINANCIAL POSITION

Equity attributable to owners of the parent fell by \$682 million (-4.2%) to \$15,656 million as at 31 March 2025, largely due to the redemption of mandatory convertible bonds ("MCBs") (-\$1,548 million), payment of dividends (-\$1,429 million), reduction in fair values on hedges (-\$295 million) primarily from fuel hedges with a decrease in average forward fuel prices and maturity of contracts, as well as recognition of accreted interest on redemption of MCBs (-\$197 million) during the year. These were partially offset by the net profit for the financial year (+\$2,778 million).

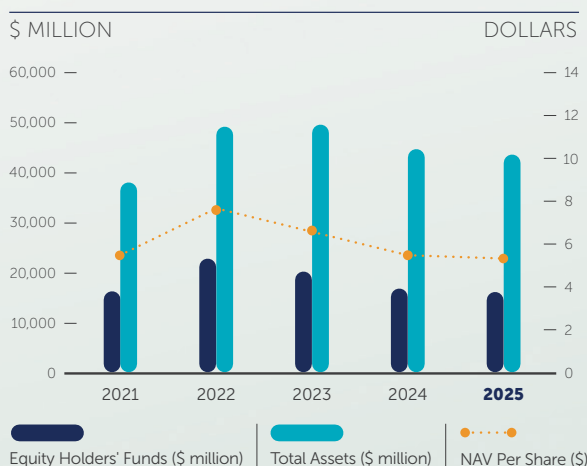
Total Group assets fell \$1,178 million (-2.7%) to \$43,087 million, mainly due to a decrease in cash and bank balances (-\$2,999 million), derivative assets (-\$736 million), right-of-use assets (-\$284 million) and trade debtors (-\$159 million). These were partially offset by an increase in associated companies (+\$2,085 million) and other receivables and assets (+\$868 million).

Cash and bank balances fell mainly due to capital expenditure (-\$1,768 million), redemption of MCBs (-\$1,745 million), placement of fixed deposits with original maturity of more than 12 months (-\$1,739 million), dividend payment (-\$1,429 million), investment and capital injection in Air India Limited (-\$996 million), repayment of borrowings (-\$736 million), lease payments (-\$697 million), repayment of bonds (-\$300 million) and interest payments (-\$265 million). These were partly offset by net cash generated from operations (+\$4,708 million), proceeds from borrowings (+\$902 million), proceeds from maturity of fixed deposits with original maturity of more than 12 months (+\$766 million) and interest received from investments and deposits (+\$481 million).

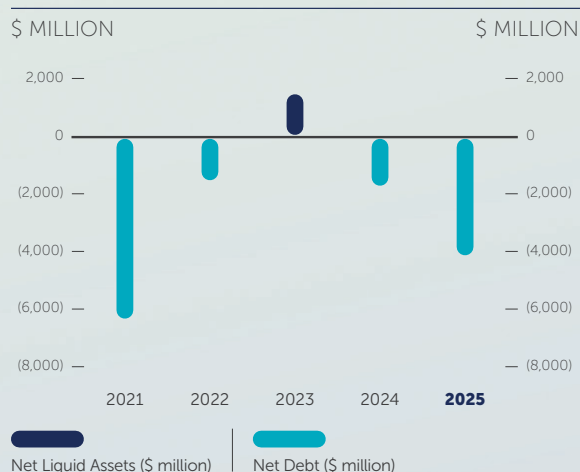
Total Group liabilities decreased by \$503 million (-1.8%) to \$27,017 million as at 31 March 2025, primarily arising from a decrease in lease liabilities (-\$392 million), derivative liabilities (-\$371 million), sales in advance of carriage (-\$180 million) and borrowings (-\$142 million). These were partially offset by increase in trade and other creditors (+\$245 million), deferred revenue (+\$233 million) and deferred taxes (+\$82 million).

The Group's net debt^{R1} was \$4,138 million as at 31 March 2025, a decrease of \$2,465 million from the prior year, attributable to lower cash and bank balances (-\$2,999 million), partially offset by lower lease liabilities (+\$392 million) and notes payable (+\$312 million). Total debt to equity ratio remained constant at 0.82 times as at 31 March 2025.

GROUP EQUITY HOLDERS' FUNDS, TOTAL ASSETS AND NET ASSET VALUE (NAV) PER SHARE



GROUP NET DEBT AND NET LIQUID ASSETS



^{R1} Net debt is defined as the sum of lease liabilities, loans and bonds issued, net of cash and bank balances and short-term investments.

DIVIDENDS

For the financial year ended 31 March 2025, the Board recommends a final dividend of 30 cents per share. Including the interim dividend of 10 cents per share paid on 11 December 2024, the total dividend for the financial year will be 40 cents per share. This amounts to a payout of approximately \$1,189 million based on the number of issued shares as at 31 March 2025.

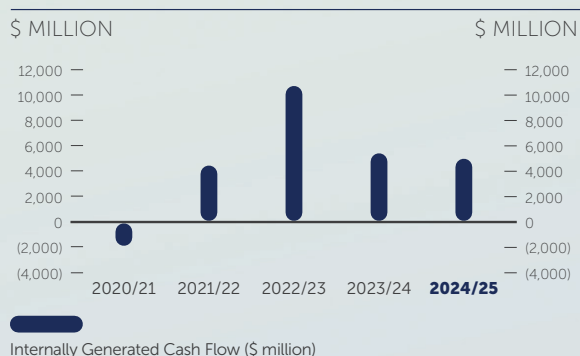
CAPITAL EXPENDITURE AND CASH FLOW OF THE GROUP

Capital expenditure was \$1,768 million, 43.6% higher than last year. Internally generated cash inflow was \$4,768 million, a decrease of 8.6% from last year and 2.70 times of capital expenditure. The decrease in internally generated cash flow was mainly attributable to lower cash inflow from operations, as well as lower proceeds from disposal of aircraft and other property, plant and equipment, and assets held for sale.

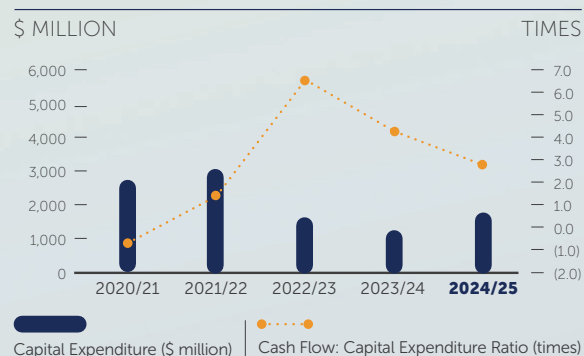
DIVIDEND PAYOUT



INTERNALLY GENERATED CASH FLOW



GROUP CAPITAL EXPENDITURE



GROUP STAFF STRENGTH AND PRODUCTIVITY

The Group's staff strength as at 31 March 2025 and 2024 was as follows:

	31 March		
	2025	2024	% Change
Singapore Airlines	18,042	17,782	+ 1.5
SIA Engineering	7,181	6,291	+ 14.1
Scoot	2,956	2,656	+ 11.3
Others	369	364	+ 1.4
	28,548	27,093	+ 5.4

Average staff productivity was as follows:

	2024/25	2023/24	% Change
Revenue per employee (\$)	702,340	742,133	- 5.4
Value added per employee (\$)	342,267	359,959	+ 4.9

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE GROUP (Continued)

STATEMENTS OF VALUE ADDED AND ITS DISTRIBUTION

Value added is a measure of wealth created. The statement below shows the Group's value added and its distribution by way of payments to employees, government, and to those who have provided capital. It also indicates the portion retained in the business for future capital requirements.

	2024/25 \$ million	2023/24 \$ million
Total revenue	19,539.8	19,012.7
Less: Purchase of goods and services	(11,685.2)	(10,547.6)
	7,854.6	8,465.1
Add:		
Interest income	492.0	631.7
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(13.6)	65.2
Dividends from long-term investments	2.1	-
Gain on disposal of an associated company	1,097.9	2.1
Other non-operating items	15.6	(25.6)
Share of profits of joint venture companies	43.3	34.9
Share of profits of associated companies	30.3	48.4
Total value added for distribution	9,522.2	9,221.8
Applied as follows:		
To employees:		
- Salaries and other staff costs	3,764.5	3,551.3
To government:		
- Corporation taxes	169.0	351.6
To suppliers of capital:		
- Interim and proposed dividends	1,189.3	1,427.5
- Finance charges	395.5	424.5
- Non-controlling interests	34.2	20.3
Retained for future capital requirements:		
- Depreciation, amortisation and impairment	2,381.0	2,199.3
- Retained profits	1,588.7	1,247.3
Total value added	9,522.2	9,221.8
Value added per \$ revenue (\$)	0.49	0.49
Value added per \$ employment cost (\$)	2.53	2.60
Value added per \$ investment in property, plant and equipment (\$)	0.26	0.26

PERFORMANCE OF THE FULL-SERVICE CARRIER

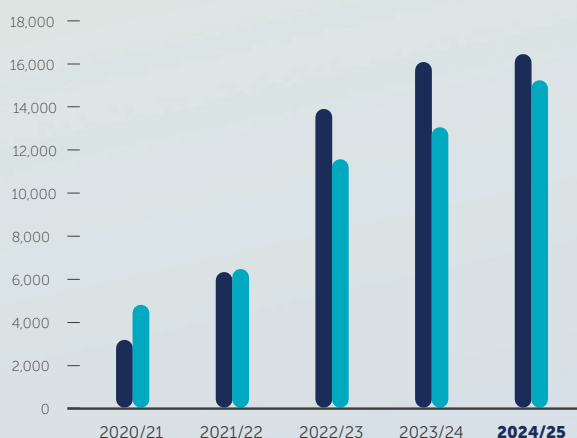
EARNINGS

	2024/25	2023/24		
	\$ million	\$ million	% Change	
Revenue	16,738.0	16,177.1	+	3.5
Expenditure	(15,069.1)	(13,541.9)	+	11.3
Operating profit	1,668.9	2,635.2	-	36.7
Finance charges	(432.6)	(466.9)	-	7.3
Interest income	505.5	651.4	-	22.4
(Loss)/Surplus on disposal of aircraft, spares and spare engines	(13.5)	54.6		n.m.
Dividends from subsidiary and associated companies	261.0	96.6	+	170.2
Dividends from long-term investments	2.1	-		n.m.
Gain on disposal of an associated company	601.7	-		n.m.
Other non-operating items	11.6	(1.2)		n.m.
Profit before taxation	2,604.7	2,969.7	-	12.3
Taxation	(143.4)	(398.9)	-	64.1
Profit after taxation	2,461.3	2,570.8	-	4.3

n.m. - not meaningful

FSC REVENUE AND EXPENDITURE

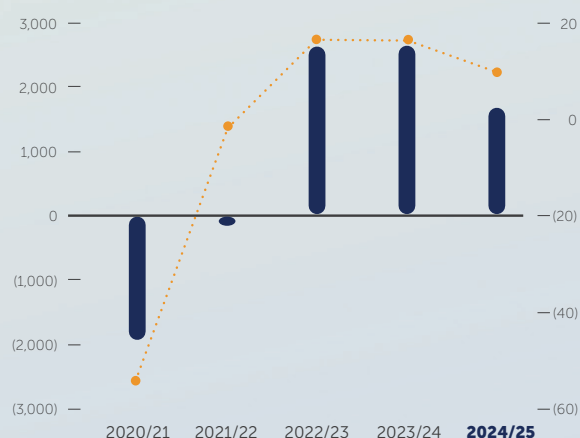
\$ MILLION



Revenue (\$ million) | Expenditure (\$ million)

OPERATING PROFIT/(LOSS) AND OPERATING MARGIN

\$ MILLION



Operating Profit/(Loss) (\$ million) | Operating Profit/(Loss) Margin (%)

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER (Continued)

REVENUE

	2024/25	2023/24		Change	
	\$ million	\$ million		\$ million	%
Passenger flown revenue	13,652.8	13,345.6	+	307.2	+ 2.3
Cargo and mail revenue	2,212.2	2,118.6	+	93.6	+ 4.4
Others	873.0	712.9	+	160.1	+ 22.5
Total operating revenue	16,738.0	16,177.1	+	560.9	+ 3.5

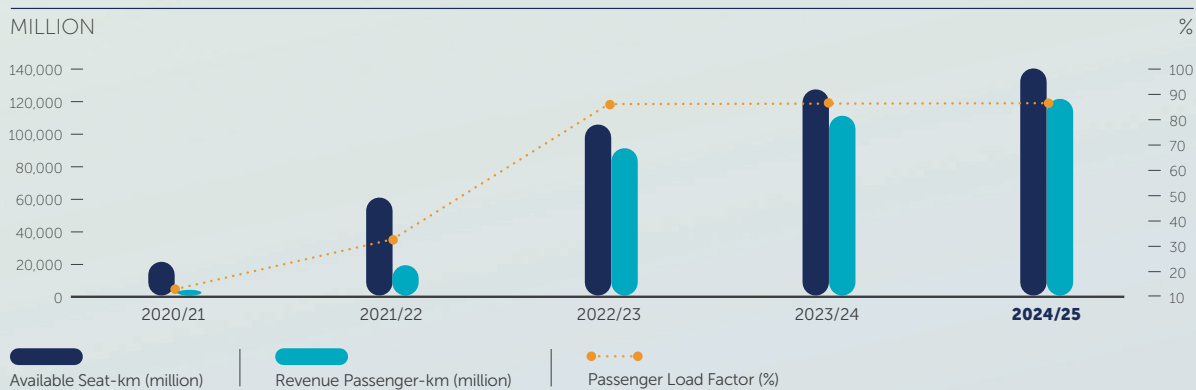
The FSC's revenue rose 3.5% to \$16,738 million, predominantly from robust demand for air travel and cargo uplift, albeit at lower yields amidst intense competition. Ticket breakage revenue contributed to the increase in other revenue.

OPERATING PERFORMANCE – PASSENGER SEGMENT

	2024/25	2023/24		% Change	
Passengers carried (thousand)	26,519	23,741	+	11.7	
Revenue passenger-km (million)	120,212.8	109,942.9	+	9.3	
Available seat-km (million)	139,651.6	126,240.5	+	10.6	
Passenger load factor (%)	86.1	87.1	-	1.0	point
Passenger yield (¢/pkm)	11.4	12.1	-	5.8	
Revenue per available seat-km (¢/ask)	9.8	10.6	-	7.5	
Passenger unit cost (¢/ask)	9.1	9.0	+	1.1	

Passenger traffic grew 9.3%, which lagged the 10.6% capacity injection, resulting in PLF falling 1.0% point to 86.1%. Passenger yield declined 5.8% due to increased competition as other carriers continued to step up their capacity.

CAPACITY, PASSENGER TRAFFIC AND LOAD FACTOR



OPERATING PERFORMANCE – PASSENGER SEGMENT (Continued)

A review of the FSC's passenger segment operations by route region is as follows:

By Route Region ^{R2} (2024/25 against 2023/24)						
	Passengers Carried		Revenue Passenger-KM		Available Seat-KM	
	Change (thousand)		% Change		% Change	
East Asia	+	2,115	+	20.3	+	20.4
Americas	+	44	+	3.0	+	3.8
Europe	+	179	+	7.4	+	10.4
South West Pacific	+	293	+	6.3	+	7.8
West Asia and Africa	+	147	+	3.5	+	3.5
Systemwide	+	2,778	+	9.3	+	10.6

Passenger load factor by route region was as follows:

Passenger Load Factor (%)				
	2024/25	2023/24		% points Change
East Asia	84.2	84.3	-	0.1
Americas	87.6	88.3	-	0.7
Europe	84.5	86.8	-	2.3
South West Pacific	90.4	91.7	-	1.3
West Asia and Africa	84.6	84.5	+	0.1
Systemwide	86.1	87.1	-	1.0

The FSC's passenger flown revenue increased in 2024/25, as a result of:

	\$ million	\$ million
9.3% increase in passenger traffic	+	1,246.6
5.8% decrease in passenger yield:		
Local currency yields	-	622.9
Change in passenger mix	-	160.1
Foreign exchange	-	156.4
Increase in passenger flown revenue	+	307.2

The sensitivity of passenger flown revenue to a one percentage point change in passenger load factor and a one percentage change in passenger yield is as follows:

	\$ million
1.0%-point change in passenger load factor, if yield and capacity remain constant	158.6
1.0% change in passenger yield, if passenger traffic remains constant	136.5

^{R2} Each route region comprises routes originating from Singapore to final destinations in countries and territories within the region concerned and vice versa. East Asia covers Brunei, Cambodia, Hong Kong SAR, Indonesia, Japan, Malaysia, Myanmar, the People's Republic of China, the Philippines, South Korea, Taiwan, Thailand and Vietnam. Americas denotes Canada and the USA. Europe consists of Denmark, England, France, Germany, Italy, the Netherlands, Spain, Switzerland, and Turkey. South West Pacific covers Australia and New Zealand. West Asia and Africa are made up of Bangladesh, India, Maldives, Nepal, South Africa, Sri Lanka and United Arab Emirates.

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER (Continued)

OPERATING PERFORMANCE – PASSENGER SEGMENT (Continued)

A breakdown of passenger revenue by route region and area of original sale is shown below:

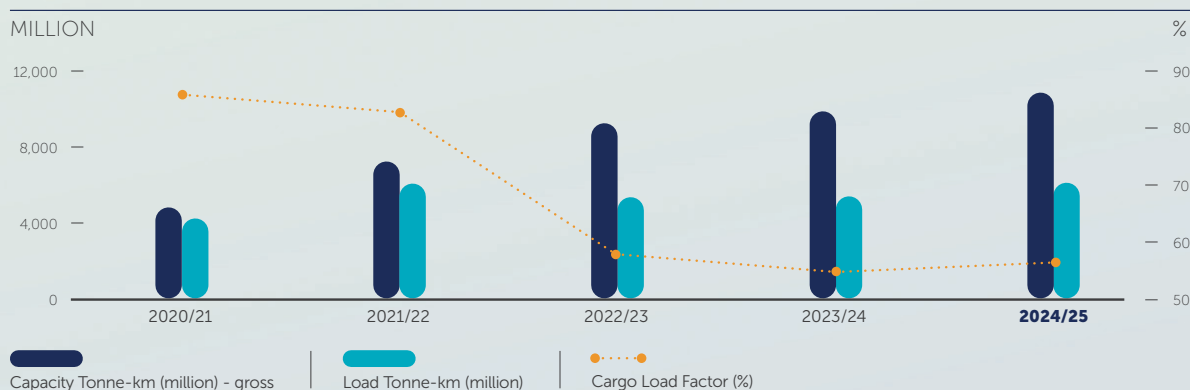
	By Route Region (\$ million)				By Area of Original Sale ^{R3} (\$ million)			
	2024/25	2023/24	% Change		2024/25	2023/24	% Change	
East Asia	4,387.0	4,107.3	+	6.8	6,626.5	6,353.8	+	4.3
Americas	2,186.6	2,137.2	+	2.3	1,253.4	1,209.8	+	3.6
Europe	2,949.8	2,850.6	+	3.5	2,141.6	2,089.0	+	2.5
South West Pacific	2,704.9	2,751.3	-	1.7	2,601.5	2,590.3	+	0.4
West Asia and Africa	1,424.5	1,499.2	-	5.0	1,029.8	1,102.7	-	6.6
Systemwide	13,652.8	13,345.6	+	2.3	13,652.8	13,345.6	+	2.3

OPERATING PERFORMANCE – CARGO SEGMENT

	2024/25	2023/24	% Change	
Cargo and mail carried (million kg)	1,107.6	952.4	+	16.3
Cargo load tonne-km (million)	6,059.0	5,347.9	+	13.3
Cargo capacity tonne-km (million) - gross	10,792.4	9,804.8	+	10.1
Cargo load factor (%)	56.1	54.5	+	1.6 points
Cargo yield (¢/ltk)	36.5	39.6	-	7.8
Cargo unit cost (¢/ctk)	20.2	21.1	-	4.3

While cargo loads increased by 13.3% due to the strong demand for e-commerce and perishables coupled with the spillover from disruptions to sea freight, yields were 7.8% lower year-on-year. Against a 10.1% capacity increase, driven by the increase in bellyhold capacity with the ramp-up of passenger flights, cargo load factor rose by 1.6% points to 56.1%.

CAPACITY, LOADS CARRIED AND LOAD FACTOR



^{R3} Each area of original sale comprises countries and territories within a region from which the sale is made.

OPERATING PERFORMANCE – CARGO SEGMENT (Continued)

A review of the cargo segment's operating performance by route region is as follows:

	By Route Region (2024/25 against 2023/24)					
	Loads			Load		Capacity
		Carried KG		Tonne-KM		Tonne-KM
		Change (million)		% Change		% Change
East Asia	+	92.2	+	21.9	+	15.9
Americas	+	12.2	+	13.4	+	12.1
Europe	+	9.5	+	5.6	+	6.1
South West Pacific	+	21.7	+	15.1	+	8.0
West Asia and Africa	+	19.6	+	12.4	+	4.3
Systemwide	+	155.2	+	13.3	+	10.1

Cargo load factor^{R4} by route region was as follows:

	Cargo Load Factor (%)		
	2024/25	2023/24	% points Change
East Asia	50.0	47.6	+ 2.4
Americas	55.8	55.1	+ 0.7
Europe	62.2	62.5	- 0.3
South West Pacific	52.4	49.1	+ 3.2
West Asia and Africa	67.6	62.7	+ 4.8
Systemwide	56.1	54.5	+ 1.6

The FSC's cargo and mail revenue increased in 2024/25, as a result of:

	\$ million	\$ million
13.3% increase in loads carried:		+
7.8% decrease in cargo yield:		281.7
Local currency yields	- 185.7	
Foreign exchange	- 2.4	- 188.1
Increase in cargo and mail revenue		+ 93.6

The sensitivity of cargo and mail revenue to a one percentage point change in cargo load factor and a one percentage change in cargo yield is as follows:

	\$ million
1.0%-point change in cargo load factor, if yield and capacity remain constant	39.4
1.0% change in cargo yield, if loads carried remains constant	22.1

A breakdown of cargo and mail revenue by route region and area of original sale is shown below:

	By Route Region (\$ million)				By Area of Original Sale ^{R5} (\$ million)			
	2024/25	2023/24	% Change		2024/25	2023/24	% Change	
East Asia	589.0	576.0	+	2.3	1,481.6	1,354.6	+	9.4
Americas	440.1	362.8	+	21.3	78.4	90.4	-	13.3
Europe	531.9	512.0	+	3.9	313.9	348.6	-	10.0
South West Pacific	401.7	431.3	-	6.9	147.7	160.6	-	8.0
West Asia and Africa	249.5	236.5	+	5.5	190.6	164.4	+	15.9
Systemwide	2,212.2	2,118.6	+	4.4	2,212.2	2,118.6	-	4.4

^{R4} Cargo capacity for passenger aircraft is based on the payload that is typically set aside for cargo carriage. However, when a passenger aircraft operates with low passenger loads or on a pure cargo mission, the cargo carried could be in excess of such capacity.

^{R5} Each area of original sale comprises countries and territories within a region from which the sale is made.

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER (Continued)

EXPENDITURE

The FSC's expenditure rose 11.3% to \$15,069.1 million in 2024/25.

	2024/25		2023/24		% Change	
	\$ million	%	\$ million	%		
Fuel costs	4,647.5	30.8	4,325.4	31.9	+	7.4
Staff costs	2,796.1	18.6	2,633.0	19.4	+	6.2
Depreciation	1,970.3	13.1	1,790.9	13.2	+	10.0
Handling charges	1,465.6	9.7	1,256.5	9.3	+	16.6
Aircraft maintenance and overhaul costs	573.1	3.8	567.0	4.2	+	1.1
In-flight meals and other passenger costs	954.6	6.3	794.3	5.9	+	20.2
Airport and overflying charges	762.6	5.1	662.3	4.9	+	15.1
Sales costs	735.6	4.9	687.2	5.1	+	7.0
Communications and information technology costs	158.5	1.0	133.6	1.0	+	18.6
Other costs	1,005.2	6.7	691.7	5.1	+	45.3
Total	15,069.1	100.0	13,541.9	100.0	+	11.3

A breakdown of fuel costs is shown below:

	2024/25 \$ million	2023/24 \$ million	Change \$ million	
Fuel costs (before hedging)	4,693.7	4,657.9	+	35.8
Fuel hedging gains	(46.2)	(332.5)	+	286.3
	4,647.5	4,325.4	+	322.1

Expenditure on fuel before hedging was \$36 million higher because of:

	\$ million
10.1% increase in volume uplifted from 31.6 million BBL to 34.8 million BBL	+ 491.4
8.5% decrease in weighted average fuel price from 110.0 USD/BBL to 100.7 USD/BBL	- 433.4
Weaker USD against SGD	- 22.2
	+ 35.8

Staff costs increased \$163 million (+6.2%) largely due to higher pay and allowances with the increase in staff strength and average pay, as well as higher crew allowances from the expansion of operations.

Depreciation was \$179 million (+10.0%) higher, mainly due to the addition of new aircraft and completion of maintenance and overhaul jobs.

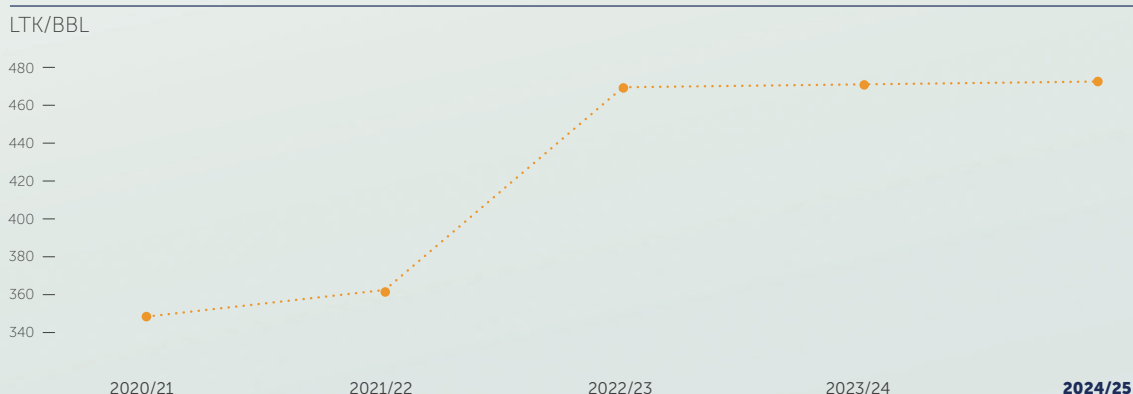
Most ex-fuel variable costs increased to support the network expansion and passenger traffic growth, on top of rate increases.

Other costs rose \$314 million (+45.3%), primarily due to the swing from a foreign exchange gain last year to a loss this year and provision for Carbon Offsetting and Reduction Scheme for International Aviation obligations.

FUEL PRODUCTIVITY AND SENSITIVITY ANALYSIS

Fuel productivity of the passenger fleet, measured by load tonne-km per barrel (ltk/BBL) was 473ltk/BBL, almost flat as compared to 471ltk/BBL registered in the previous year.

FUEL PRODUCTIVITY OF PASSENGER FLEET



A change in fuel productivity of 1.0% would have an impact on the FSC's annual fuel costs before hedging of about \$44 million, before accounting for changes in fuel price, USD exchange rate and flying operations.

A change in the price of fuel before hedging of one US dollar per barrel affects the FSC's annual fuel cost for passenger fleet by about \$43 million, before accounting for USD exchange rate movements, and changes in volume of fuel consumed.

NET INTEREST INCOME

Net interest income was \$73 million, \$112 million lower than last year, mainly due to lower interest income from the lower cash and bank balances and interest rates, partially offset by lower interest expense on leases, surplus funds placed by subsidiaries, and bonds.

DIVIDENDS FROM SUBSIDIARY AND ASSOCIATED COMPANIES

Dividends from subsidiary companies were \$164 million higher than last year mainly due to dividends received from Silkair (Singapore) Private Limited, and higher dividends from SIA Engineering Company Limited and Singapore Aviation and General Insurance Company Private Limited. These were partially offset by absence of dividends from Tradewinds Tours & Travel Private Limited and lower dividends from Ritz-Carlton Millenia Properties Private Limited.

GAIN ON DISPOSAL OF AN ASSOCIATED COMPANY

The \$602 million gain pertained to the non-cash accounting gain recorded by the FSC following the completion of the Air India-Vistara merger during the year.

TAXATION

Tax expense decreased \$256 million from last year mainly due to lower profitability, the non-taxable gain on disposal of Vistara and higher tax-exempt dividend income, coupled with an overprovision of taxes in prior years.

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER (Continued)

STAFF STRENGTH AND PRODUCTIVITY

The FSC's staff strength as at 31 March 2025 was 18,042, an increase of 260 over the previous year. The distribution of employee strength by category and location is as follows:

	31 March			
	2025	2024		% Change
Category				
Senior staff (executives and higher-ranking officers)	2,464	2,360	+	4.4
Technical crew	2,850	2,660	+	7.1
Cabin crew	9,374	9,458	-	0.9
Other ground staff	3,354	3,304	+	1.5
	18,042	17,782	+	1.5
Location				
Singapore	15,596	15,399	+	1.3
East Asia	1,163	1,110	+	4.8
Europe	460	455	+	1.1
South West Pacific	321	325	-	1.2
West Asia and Africa	335	331	+	1.2
Americas	167	162	+	3.1
	18,042	17,782	+	1.5

The FSC's average staff productivity ratios^{R6} are shown below:

	2024/25	2023/24		% Change
Capacity per employee (tonne-km)	1,401,282	1,368,511	+	2.4
Revenue per employee (\$)	934,457	972,006	-	3.9
Value added per employee (\$)	435,669	471,471	-	7.6

^{R6} The FSC's staff productivity ratios were computed based on average staff strength of 17,912 in 2024/25 (2023/24: 16,643).

PERFORMANCE OF THE SUBSIDIARY COMPANIES

The major subsidiary companies are SIA Engineering and Scoot. The following performance review includes intra-group transactions.

SIA ENGINEERING

	2024/25 \$ million	2023/24 \$ million		% Change
Total revenue	1,245.1	1,094.2	+	13.8
Total expenditure	(1,230.5)	(1,091.9)	+	12.7
Operating profit	14.6	2.3		n.m.
Net profit	139.6	97.1	+	43.8

The SIAEC Group posted a revenue of \$1,245 million for the financial year ended 31 March 2025, up \$151 million or 13.8% year-on-year supported by stable growth in demand for aircraft maintenance repair and overhaul services.

Expenditure rose \$139 million or 12.7% mainly due to higher material usage and subcontract costs, in line with the rise in work activities.

Consequently, the SIAEC Group recorded an operating profit of \$15 million, improving \$12 million from the previous year.

Net profit for the financial year was \$140 million, an increase of \$43 million or 43.8%. On top of the better operating performance (+\$12 million), the absence of impairment on deferred engine programme recorded last year (+\$25 million) and higher share of profits of associated and joint venture companies (+\$18 million), which saw similar trend of increase in demand, contributed to the higher net profit.

Basic earnings per share was 12.46 cents for the current financial year.

SCOOT

	2024/25 \$ million	2023/24 \$ million		% Change
Total revenue	2,349.2	2,445.5	-	3.9
Total expenditure	(2,313.4)	(2,327.4)	-	0.6
Operating profit	35.8	118.1	-	69.7
Profit after taxation	22.2	182.4	-	87.8

Revenue for Scoot declined \$96 million or 3.9% for the year, on the back of a 3.0% fall in passenger traffic against a flat capacity change, exacerbated by 2.9% weaker yields. Scoot's PLF dipped 2.8% points to 88.4%.

Expenditure decreased marginally by \$14 million or 0.6%, as the savings from lower variable costs were offset by higher depreciation expense with new aircraft deliveries and staff costs due to additional headcount.

As a result, Scoot's operating profit was down \$82 million to \$36 million.

Scoot recorded a profit after taxation of \$22 million, a decline of \$160 million from last year largely due to the lower operating profit (-\$82 million), a tax expense against a tax credit recorded last year (-\$74 million) and the absence of gain on disposal on three A320CEOs last year (-\$11 million). The tax credit recorded in the prior year stemmed from the recognition of previously unutilised tax losses.

FINANCIAL REPORT

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DIRECTORS' STATEMENT

The Directors are pleased to present this statement together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

In our opinion:

- (a) the financial statements set out on pages 117 to 213 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and financial position of the Company as at 31 March 2025, and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967, Singapore Financial Reporting Standards (International) and International Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

1 Directors of the Company

The Directors in office at the date of this statement are as follows:

Peter Seah Lim Huat	Chairman (Independent)
Goh Choon Phong	Chief Executive Officer
Gautam Banerjee	(Non-Independent)
Simon Cheong Sae Peng	(Independent)
David John Gledhill	(Independent)
Goh Swee Chen	(Independent)
Dominic Ho Chiu Fai	(Independent)
Lee Kim Shin	(Independent)
Jeanette Wong Kai Yuan	(Independent)
Yeoh Oon Jin	(Independent)

2 Arrangements to Enable Directors to Acquire Shares and Debentures

Except as disclosed under "Directors' Interests in Shares, Share Options and Debentures" and "Equity Compensation Plans of the Company" in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or share options in, or debentures of, the Company or any other body corporate.

3 Directors' Interests in Shares, Share Options and Debentures

The following Directors who held office at the end of the financial year had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, interests in the following shares, share options, awards and debentures of the Company, and of related corporations, etc..

Name of Director	Direct interest		Deemed interest	
	1 April 2024	31 March 2025	1 April 2024	31 March 2025
Interest in Singapore Airlines Limited				
Ordinary shares				
Peter Seah Lim Huat	210,300	247,500	—	—
Goh Choon Phong	4,300,975	4,920,744	—	—
Gautam Banerjee	58,450	67,850	—	—
Simon Cheong Sae Peng	52,475	61,375	—	—
David John Gledhill	40,100	51,700	—	—

DIRECTORS' STATEMENT

3 Directors' Interests in Shares, Share Options and Debentures (continued)

Name of Director	Direct interest		Deemed interest	
	1 April 2024	31 March 2025	1 April 2024	31 March 2025
Interest in Singapore Airlines Limited (continued)				
<u>Ordinary shares (continued)</u>				
Goh Swee Chen	37,050	45,650	–	–
Dominic Ho Chiu Fai	55,500	68,000	–	–
Lee Kim Shin	37,100	45,200	–	–
Jeanette Wong Kai Yuan	11,000	19,900	16,500 ⁺	16,500 ⁺
Yeoh Oon Jin	9,600	19,700	–	–
<u>Conditional award of restricted shares (note 1)</u>				
Goh Choon Phong – Base Awards	73,856	74,589	–	–
– Final Awards (Pending Release)	112,232	85,853	–	–
<u>Conditional award of performance shares (note 2)</u>				
Goh Choon Phong – Base Awards	405,302	362,909	–	–
<u>Conditional award of strategic restricted shares (note 3)</u>				
Goh Choon Phong – Final Awards (Pending Release)	193,075	131,075	–	–
<u>Singapore Airlines 2021 Mandatory Convertible Bond due 2030</u>				
Peter Seah Lim Huat	\$37,500	–	–	–
Goh Choon Phong	\$125,000	–	–	–
Simon Cheong Sae Peng	\$17,230	–	–	–
Goh Swee Chen	\$9,693	–	–	–
Lee Kim Shin	\$10,346	–	–	–
Jeanette Wong Kai Yuan	–	–	\$8,622 ⁺	–
<u>Singapore Airlines \$630 million 3.13% Notes due 2026</u>				
Yeoh Oon Jin	\$250,000	\$250,000	–	–
Interest in CapitaLand Ascendas REIT				
<u>Units</u>				
Gautam Banerjee	20,000	20,000	–	–
David John Gledhill	39,000	–	–	–
Jeanette Wong Kai Yuan	–	–	150,000 ⁺	150,000 ⁺
Interest in CapitaLand Ascott Trust				
<u>Units</u>				
Peter Seah Lim Huat	23,051	23,051	–	–
Goh Choon Phong	1,995	1,995	–	–
Goh Swee Chen	2,377	2,377	–	–
Interest in CapitaLand China Trust				
<u>Units</u>				
Peter Seah Lim Huat	110,181	114,281	–	–
Simon Cheong Sae Peng	–	–	245,000 [#]	245,000 [#]
Jeanette Wong Kai Yuan	–	–	225,000 ⁺	225,000 ⁺
Interest in CapitaLand India Trust				
<u>Units</u>				
Gautam Banerjee	120,000	120,000	–	–
Interest in CapitaLand Integrated Commercial Trust				
<u>Units</u>				
Peter Seah Lim Huat	250,751	272,265	–	–
Goh Choon Phong	10,237	28,900	–	–
Gautam Banerjee	120,000	120,000	–	–
Goh Swee Chen	6,451	6,451	–	–

DIRECTORS' STATEMENT

3 Directors' Interests in Shares, Share Options and Debentures (continued)

Name of Director	Direct interest		Deemed interest	
	1 April 2024	31 March 2025	1 April 2024	31 March 2025
Interest in CapitaLand Investment Limited				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	392,928	392,928	–	–
Goh Choon Phong	35,000	35,000	–	–
Goh Swee Chen	41,709	41,709	–	–
Jeanette Wong Kai Yuan	–	–	15,000 ⁺	15,000 ⁺
<u>\$400 million 3.33% Fixed Rate Senior Notes due 2027</u>				
Goh Choon Phong	\$250,000	\$250,000	–	–
Interest in CapitaLand Treasury Limited				
<u>\$500 million 3.08% Notes due 2027</u>				
Yeoh Oon Jin	\$250,000	\$250,000	–	–
Interest in Mapletree Industrial Trust				
<u>Units</u>				
Simon Cheong Sae Peng	–	–	93,941 [#]	93,941 [#]
Interest in Mapletree Global Student Accommodation Private Trust				
<u>Units in Class A (USD)</u>				
Goh Choon Phong	4,823	4,823	–	–
<u>Units in Class B (GBP)</u>				
Goh Choon Phong	4,823	4,823	–	–
Interest in Olam Group Limited				
<u>\$600 million 4.00% Notes due 2026</u>				
Yeoh Oon Jin	\$250,000	\$250,000	–	–
Interest in Singapore Technologies Engineering Ltd				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	545,325	545,325	–	–
Goh Choon Phong	6,000	6,000	–	–
Interest in Singapore Telecommunications Limited				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	1,667	1,667	1,550 [*]	1,550 [*]
Goh Choon Phong	1,610	1,610	–	–
Goh Swee Chen	–	–	5,000 [*]	5,000 [*]
Lee Kim Shin	194	194	–	–
Jeanette Wong Kai Yuan	17,821	17,821	–	–
Interest in StarHub Ltd				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	308,992	308,992	300,000 [*]	300,000 [*]
Interest in Telechoice International Limited				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	50,000	50,000	–	–

⁺ Director's deemed interests arise from joint holdings with spouse.

^{*} Directors' deemed interests arise from holdings held by their respective spouses.

[#] Director's deemed interests arise from holdings held by corporations in which the Director has a controlling interest.

DIRECTORS' STATEMENT

3 Directors' Interests in Shares, Share Options and Debentures (continued)

Notes:

1. The actual number of Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards and is contingent on the Achievements against Targets over the one-year performance periods relating to the relevant awards.
2. The actual number of Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards and is contingent on the Achievements against Targets over the three-year performance periods relating to the relevant awards.
3. The Awards of fully paid ordinary shares will vest over two years with 50% vesting immediately upon the date of the grant of the award, and the balance at 25% over the next two years. On the final vesting date, an additional equity kicker equivalent to 20% of the Final Award will be settled with the participants.

Except as disclosed in this statement, no other Director who held office at the end of the financial year had interests in shares, share options, awards or debentures of the Company, or of related corporations etc., either at the beginning of the financial year, or at the end of the financial year.

There were no changes in the above-mentioned interests between the end of the financial year and 21 April 2025.

4 Equity Compensation Plans of the Company

The Company has in place (or previously had in place) the SIA Restricted Share Plan 2014 ("RSP 2014"), the SIA Restricted Share Plan 2024 ("RSP 2024"), the SIA Performance Share Plan 2014 ("PSP 2014") and the SIA Performance Share Plan 2024 ("PSP 2024").

At the date of this statement, the Board Compensation & Industrial Relations Committee ("BCIRC") which administers the RSP 2014, RSP 2024, PSP 2014 and PSP 2024 comprises the following Directors:

Peter Seah Lim Huat	Chairman (Independent)
Simon Cheong Sae Peng	(Independent)
Jeanette Wong Kai Yuan	(Independent)

RSP 2014/RSP 2024 and PSP 2014/PSP 2024

Details of the RSP 2014/RSP 2024 and PSP 2014/PSP 2024 are disclosed in note 5 to the financial statements.

The RSP 2014 and PSP 2014 were approved by the shareholders of the Company on 30 July 2014. The duration of the RSP 2014 and PSP 2014 was 10 years each, commencing from 30 July 2014. The RSP 2014 and PSP 2014 expired on 29 July 2024. The expiry of the RSP 2014 and PSP 2014 was without prejudice to the rights of holders of awards outstanding under the RSP 2014 and PSP 2014 as at the date of such expiry.

At the Annual General Meeting held on 29 July 2024, shareholders approved the adoption of the RSP 2024 and PSP 2024 to replace the RSP 2014 and PSP 2014. The duration of the RSP 2024 and PSP 2024 is 10 years each, commencing from 29 July 2024.

Under the RSP 2014/RSP 2024, a base number of conditional share awards ("Base Award") was/is granted to eligible participants annually. Depending on the achievement of pre-determined targets over a one-year performance period for awards granted from 2016 onwards, the BCIRC will determine an achievement factor which will then be applied to the Base Award to determine the final number of RSP 2014/ RSP 2024 shares to be awarded at the end of the respective performance periods ("Final Award"). All RSP awards reported for the financial period under review were granted from 2016 onwards.

DIRECTORS' STATEMENT

4 Equity Compensation Plans of the Company (continued)

Under the PSP 2014/PSP 2024, a base number of conditional share awards ("Base Award") was/is granted to eligible participants annually. Depending on the achievement of pre-determined targets over a three-year performance period, the BCIRC will determine an achievement factor which will then be applied to the Base Award to determine the final number of PSP 2014/PSP 2024 shares to be awarded at the end of the respective performance periods ("Final Award").

The achievement factor could range from 0% to 200% for both the RSP 2014/RSP 2024 and PSP 2014/PSP 2024.

One-third of the RSP 2014/RSP 2024 Final Awards of fully paid ordinary shares will be released to the participants at the end of the one-year performance period. The balance will be released equally over the subsequent two years with fulfilment of service requirements.

For the strategic awards of restricted shares granted under the RSP 2014/RSP 2024, half of the Final Awards of fully paid ordinary shares was released to the participants on the date of grant. The balance will be released equally over the subsequent two years with fulfilment of service requirements. On the final vesting date, an additional equity kicker equivalent to 20% of the Final Award will be settled with the participant.

All the PSP 2014/PSP 2024 Final Awards of fully paid ordinary shares will be released to the participants at the end of the three-year performance period. RSP 2014 and PSP 2014 Final Awards released during the financial year under review were satisfied by way of the transfer of 4,217,174 treasury shares and the allotment and issue of 80,279 new shares to the participants.

No awards have been granted to controlling shareholders or their associates, or parent group directors or employees, under the RSP 2014/RSP 2024 and PSP 2014/PSP 2024.

No participant has received 5% or more of the total number of awards granted under the RSP 2014 and PSP 2014, or 5% or more of the total number of shares available under the RSP 2024 and PSP 2024.

Details of the shares awarded under the RSP 2014/RSP 2024 and PSP 2014/PSP 2024 to Directors of the Company are as follows:

1. RSP 2024 Share Awards Granted to Non-Executive Directors

During the financial year, an aggregate of 115,300 shares were delivered by way of the transfer of treasury shares pursuant to awards granted under the RSP 2024 to certain Non-Executive Directors as part of their Directors' Fees for the period 1 April 2023 to 31 March 2024 in lieu of cash. The share awards consisted of the grant of fully paid shares outright with no performance or vesting conditions attached, but with a selling moratorium of one year. Details are set out below.

Names of Non-Executive Directors	Share awards granted and vested during the financial year	Balance as at 31 March 2025	Aggregate share awards granted since commencement of the RSP 2024 to end of financial year under review
Peter Seah Lim Huat	37,200	—	37,200
Gautam Banerjee	9,400	—	9,400
Simon Cheong Sae Peng	8,900	—	8,900
David John Gledhill	11,600	—	11,600
Goh Swee Chen	8,600	—	8,600
Dominic Ho Chiu Fai	12,500	—	12,500
Lee Kim Shin	8,100	—	8,100
Jeanette Wong Kai Yuan	8,900	—	8,900
Yeoh Oon Jin	10,100	—	10,100

DIRECTORS' STATEMENT

4 Equity Compensation Plans of the Company (continued)

2. RSP 2014 Base Awards

Name of participant	Balance as at 1 April 2024	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2025	Aggregate Base Awards granted since commencement of the RSP 2014 to end of financial year under review
Goh Choon Phong	73,856	74,589	73,856	74,589	779,237

3. RSP 2014 Final Awards (Pending Release) ^{R1}

Name of participant	Balance as at 1 April 2024	Final Awards granted during the financial year [#]	Final Awards released during the financial year	Balance as at 31 March 2025	Aggregate ordinary shares released to participant since commencement of the RSP 2014 to end of financial year under review
Goh Choon Phong	112,232	78,290	104,669	85,853	629,075

4. PSP 2014 Base Awards ^{R2}

Name of participant	Balance as at 1 April 2024	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2025	Aggregate Base Awards granted since commencement of the PSP 2014 to end of financial year under review	Aggregate ordinary shares released to participant since commencement of the PSP 2014 to end of financial year under review
Goh Choon Phong	405,302	111,883	154,276	362,909	1,151,077	630,870

5. Strategic RSP 2014 ("SSA 2014")

Details of the strategic RSP 2014 awards of restricted shares are disclosed in note 5 to the financial statements. The grant of strategic RSP 2014 awards were made under the authority of the BCIRC.

Details of the shares awarded under the strategic RSP 2014 to a Director of the Company are as follows:

(a) SSA 2014 Base Awards

Name of participant	Balance as at 1 April 2024	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2025	Aggregate Base Awards granted since commencement of the SSA 2014 to end of financial year under review
Goh Choon Phong	–	111,000	111,000	–	920,800

DIRECTORS' STATEMENT

4 Equity Compensation Plans of the Company (continued)

5. Strategic RSP 2014 ("SSA 2014") (continued)

(b) SSA 2014 Final Awards (Pending Release) ^{R3}

Name of participant	Balance as at 1 April 2024	Final Awards granted during the financial year [#]	Adjustment [*]	Final Awards released during the financial year	Balance as at 31 March 2025	Aggregate ordinary shares released to participant since commencement of the SSA 2014 to end of financial year under review
Goh Choon Phong	193,075	111,000	33,540	206,540	131,075	891,225

^{R1} The actual number of RSP 2014 Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards and is contingent on the Achievements against Targets over the one-year performance periods relating to the relevant awards.

^{R2} The actual number of PSP 2014 Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards and is contingent on the Achievements against Targets over the three-year performance periods relating to the relevant awards.

^{R3} The actual number of SSA 2014 Final Awards of fully paid ordinary shares is contingent on the BCIRC's assessment of Covid-19 response.

[#] Final Awards granted during the financial year is determined by applying the achievement factor to the Base Awards that have vested during the financial year.

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

5 Equity Compensation Plans of Subsidiary

The particulars of the equity compensation plans of a subsidiary of the Company are as follows:

SIA Engineering Company Limited ("SIAEC")

At the Extraordinary General Meeting of SIAEC held on 21 July 2014, shareholders of SIAEC approved the adoption of the SIAEC Restricted Share Plan 2014 ("SIAEC RSP 2014") and the SIAEC Performance Share Plan 2014 ("SIAEC PSP 2014"). The July 2024 share awards to eligible participants were made under the RSP 2014 and PSP 2014.

At the Annual General Meeting of SIAEC held on 20 July 2024, shareholders of SIAEC approved the adoption of the SIAEC Restricted Share Plan 2024 ("SIAEC RSP 2024") and the SIAEC Performance Share Plan 2024 ("SIAEC PSP 2024") to replace the previous RSP 2014 and PSP 2014, which were terminated following the adoption of the new plans. The termination of the previous RSP 2014 and PSP 2014 was without prejudice to the rights of holders of awards outstanding under the respective plans as at the date of such termination.

Details and terms of the SIAEC RSP 2014/SIAEC RSP 2024 and SIAEC PSP 2014/SIAEC PSP 2024 have been disclosed in the Directors' Statement of SIAEC.

DIRECTORS' STATEMENT

6 Audit Committee

At the date of this statement, the Audit Committee comprises the following four independent Directors and one non-independent Director:

Yeoh Oon Jin	Independent (Chairman)
Gautam Banerjee	Non-Independent
Dominic Ho Chiu Fai	Independent
Goh Swee Chen	Independent
Jeanette Wong Kai Yuan	Independent

The Audit Committee performed its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, the SGX-ST Listing Manual and the Code of Corporate Governance, which include *inter alia* the review of the following:

- (i) financial statements and announcements relating to financial performance of the Group and the Company, and significant financial reporting issues and judgements contained in them, prior to their submissions to the Board of Directors for adoption;
- (ii) the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance, and information technology controls) and risk management systems, and the Board's comments thereon, prior to determining whether it concurs with such comments; and consideration and recommendation of the necessary steps to take if material weaknesses are identified in the Group's internal controls;
- (iii) the assurance from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements;
- (iv) audit scopes, plans and reports (including Key Audit Matters) of the external and internal auditors;
- (v) adequacy and effectiveness of the internal audit function, and the effectiveness, independence and objectivity of the external auditors;
- (vi) interested person transactions (as defined in Chapter 9 of the SGX-ST Listing Manual);
- (vii) whistle-blowing programme instituted by the Company; and
- (viii) any material loss of funds, significant computer security incidents and legal cases.

The Audit Committee has held four meetings since the last Directors' Statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system. The Audit Committee also reviewed management's internal control adequacy representations that is based on the Control Self-Assessment System. In the review of the audited financial statements of the Group and the Company, the Audit Committee had discussed with management and the external auditors the accounting principles that were applied and their judgement on the items that might affect the financial statements. Based on the review and discussions with management and the external auditors, the Audit Committee is of the view that the financial statements are fairly presented in conformity with generally accepted accounting principles in all material aspects.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing the auditor of the Company and the subsidiaries, the Group has complied with Rules 712 and 715 of the SGX-ST Listing Manual.

DIRECTORS' STATEMENT

7 Auditors

KPMG LLP has expressed its willingness to accept re-appointment as independent external auditor.

On behalf of the Board,

PETER SEAH LIM HUAT
Chairman

GOH CHOON PHONG
Chief Executive Officer

Dated this 15th day of May 2025

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Singapore Airlines Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2025, the consolidated profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 117 to 213.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act'), Singapore Financial Reporting Standards (International) ('SFRS(I)s') and IFRS Accounting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Accuracy of passenger revenue

Refer to note 2(o) 'Revenue' for the relevant accounting policy.

The key audit matter	How the matter was addressed in our audit
Passenger sales are not recognised as revenue immediately but are deferred to be recorded later as revenue in the profit and loss account when the related transportation service is provided. Such deferred revenue is presented on the statement of financial position as sales in advance of carriage and is measured based on the sales price to the customer, net of discounts and rebates. Passenger revenue accounts for the largest share of the Group's business operation and comprises high volume of individually low value transactions. The amount of revenue to be recognised for each flight as it is flown relies on complex internal IT systems that handle large volumes of transaction data and includes the exchange of information with industry systems and partner airlines. As a result of the complexity, this is a key focus area in our audit.	We evaluated the design and implementation, and the operating effectiveness of relevant general IT system controls that supports the reliable operation of the IT system application controls identified above, including user access controls and controls over programming and configuration. We evaluated the design and implementation, and the operating effectiveness of related IT system application controls relating to the completeness and accuracy of transfers of data between systems and validation checks to identify data errors. We evaluated the design and implementation, and operating effectiveness of relevant manual controls to assess the accuracy of the revenue recognised, including the appropriateness of the treatment applied to exceptions and reconciliations of the SIA Group's records with the outputs from shared industry systems and partner airlines. We checked samples of passenger revenue transactions to underlying records including evidence of payment and flight records to assess the accuracy of the revenue recognised.

Findings

Our testing performed on relevant IT and manual controls over the passenger revenue systems, and the checking of selected revenue transactions to their underlying records, found the accuracy of Passenger Revenue to be appropriate.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Acquisition of Air India

Refer to note 2(d) 'Associated companies' for the relevant accounting policy.

The key audit matter	How the matter was addressed in our audit
On 12 November 2024, SIA announced the completion of the merger of its associated company, TATA-SIA Airlines Limited ("TATA-SIA") and Air India Limited ("AI"), collectively the enlarged AI Group. SIA holds a 25.1% stake in the enlarged AI Group after the completion of the merger. At acquisition date, Management recognised a cost of investment in AI of \$1,928.6 million and recognised a non-cash accounting gain of \$1,097.9 million for the SIA Group. This transaction requires the purchase price to be allocated ("PPA") to the fair values of the identifiable assets, including intangible assets acquired and liabilities assumed. The PPA is a key audit matter given the judgement and estimation uncertainty involved in determining the fair values of the assets and liabilities assumed in the acquisition.	We reviewed the underlying agreements and assessed the terms and conditions affecting the purchase consideration and acquisition accounting. For the 31 March 2025 consolidated financial statements, the PPA amounts have been determined on a provisional basis. We have assessed the competency and objectivity of the valuers that management have engaged for the PPA. We involved our valuation specialists in assessing the reasonableness of the method and key assumptions used by the valuer in determining the fair values where applicable. We have involved a component auditor in auditing material financial balances as disclosed in note 25 to the consolidated financial statements and assessed the adequacy of audit evidence obtained from the work performed by our component auditor. We have evaluated the completeness, accuracy, and relevance of the disclosures in the consolidated financial statements in accordance with IFRS 3.

Findings

Based on our procedures performed above, we found that the initial accounting for the acquisition of Air India based on provisional values and the related disclosures are in compliance with IFRS 3.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Other Information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Interested Person Transactions and Group Corporate Structure ('the Reports'), prior to the date of this auditors' report. The remaining other information contained in the annual report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRS Accounting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

REPORT ON LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ang Fung Fung.

KPMG LLP

Public Accountants and
Chartered Accountants

Dated this 15th day of May 2025
Singapore

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Financial Year ended 31 March 2025 (in \$ Million)

		The Group	
	Notes	FY2024/25	FY2023/24
REVENUE	4	19,539.8	19,012.7
EXPENDITURE			
Staff costs	5	3,764.5	3,551.3
Fuel costs		5,385.5	5,076.6
Depreciation	21, 22	2,308.2	2,109.6
Impairment of property, plant and equipment	21	–	0.5
Amortisation of intangible assets	23	72.8	76.2
Aircraft maintenance and overhaul costs		643.5	727.3
Commission and incentives		505.1	477.8
Landing, parking and overflying charges		909.1	811.5
Handling charges		1,390.4	1,195.3
Rentals on leased aircraft and engines		2.0	(3.9)
Inflight meals		741.5	616.4
Advertising and sales costs		325.4	331.2
Company accommodation and utilities		50.7	46.6
Other passenger costs		240.6	207.0
Crew expenses		164.3	138.2
Other operating expenses		1,327.1	923.6
		17,830.7	16,285.2
OPERATING PROFIT	6	1,709.1	2,727.5
Finance charges	7	(395.5)	(424.5)
Interest income	8	492.0	631.7
(Loss)/Surplus on disposal of aircraft, spares and spare engines		(13.6)	65.2
Dividends from long-term investments		2.1	–
Gain on disposal of an associated company	25	1,097.9	2.1
Write-back of impairment of aircraft	21	–	13.8
Impairment of deferred engine programme	23	–	(25.1)
Other non-operating items	9	15.6	(27.3)
Share of profits of joint venture companies		40.1	32.8
Share of profits of associated companies		17.1	40.9
PROFIT BEFORE TAXATION		2,964.8	3,037.1
TAXATION	10	(152.6)	(342.0)
PROFIT FOR THE FINANCIAL YEAR		2,812.2	2,695.1
PROFIT ATTRIBUTABLE TO:			
OWNERS OF THE COMPANY		2,778.0	2,674.8
NON-CONTROLLING INTERESTS		34.2	20.3
		2,812.2	2,695.1
EARNINGS PER SHARE (CENTS)	11	89.3	63.3
DILUTED EARNINGS PER SHARE (CENTS)	11	85.3	61.4

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year ended 31 March 2025 (in \$ Million)

	The Group	
	FY2024/25	FY2023/24
PROFIT FOR THE FINANCIAL YEAR	2,812.2	2,695.1
OTHER COMPREHENSIVE INCOME:		
Items that are or may be reclassified subsequently to profit or loss:		
Currency translation differences	(4.9)	11.4
Net fair value changes on cash flow hedges	(294.5)	(54.3)
Share of other comprehensive income of associated and joint venture companies	9.7	29.5
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gain on revaluation of defined benefit plans	12.0	1.3
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR, NET OF TAX	(277.7)	(12.1)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	2,534.5	2,683.0
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	2,501.5	2,661.5
NON-CONTROLLING INTERESTS	33.0	21.5
	2,534.5	2,683.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2025 (in \$ Million)

		The Group 31 March		The Company 31 March	
	Notes	2025	2024	2025	2024
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	13	7,180.9	7,180.4	7,180.9	7,180.4
Mandatory convertible bonds	14	–	1,547.5	–	1,547.5
Treasury shares	15	(26.5)	(37.5)	(26.5)	(37.5)
Other reserves	16	8,501.8	7,647.5	9,341.7	8,779.5
		15,656.2	16,337.9	16,496.1	17,469.9
NON-CONTROLLING INTERESTS		413.8	406.7	–	–
TOTAL EQUITY		16,070.0	16,744.6	16,496.1	17,469.9
DEFERRED ACCOUNT					
		74.3	15.0	74.3	15.0
DEFERRED TAXATION	17	1,884.5	1,802.9	1,912.0	1,853.2
LONG-TERM LEASE LIABILITIES		2,866.7	3,182.2	1,827.8	2,096.1
BORROWINGS		7,297.3	8,737.4	7,187.1	8,578.0
OTHER LONG-TERM LIABILITIES	19	137.6	110.4	137.6	110.4
PROVISIONS	20	743.2	915.8	354.2	468.8
DEFINED BENEFIT PLANS		58.1	84.7	58.1	84.7
		29,131.7	31,593.0	28,047.2	30,676.1
Represented by:					
PROPERTY, PLANT AND EQUIPMENT		21	23,480.9	23,435.8	20,333.2
RIGHT-OF-USE ASSETS		22	3,087.4	3,371.0	1,936.1
INTANGIBLE ASSETS		23	338.6	304.5	275.4
SUBSIDIARY COMPANIES		24	–	–	5,702.0
ASSOCIATED COMPANIES		25	2,865.2	780.5	2,137.9
JOINT VENTURE COMPANIES		26	334.4	297.1	32.3
LONG-TERM INVESTMENTS		27	39.5	38.9	36.2
OTHER LONG-TERM ASSETS		28	1,544.8	395.2	1,486.6
CURRENT ASSETS					
Derivative assets	42	106.1	769.2	105.9	766.7
Inventories	29	344.9	268.0	271.8	196.5
Trade debtors	30	1,229.9	1,388.7	1,020.5	1,167.0
Amounts owing by subsidiary companies	30	–	–	100.7	12.8
Deposits and other debtors	31	272.6	382.2	164.2	232.5
Prepayments		109.9	153.9	78.9	115.9
Other short-term assets	32	536.5	890.7	536.5	890.7
Investments	33	519.7	519.7	463.4	464.5
Restricted cash balances		19.2	12.8	–	–
Cash and bank balances	34	8,257.1	11,256.0	7,960.1	10,976.0
Assets held for sale	21	0.1	0.5	0.1	0.1
		11,396.0	15,641.7	10,702.1	14,822.7
Less: CURRENT LIABILITIES					
Borrowings	18	2,213.4	915.4	2,150.7	851.2
Lease liabilities		536.9	613.0	382.9	426.4
Current tax payable		72.5	68.2	43.5	39.3
Trade and other creditors	35	4,628.4	4,383.8	3,417.9	3,236.2
Amounts owing to subsidiary companies	35	–	–	2,703.0	3,163.3
Sales in advance of carriage	36	4,533.2	4,713.2	4,205.5	4,327.9
Deferred revenue	36	1,260.6	1,028.0	1,257.8	1,022.7
Deferred account		13.2	24.6	10.9	22.9
Derivative liabilities	42	91.0	489.5	91.0	489.5
Provisions	20	605.9	436.0	331.4	186.1
		13,955.1	12,671.7	14,594.6	13,765.5
NET CURRENT (LIABILITIES)/ASSETS		(2,559.1)	2,970.0	(3,892.5)	1,057.2
		29,131.7	31,593.0	28,047.2	30,676.1

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2025 (in \$ Million)

The Group

	Notes	Share capital	Mandatory convertible bonds	Treasury shares
Balance at 1 April 2024		7,180.4	1,547.5	(37.5)
Comprehensive income				
Currency translation differences	16(b)	–	–	–
Net fair value changes on cash flow hedges	16(d)	–	–	–
Actuarial gain on revaluation of defined benefit plans		–	–	–
Share of other comprehensive income of associated and joint venture companies		–	–	–
Other comprehensive income for the financial year, net of tax		–	–	–
Profit for the financial year		–	–	–
Total comprehensive income for the financial year		–	–	–
<u>Transactions with owners, recorded directly in equity</u>				
<u>Contributions by and distributions to owners</u>				
Redemption of mandatory convertible bonds	14	–	(1,547.5)	–
Purchase of treasury shares	15	–	–	(30.3)
Changes in ownership interest without loss of control		–	–	–
Share of other changes in equity of an associated company		–	–	–
Realisation of reserves from disposal of interest in an associated company		–	–	–
Share-based compensation expense	5	–	–	–
Ordinary shares issued pursuant to equity compensation plans	13	0.5	–	–
Treasury shares reissued pursuant to equity compensation plans	15	–	–	41.3
Dividends	12	–	–	–
Total contributions by and distributions to owners		0.5	(1,547.5)	11.0
<u>Changes in ownership interests in subsidiary companies</u>				
Acquisition of non-controlling interests without change in control		–	–	–
Incorporation of a subsidiary company with non-controlling interests		–	–	–
Total changes in ownership interests in subsidiary companies		–	–	–
Total transactions with owners		0.5	(1,547.5)	11.0
Balance at 31 March 2025		7,180.9	–	(26.5)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to owners of the Company							
Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
(116.7)	(22.4)	32.2	448.7	7,305.7	16,337.9	406.7	16,744.6
–	(3.7)	–	–	–	(3.7)	(1.2)	(4.9)
–	–	–	(294.7)	–	(294.7)	0.2	(294.5)
–	–	–	–	12.0	12.0	–	12.0
11.4	(0.7)	–	(0.8)	–	9.9	(0.2)	9.7
11.4	(4.4)	–	(295.5)	12.0	(276.5)	(1.2)	(277.7)
–	–	–	–	2,778.0	2,778.0	34.2	2,812.2
11.4	(4.4)	–	(295.5)	2,790.0	2,501.5	33.0	2,534.5
–	–	–	–	(197.1)	(1,744.6)	–	(1,744.6)
–	–	–	–	–	(30.3)	–	(30.3)
(0.1)	–	(4.4)	–	(2.2)	(6.7)	(7.7)	(14.4)
(5.5)	–	–	–	5.5	–	–	–
(0.2)	1.6	–	–	–	1.4	–	1.4
–	–	25.2	–	–	25.2	–	25.2
–	–	(0.5)	–	–	–	–	–
(19.5)	–	(20.9)	–	–	0.9	–	0.9
–	–	–	–	(1,428.8)	(1,428.8)	(21.4)	(1,450.2)
(25.3)	1.6	(0.6)	–	(1,622.6)	(3,182.9)	(29.1)	(3,212.0)
(0.3)	–	–	–	–	(0.3)	(0.1)	(0.4)
–	–	–	–	–	–	3.3	3.3
(0.3)	–	–	–	–	(0.3)	3.2	2.9
(25.6)	1.6	(0.6)	–	(1,622.6)	(3,183.2)	(25.9)	(3,209.1)
(130.9)	(25.2)	31.6	153.2	8,473.1	15,656.2	413.8	16,070.0

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2025 (in \$ Million)

The Group

	Notes	Share capital	Mandatory convertible bonds	Treasury shares
Balance at 1 April 2023		7,180.2	6,195.1	(73.8)
<u>Comprehensive income</u>				
Currency translation differences	16(b)	–	–	–
Net fair value changes on cash flow hedges	16(d)	–	–	–
Actuarial gain on revaluation of defined benefit plans		–	–	–
Share of other comprehensive income of associated and joint venture companies		–	–	–
Other comprehensive income for the financial year, net of tax		–	–	–
Profit for the financial year		–	–	–
Total comprehensive income for the financial year		–	–	–
<u>Transactions with owners, recorded directly in equity</u>				
Contributions by and distributions to owners				
Redemption of mandatory convertible bonds	14	–	(4,647.6)	–
Purchase of treasury shares	15	–	–	(3.2)
Conversion of convertible bonds		0.2	–	–
Changes in ownership interest without loss of control		–	–	–
Share of other changes in equity of an associated company		–	–	–
Share-based compensation expense	5	–	–	–
Treasury shares reissued pursuant to equity compensation plans	15	–	–	39.5
Acquisition of a subsidiary company with non-controlling interests		–	–	–
Dividends	12	–	–	–
Total contributions by and distributions to owners		0.2	(4,647.6)	36.3
<u>Changes in ownership interests in subsidiary companies</u>				
Acquisition of non-controlling interests without change in control		–	–	–
Disposal of a subsidiary company with non-controlling interests		–	–	–
Total changes in ownership interests in subsidiary companies		–	–	–
Total transactions with owners		0.2	(4,647.6)	36.3
Balance at 31 March 2024		7,180.4	1,547.5	(37.5)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to owners of the Company							
Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
(116.0)	(32.4)	24.3	506.9	6,174.0	19,858.3	391.5	20,249.8
–	9.0	–	–	–	9.0	2.4	11.4
–	–	–	(54.3)	–	(54.3)	–	(54.3)
–	–	–	–	1.3	1.3	–	1.3
33.6	1.0	–	(3.9)	–	30.7	(1.2)	29.5
33.6	10.0	–	(58.2)	1.3	(13.3)	1.2	(12.1)
–	–	–	–	2,674.8	2,674.8	20.3	2,695.1
33.6	10.0	–	(58.2)	2,676.1	2,661.5	21.5	2,683.0
–	–	–	–	(416.6)	(5,064.2)	–	(5,064.2)
–	–	–	–	–	(3.2)	–	(3.2)
–	–	–	–	–	0.2	–	0.2
–	–	(5.0)	–	(0.4)	(5.4)	1.7	(3.7)
(2.8)	–	–	–	2.8	–	–	–
–	–	31.4	–	–	31.4	–	31.4
(20.5)	–	(18.5)	–	–	0.5	–	0.5
–	–	–	–	–	–	5.6	5.6
–	–	–	–	(1,130.2)	(1,130.2)	(20.7)	(1,150.9)
(23.3)	–	7.9	–	(1,544.4)	(6,170.9)	(13.4)	(6,184.3)
(11.0)	–	–	–	–	(11.0)	6.5	(4.5)
–	–	–	–	–	–	0.6	0.6
(11.0)	–	–	–	–	(11.0)	7.1	(3.9)
(34.3)	–	7.9	–	(1,544.4)	(6,181.9)	(6.3)	(6,188.2)
(116.7)	(22.4)	32.2	448.7	7,305.7	16,337.9	406.7	16,744.6

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2025 (in \$ Million)

The Company

	Notes	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2024		7,180.4	1,547.5	(37.5)	(909.7)	26.4	419.8	9,243.0	17,469.9
Comprehensive income									
Net fair value changes on cash flow hedges	16(d)	–	–	–	–	–	(265.4)	–	(265.4)
Actuarial gain on revaluation of defined benefit plans		–	–	–	–	–	–	11.9	11.9
Other comprehensive income for the financial year, net of tax		–	–	–	–	–	(265.4)	11.9	(253.5)
Profit for the financial year		–	–	–	–	–	–	2,461.3	2,461.3
Total comprehensive income for the financial year		–	–	–	–	–	(265.4)	2,473.2	2,207.8
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Redemption of mandatory convertible bonds	14	–	(1,547.5)	–	–	–	–	(197.1)	(1,744.6)
Purchase of treasury shares	15	–	–	(30.3)	–	–	–	–	(30.3)
Share-based compensation expense		–	–	–	–	21.2	–	–	21.2
Ordinary shares issued pursuant to equity compensation plans	13	0.5	–	–	–	(0.5)	–	–	–
Treasury shares reissued pursuant to equity compensation plans	15	–	–	41.3	(19.5)	(20.9)	–	–	0.9
Dividends	12	–	–	–	–	–	–	(1,428.8)	(1,428.8)
Total transactions with owners		0.5	(1,547.5)	11.0	(19.5)	(0.2)	–	(1,625.9)	(3,181.6)
Balance at 31 March 2025		7,180.9	–	(26.5)	(929.2)	26.2	154.4	10,090.3	16,496.1

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2025 (in \$ Million)

The Company									
	Notes	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2023		7,180.2	6,195.1	(73.8)	(897.7)	19.8	467.9	8,218.2	21,109.7
Effects of business transfer to Kris+ Pte. Ltd. ("Kris+")	16(a)	–	–	–	8.5	–	–	–	8.5
Comprehensive income									
Net fair value changes on cash flow hedges	16(d)	–	–	–	–	–	(48.1)	–	(48.1)
Actuarial gain on revaluation of defined benefit plans		–	–	–	–	–	–	0.8	0.8
Other comprehensive income for the financial year, net of tax		–	–	–	–	–	(48.1)	0.8	(47.3)
Profit for the financial year		–	–	–	–	–	–	2,570.8	2,570.8
Total comprehensive income for the financial year		–	–	–	–	–	(48.1)	2,571.6	2,523.5
<u>Transactions with owners, recorded directly in equity</u>									
<u>Contributions by and distributions to owners</u>									
Redemption of mandatory convertible bonds	14	–	(4,647.6)	–	–	–	–	(416.6)	(5,064.2)
Purchase of treasury shares	15	–	–	(3.2)	–	–	–	–	(3.2)
Conversion of convertible bonds		0.2	–	–	–	–	–	–	0.2
Share-based compensation expense		–	–	–	–	25.1	–	–	25.1
Treasury shares reissued pursuant to equity compensation plans	15	–	–	39.5	(20.5)	(18.5)	–	–	0.5
Dividends	12	–	–	–	–	–	–	(1,130.2)	(1,130.2)
Total transactions with owners		0.2	(4,647.6)	36.3	(20.5)	6.6	–	(1,546.8)	(6,171.8)
Balance at 31 March 2024		7,180.4	1,547.5	(37.5)	(909.7)	26.4	419.8	9,243.0	17,469.9

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 March 2025 (in \$ Million)

		The Group	
	Notes	FY2024/25	FY2023/24
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		2,964.8	3,037.1
Adjustments for:			
Depreciation	21, 22	2,308.2	2,109.6
Impairment of property, plant and equipment	21	–	0.5
Write-back of impairment of aircraft	21	–	(13.8)
Impairment of deferred engine programme	23	–	25.1
Amortisation of intangible assets	23	72.8	76.2
(Write-back of impairment)/Impairment of trade debtors	6	(4.7)	10.5
Writedown of inventories	6	11.2	6.7
Income from short-term investments	6	(1.6)	(1.5)
Provisions		165.9	162.3
Share-based compensation expense	5	25.2	31.4
Exchange differences		56.8	(80.1)
Loss/(Gain) on lease remeasurement	6	29.4	(0.8)
Net gain on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	6	(1.7)	(1.1)
Fair value loss from foreign currency derivatives	6	0.3	–
Foreign currency hedging ineffectiveness	6	–	(0.1)
Finance charges	7	395.5	424.5
Interest income	8	(492.0)	(631.7)
Loss/(Surplus) on disposal of aircraft, spares and spare engines		13.6	(65.2)
Dividends from long-term investments		(2.1)	–
Gain on disposal of an associated company		(1,097.9)	(2.1)
Other non-operating items	9	(15.6)	27.3
Share of profits of joint venture companies		(40.1)	(32.8)
Share of profits of associated companies		(17.1)	(40.9)
Operating cash flow before working capital changes		4,370.9	5,041.1
Increase in trade and other creditors		70.2	117.8
(Decrease)/Increase in sales in advance of carriage		(180.0)	81.8
Decrease/(Increase) in trade debtors		168.8	(177.7)
Decrease/(Increase) in deposits and other debtors		107.0	(32.2)
Decrease/(Increase) in prepayments		44.0	(53.7)
Increase in restricted cash balances		(6.4)	(12.8)
Increase in inventories		(88.1)	(47.8)
Increase in deferred revenue		232.6	161.7
Cash generated from operations		4,719.0	5,078.2
Payment of competition-related settlements		–	(25.4)
Income taxes paid		(11.3)	(10.7)
NET CASH PROVIDED BY OPERATING ACTIVITIES		4,707.7	5,042.1

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 March 2025 (in \$ Million)

	Notes	The Group	
		FY2024/25	FY2023/24
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure	37	(1,768.0)	(1,231.3)
Purchase of intangible assets		(105.7)	(96.0)
Proceeds from disposal of aircraft and other property, plant and equipment		0.5	12.6
Proceeds from disposal of assets held for sale		0.4	83.8
Proceeds from disposal of long-term investments		23.0	22.3
Purchase of short-term investments		(69.6)	(154.1)
Proceeds from disposal of short-term investments		66.9	41.9
Dividends received from associated and joint venture companies		47.9	44.1
Dividends received from investments		2.1	–
Interest received from investments and deposits		480.8	617.0
Investments in associated companies		(1,006.8)	(3.0)
Placement of fixed deposits with original maturity of more than 12 months		(1,739.0)	(805.2)
Proceeds from maturity of fixed deposits with original maturity of more than 12 months		765.8	–
Proceeds from finance leases		–	2.2
Acquisition of a subsidiary company, net of cash acquired		–	15.6
Proceeds from disposal of a subsidiary company, net of cash disposed		–	0.1
Proceeds from liquidation of an associated company		–	13.8
NET CASH USED IN INVESTING ACTIVITIES		(3,301.7)	(1,436.2)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid	12	(1,428.8)	(1,130.2)
Dividends paid by subsidiary companies to non-controlling interests	12	(21.4)	(20.7)
Interest paid		(264.5)	(285.3)
Redemption of mandatory convertible bonds		(1,744.6)	(5,064.2)
Proceeds from borrowings		901.7	417.8
Repayment of borrowings		(736.4)	(1,267.1)
Repayment of lease liabilities		(697.4)	(739.4)
Repayment of bonds		(300.0)	(1,350.0)
Payment of transaction costs related to borrowings		(4.8)	(1.0)
Purchase of treasury shares		(30.3)	(3.2)
Proceeds from issuance of bonds		–	670.1
Payment of transaction costs from issuance of bonds		–	(1.4)
Acquisition of non-controlling interests without a change in control		–	(4.5)
NET CASH USED IN FINANCING ACTIVITIES		(4,326.5)	(8,779.1)
NET CASH OUTFLOW		(2,920.5)	(5,173.2)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		11,256.0	16,327.6
Effect of exchange rate changes		(78.4)	101.6
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		8,257.1	11,256.0
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Fixed deposits	34	6,877.4	8,264.6
Cash and bank balances	34	1,379.7	2,991.4
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		8,257.1	11,256.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

1 General

Singapore Airlines Limited ("the Company") is a limited liability company incorporated and domiciled in the Republic of Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and is a subsidiary company of Temasek Holdings (Private) Limited ("Temasek"), incorporated in the Republic of Singapore.

The registered office of the Company is at Airline House, 25 Airline Road, Singapore 819829.

The financial statements of the Group as at and for the year ended 31 March 2025 comprise the Company and its subsidiary companies (together referred to as "the Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

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

The financial statements for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 15 May 2025.

2 Material Accounting Policies

The accounting policies applied by the Group and the Company are consistent with all periods presented in these financial statements, except as explained in note 2(b), which addresses changes in accounting policies.

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD"), which is the Company's functional currency and all values in the tables are rounded to the nearest million, unless otherwise stated.

(b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of 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 2024. 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.

(c) Standards issued but not yet effective

Certain new standards and amendments to standards that are effective from the Group's financial year ending 31 March 2026 onwards, but are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position are as follows:

Description	Effective from
Amendments to IFRS 21: Lack of Exchangeability	1 April 2025
Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 April 2026
Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity	1 April 2026
Presentation and Disclosure in Financial Statements (Amendments to IFRS 18)	1 April 2027

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(d) Associated companies

In the Company's separate financial statements, investments in associated companies are accounted for at cost less accumulated impairment losses.

An associated company is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

The Group accounts for its investments in associated companies using the equity method, initially at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, including transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of associated companies, until the date on which significant influence ceases. Dividends reduce the carrying amounts of the investments.

Goodwill on associated companies represents the excess of the cost of acquisition of the associated companies over the Group's share of the fair value of the identifiable net assets of the associated companies. Goodwill that forms part of the carrying amount of an associated company is not recognised separately, and therefore, is not tested for impairment separately. Instead, the entire amount of the investment in the associated company is tested for impairment as a single asset when there is objective evidence that the investment in associated company may be impacted.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

The most recently available unaudited management financial statements of the associated companies are used by the Group in applying the equity method. Where the dates of the financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the accounting period where provided by the associated company. Otherwise, an estimate is made for the balances to the end of the accounting period based on historical experience and adjusted for the effects of known significant transactions. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon the loss of significant influence over the associated company, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

(e) Intangible assets

Amortisation

Amortisation of computer software is recognised in the profit and loss account on a straight-line basis over their estimated useful lives of 3 to 10 years.

For deferred engine development cost which is made in connection with its participation in aircraft engine development projects with other companies, amortisation begins when the aircraft engines are available for sale. These deferred engine development costs are amortised on a straight-line basis over the period of expected sales of the aircraft engines, which is estimated to be over a period of 39 years.

Advance and progress payments are not amortised. Amortisation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(f) Foreign currencies

Foreign currency transactions

Foreign currency transactions are translated into SGD at the rates prevailing at the dates of those transactions.

All foreign currency monetary assets and liabilities are translated into SGD at rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The foreign currency gain or loss on monetary assets and liabilities is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency re-translated at the exchange rate at the end of the year.

Foreign currency differences are recognised in the profit and loss account, except for qualifying cash flow hedges which are deferred to equity.

Foreign operations

For the purpose of the consolidated financial statements, the net assets of foreign subsidiary, associated and joint venture companies are translated into SGD at rates prevailing at the reporting date. The financial results of foreign subsidiary, associated and joint venture companies are translated monthly into SGD at prevailing exchange rates. The resulting gains or losses on exchange are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

(g) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When parts of a property, plant and equipment have different useful lives, they are accounted for as separate components. Cost includes expenditure that is directly attributable to the acquisition of the asset, including capitalised borrowing cost.

Leasehold hotel properties held by an associated company are carried at fair value, less accumulated depreciation and accumulated impairment losses. Fair values of leasehold hotel properties are determined by independent professional valuers on an annual basis. The Group's share of the revaluation gain or loss is reflected under the share of post-acquisition capital reserve.

(ii) Depreciation of property, plant and equipment

Depreciation is based on the cost of an asset less its residual value. Operational lives, residual values and depreciation methods are reviewed annually, and adjusted prospectively, if appropriate. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is recognised from the date the property, plant and equipment is installed and ready for use.

Freehold land, advance and progress payments are not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(g) Property, plant and equipment (continued)

(ii) Depreciation of property, plant and equipment (continued)

The estimated useful lives and residual values are as follows:

Property, plant and equipment type	Useful lives	Residual values
<u>Aircraft, spares and spare engines</u>		
Passenger aircraft	12 – 20 years	0% to 10% of cost
Freighter aircraft	20 – 25 years	Nil
Aircraft spares and spare engines	3 – 25 years	0% to 10% of cost
Embedded engine overhaul costs	4 – 8 years	Nil
Major inspection costs relating to landing gear overhauls and heavy maintenance visits	4 – 12 years	Nil
Training aircraft	17 years	20% of cost
Flight simulators	10 years	Nil
<u>Leasehold land and buildings</u>		
Office premises	Shorter of lease period or 30 years	Nil
Household premises	Shorter of lease period or 30 years	Nil
Other premises	Shorter of lease period or 30 years	Nil
Leasehold hotel properties held by an associated company	Lease period of 99 years, up to 2081	Nil
<u>Others</u>		
Plant and equipment, office and computer equipment	1 – 15 years	0% to 10% of cost

The residual values of certain aircraft are subject to foreign currency fluctuations and are remeasured to the prevailing exchange rates at the end of the reporting period.

(h) Leases

At the inception of the contract, the Group assesses if the contract contains a lease.

(i) As a lessee

The Group recognises a right-of-use ("ROU") asset and lease liability at the lease commencement date.

ROU asset

ROU asset is initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimated cost to restore the underlying asset, less any lease incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, except for embedded engine overhaul cost. The embedded engine overhaul cost is depreciated over the useful life on the same basis as those of property, plant and equipment disclosed in note 2(g). In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

Major improvements and modifications to leased aircraft due to operational requirements are capitalised and depreciated over their expected useful lives (estimated to be 4 to 12 years).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(h) Leases (continued)

(i) As a lessee (continued)

Short-term leases and leases of low value assets

The Group has elected not to recognise ROU assets and lease liabilities for leases of low value and short-term aircraft and engine leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventories is determined on a weighted average basis and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(j) Financial instruments

(i) Recognition and initial measurement

A financial asset or financial liability (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, in the case of a financial asset or liability not carried at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income ("FVOCI") or FVTPL.

For equity investments that are not held for trading, the Group may irrevocably elect, on initial recognition, to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

In addition, on initial recognition, the Group may irrevocably designate a financial asset, that otherwise meets the requirements to be measured at amortised cost or at FVOCI, to be measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to Management.

Assessment of whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers contingent events, leverage features, modifications of the time value of money and other limiting terms in the contractual terms of the instrument, which could change the timing or amount of contractual cash flows such that the cash flows of the instrument would not be reflective of solely payments of principal and interest.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(j) Financial instruments (continued)

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(v) Impairment

Expected credit loss ("ECL")

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- Non-equity financial instruments that are determined to have a low credit risk at the reporting date; and
- Other non-equity financial instruments (other than trade debtors) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for trade debtors are always measured at an amount equal to lifetime ECL.

The Group considers a non-equity financial instrument to have a low credit risk when its credit quality is rated to be of an investment grade by credit rating agencies.

(vi) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts, foreign currency option contracts, fixed deposit contracts, cross currency swap contracts, interest rate swap contracts, jet fuel option contracts, jet fuel and Brent and crack swap contracts to hedge its risks associated with foreign currency, interest rate and jet fuel price fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into; any attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivative financial instruments are remeasured at their fair values. The Group also utilises financial liabilities to hedge its risks associated with foreign currency risks embedded within the residual values of owned aircraft.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken directly to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(j) Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting (continued)

Designation of hedges

The Group designates certain derivatives as well as non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objective and strategy in undertaking the hedge, the economic relationship between the hedge instrument and the hedged item, the effects of credit risk on the hedge, the hedge ratio and the hedge type (cash flow or fair value).

At the inception of the hedge relationship, the Group makes an assessment of whether the hedging instrument is expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged item during the period for which the hedge is designated. For a cash flow hedge of a forecast transaction, the Group also assesses whether the forecast transaction is highly probable to occur and if it presents an exposure to variations in cash flows that could ultimately affect profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, hedge accounting is discontinued. The cumulative gain or loss previously recognised in the fair value reserve remains there until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

(k) Loans, notes payable and borrowings

Loans, notes payable and other borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans, notes and borrowings are subsequently measured at amortised cost using the effective interest method.

(l) Provisions

Provisions for return costs to meet contractual minimum conditions for the return of aircraft, at the end of the lease terms for aircraft under operating leases, are recorded over the lease terms.

(m) Mandatory convertible bonds ("MCBs")

The test on the classification of MCBs as equity or as liability is based on the substance of the contractual arrangement. If there is no obligation on the Group to pay cash to the holders or to settle the MCBs with a variable number of the Company's ordinary shares, they are classified as equity. In all other cases, the instrument is accounted for as a liability. Upon issuance, the MCBs are measured at the transaction price including qualifying issuance costs. MCBs accounted for as equity instruments are subsequently not remeasured. Liabilities are subsequently accounted for at amortised cost using the effective interest rate. Upon settlement of equity classified MCBs by issuance of ordinary shares upon conversion or by early redemption at the option of the Company, all amounts are also directly recognised in equity.

The MCBs issued by the Company are convertible at maturity only into a fixed number of ordinary shares of the Company. The holders have no right to demand repayment of the MCBs from the Company. The Company has the right to redeem the MCBs at its sole discretion for cash amounts stipulated in the contractual terms for each redemption date that includes an imputed return on investment. The MCBs are denominated in SGD.

The net proceeds of the MCBs issued (including any directly attributable transaction costs) are classified entirely as an equity component.

When the MCBs are redeemed before its maturity date, the difference between any redemption consideration and the carrying amount of the MCBs are directly recognised in equity at the date of transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(n) Taxation

(i) Current income tax

Tax recoverable and tax liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to, respectively, the tax authorities using tax rates enacted or substantively enacted at balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income taxes are recognised in the profit or loss account except to the extent that the tax relates to a business combination, or items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are not recognised for:

- Temporary differences on the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- Temporary differences associated with investments in subsidiary, associated and joint venture companies, where the timing of the reversal of the temporary differences can be controlled and it is probable that they will not reverse in the foreseeable future.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for all deductible temporary differences, unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, can be utilised.

Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

(iii) Global minimum top-up tax

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(o) Revenue

Revenue is principally earned from the carriage of passengers, cargo and mail, engineering services, tour activities and sale of merchandise, amongst others. Revenue for the Group excludes dividends from subsidiary companies and intra-group transactions.

(i) Passenger, cargo and mail

Passenger, cargo and mail sales are recognised as operating revenue when the transportation is provided. The value of unutilised tickets and airway bills is included in current liabilities as sales in advance of carriage. Breakage revenue (tickets sold and not uplifted at flight date) is recognised at flight date by estimating a percentage of tickets that will never be utilised, based on historical trends and experience. Where historical trends and experience are not appropriate, the value of unutilised tickets one year after expiry is recognised as revenue. The value of airway bills is recognised as revenue if unused after one year.

The Group sells certain tickets with connecting flights with one or more segments operated by its other airline partners. For segments operated by its other airline partners, the Group has determined that it is acting as an agent on behalf of other airlines as they are responsible for their portion of the contract (i.e., transportation of the passenger). The Group, as the agent, recognises revenue at the time of the travel for the net amount representing commission to be retained by the Group for any segments flown by other airlines.

The Group has applied the practical expedient and recognised the costs of selling airline travel tickets as an expense when it is incurred.

(ii) Engineering services

Revenue from repair and maintenance of aircraft, and engine and component overhaul is recognised based on the percentage of completion of the projects. The percentage of completion of the projects is determined based on the number of man-hours incurred to date against the estimated man-hours needed to complete the projects.

(iii) KrisFlyer

The Company operates a frequent flyer programme called "KrisFlyer" that provides travel awards to programme members based on accumulated mileage. A portion of passenger revenue attributable to the award of frequent flyer benefits is deferred until they are utilised.

In addition, the Company sells miles to programme partners for issuance to their programme members. For miles purchased by programme partners, revenue is deferred until awards are utilised.

The deferment of the revenue is estimated based on historical trends of breakage, which is then used to project the expected utilisation of these benefits.

(iv) Others

Revenue from tour activities is recognised upon commencement of the tours.

The Group operates a payments and lifestyle rewards app called "Kris+" that provides rewards to programme members based on in-app spending. In addition, the Group sells miles to programme partners and merchants for issuance to their programme members and revenue is deferred until awards are utilised. The deferment of the revenue is estimated based on historical trends of breakage, which is then used to project the expected utilisation of these benefits.

Revenue from sale of merchandise is recognised when the product is delivered and received by the customer.

Rental income from the lease of aircraft is recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

2 Material Accounting Policies (continued)

(p) Aircraft maintenance and overhaul costs

The Group recognises aircraft maintenance and overhaul expenses (except heavy maintenance visits, engine overhaul and landing gear overhaul expenses) on an incurred basis. For engine overhaul costs covered by power-by-hour third-party maintenance agreements, a portion of the cost is expensed at a fixed rate per hour during the terms of the agreements. The remaining payments made are recorded as an advance payment, to the extent that it is to be utilised in the future. Upon completion of an overhaul, these amounts are transferred to property, plant and equipment and depreciated over their useful lives.

(q) Borrowing costs

Borrowing costs incurred to finance advance and progress payments for aircraft are capitalised as part of advance and progress payments until the aircraft are commissioned for operation or the projects are completed. All other borrowing costs are recognised as finance charges in the period in which they are incurred.

(r) Segment reporting

(i) Business segment

For management purposes, the Group is organised into operating segments based on the nature of the services provided which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to corporate management who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

(ii) Geographical segment

The analysis of revenue by area of original sale from airline operations is derived by allocating revenue to the area in which the sale was made. Revenue from other operations, which consist principally of engineering services, is derived in East Asia and is therefore, not shown.

Assets, which consist principally of flight and ground equipment, support the entire worldwide transportation system, and are mainly located in Singapore. An analysis of assets and capital expenditure of the Group by geographical distribution has therefore not been included.

3 Significant Accounting Estimates and Critical Judgements

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income, expenses, and disclosures made. Actual results may differ from these estimates. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Provision for lease return costs

Prior to the return of aircraft leased by the Group entities to the lessor, the Group entities are required to fulfil certain lease return conditions which may include the completion of certain maintenance activities to the airframe and engines and the reconfiguration of seats within the aircraft. The provision for lease return costs for these leased aircraft is determined based on the best estimate of the costs that will be incurred to fulfil the stipulated lease return conditions. The carrying amount of the provision for the Group and the Company at 31 March 2025 was \$1,033.3 million (2024: \$1,186.2 million) and \$379.8 million (2024: \$491.0 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

3 Significant Accounting Estimates and Critical Judgements (continued)

(b) Accounting for the acquisition of Air India Limited ("AI")

During the financial year, the Group completed the acquisition of AI. The acquisition requires the evaluation of the fair values of the identifiable assets, including intangible assets acquired, and liabilities assumed. The evaluation of the fair values of identifiable assets and liabilities assumed involves significant estimates over the cashflow projections, discount rate, useful lives of assets and allocation of the resultant goodwill. Refer to note 25 for details of the AI acquisition.

4 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, payments and lifestyle reward app, 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 FY2024/25 or FY2023/24.

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 year are in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

4 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 financial years ended 31 March 2025 and 2024 and certain assets and liabilities information of the business segments as at those dates.

FY2024/25	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	16,676.9	2,255.9	521.6	85.4	19,539.8	–	19,539.8
Inter-segment revenue	61.1	93.3	723.5	68.8	946.7	(946.7)	–
	16,738.0	2,349.2	1,245.1	154.2	20,486.5	(946.7)	19,539.8
RESULTS							
Segment result	1,668.9	35.8	14.6	(18.1)	1,701.2	7.9	1,709.1
Finance charges	(432.6)	(74.5)	(3.9)	0.9	(510.1)	114.6	(395.5)
Interest income	505.5	67.2	18.6	13.5	604.8	(112.8)	492.0
Loss on disposal of aircraft, spares and spare engines	(13.5)	–	–	(0.1)	(13.6)	–	(13.6)
Dividends from long-term investments	2.1	–	–	–	2.1	–	2.1
Gain on disposal of an associated company	1,097.9	–	–	–	1,097.9	–	1,097.9
Other non-operating items	15.5	–	(0.6)	0.7	15.6	–	15.6
Share of profits of joint venture companies	2.8	–	37.3	–	40.1	–	40.1
Share of (losses)/profits of associated companies	(64.2)	–	81.3	–	17.1	–	17.1
Taxation	(143.4)	(6.3)	(5.7)	2.8	(152.6)	–	(152.6)
Profit/(Loss) for the financial year	2,639.0	22.2	141.6	(0.3)	2,802.5	9.7	2,812.2
Attributable to:							
Owners of the Company							2,778.0
Non-controlling interests							34.2
							2,812.2

* Relates to inter-segment transactions eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Business segments (continued)

FY2023/24	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	16,120.6	2,359.5	449.1	83.5	19,012.7	–	19,012.7
Inter-segment revenue	56.5	86.0	645.1	57.0	844.6	(844.6)	–
	16,177.1	2,445.5	1,094.2	140.5	19,857.3	(844.6)	19,012.7
RESULTS							
Segment result	2,635.2	118.1	2.3	(28.0)	2,727.6	(0.1)	2,727.5
Finance charges	(466.9)	(86.4)	(4.4)	(1.4)	(559.1)	134.6	(424.5)
Interest income	651.4	72.8	24.4	15.4	764.0	(132.3)	631.7
Write-back of impairment of aircraft	13.8	–	–	–	13.8	–	13.8
Impairment of deferred engine programme	–	–	(25.1)	–	(25.1)	–	(25.1)
Surplus on disposal of aircraft, spares and spare engines	54.6	10.6	–	–	65.2	–	65.2
Other non-operating items	(26.3)	–	1.1	–	(25.2)	–	(25.2)
Share of profits of joint venture companies	2.5	–	30.3	–	32.8	–	32.8
Share of (losses)/profits of associated companies	(29.8)	–	70.7	–	40.9	–	40.9
Taxation	(398.9)	67.3	(2.2)	(8.2)	(342.0)	–	(342.0)
Profit/(Loss) for the financial year	2,435.6	182.4	97.1	(22.2)	2,692.9	2.2	2,695.1
Attributable to:							
Owners of the Company							2,674.8
Non-controlling interests							20.3
							2,695.1

* Relates to inter-segment transactions eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Business segments (continued)

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 31 MARCH 2025							
Segment assets	34,748.2	5,944.3	1,294.0	588.3	42,574.8	(2,727.1)	39,847.7
Investments in associated and joint venture companies	2,367.0	–	832.6	–	3,199.6	–	3,199.6
Long-term investments	36.2	–	–	3.3	39.5	–	39.5
Total assets	37,151.4	5,944.3	2,126.6	591.6	45,813.9	(2,727.1)	43,086.8
Segment liabilities	11,760.4	1,077.6	302.0	153.8	13,293.8	(2,693.1)	10,600.7
Lease liabilities	2,210.7	1,135.5	80.5	10.5	3,437.2	(33.6)	3,403.6
Long-term liabilities	137.6	–	–	–	137.6	–	137.6
Provisions	685.6	657.8	3.5	2.2	1,349.1	–	1,349.1
Defined benefit plans	58.1	–	–	–	58.1	–	58.1
Borrowings	9,337.8	155.0	4.7	13.2	9,510.7	–	9,510.7
Tax liabilities	1,955.5	(11.1)	(5.6)	18.2	1,957.0	–	1,957.0
Total liabilities	26,145.7	3,014.8	385.1	197.9	29,743.5	(2,726.7)	27,016.8
Capital expenditure	1,316.0	394.1	52.9	5.0	1,768.0	–	1,768.0
Purchase of intangible assets	80.7	10.3	11.5	3.2	105.7	–	105.7
Depreciation	1,910.3	354.1	57.2	3.3	2,324.9	(16.7)	2,308.2
Amortisation of intangible assets	60.0	4.6	6.5	1.7	72.8	–	72.8
Non-cash items other than depreciation and amortisation of intangible assets	31.5	3.4	3.8	0.4	39.1	–	39.1

* Relates to inter-segment transactions eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Business segments (continued)

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 31 MARCH 2024							
Segment assets	38,183.5	6,055.9	1,321.5	715.5	46,276.4	(3,128.2)	43,148.2
Investments in associated and joint venture companies	328.6	–	749.0	–	1,077.6	–	1,077.6
Long-term investments	36.2	–	–	2.7	38.9	–	38.9
Total assets	38,548.3	6,055.9	2,070.5	718.2	47,392.9	(3,128.2)	44,264.7
Segment liabilities	12,277.5	1,095.7	264.8	129.8	13,767.8	(3,113.7)	10,654.1
Lease liabilities	2,522.5	1,205.9	105.3	10.6	3,844.3	(49.1)	3,795.2
Long-term liabilities	110.4	–	–	–	110.4	–	110.4
Provisions	654.9	695.1	1.8	–	1,351.8	–	1,351.8
Defined benefit plans	84.7	–	–	–	84.7	–	84.7
Borrowings	9,429.2	202.7	5.1	15.8	9,652.8	–	9,652.8
Tax liabilities	1,892.5	(32.2)	(9.8)	20.6	1,871.1	–	1,871.1
Total liabilities	26,971.7	3,167.2	367.2	176.8	30,682.9	(3,162.8)	27,520.1
Capital expenditure	1,082.3	109.0	39.2	0.8	1,231.3	–	1,231.3
Purchase of intangible assets	77.7	5.1	9.5	3.7	96.0	–	96.0
Depreciation	1,732.0	333.8	57.6	2.8	2,126.2	(16.6)	2,109.6
Write-back of impairment of aircraft	(13.8)	–	–	–	(13.8)	–	(13.8)
Impairment of property, plant and equipment	0.5	–	–	–	0.5	–	0.5
Impairment of deferred engine programme	–	–	25.1	–	25.1	–	25.1
Amortisation of intangible assets	58.4	3.8	5.5	8.5	76.2	–	76.2
Non-cash items other than depreciation, impairment of property, plant and equipment and amortisation of intangible assets	(53.7)	10.0	11.3	(0.2)	(32.6)	–	(32.6)

* Relates to inter-segment transactions eliminated on consolidation.

Geographical segments

The following table presents revenue information on airline operations by geographical areas for the financial years ended 31 March 2025 and 2024.

	By area of original sale	
	FY2024/25	FY2023/24
East Asia	9,917.8	9,522.8
Europe	2,512.6	2,518.9
South West Pacific	2,957.7	3,038.7
Americas	1,333.7	1,314.4
West Asia and Africa	1,328.2	1,408.2
Systemwide	18,050.0	17,803.0
Non-scheduled services and incidental revenue	1,037.2	819.6
	19,087.2	18,622.6

No single customer contributed to more than 10% of the Group's revenue during the financial years ended 31 March 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

5 Staff Costs (in \$ million)

	The Group	
	FY2024/25	FY2023/24
Salary, bonuses and other costs	3,485.7	3,290.5
CPF, other defined contributions and defined benefit expense	253.6	229.4
Share-based compensation expense	25.2	31.4
	3,764.5	3,551.3

The Group contributes to several post-employment defined benefit plans for employees at several overseas locations. Employees may contribute to some of these plans and these contributions are matched in varying amounts by the Group. Defined benefit expense for the Group was \$5.5 million for FY2024/25 (FY2023/24: \$7.0 million). As this is not material to the total staff costs of the Group for FY2024/25 and FY2023/24, additional disclosures of the defined benefit plans are not shown.

Share-based compensation arrangements

As at 31 March 2025, the Group has the following share-based compensation arrangements:

(a) Share-based incentive plans (equity-settled)

The SIA Restricted Share Plan 2014 ("RSP 2014") and the SIA Performance Share Plan 2014 ("PSP 2014") 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 2014 awards fully paid ordinary shares of the Company, conditional on position and individual performance targets set at the start of the one-year performance period based on annual Group and Company objectives.

In respect of FY2024/25 Strategic Share Award ("SSA") under the RSP 2014, the award made in July 2024 to Senior Management (Senior Vice Presidents and above) was based on Board Compensation & Industrial Relations Committee ("BCIRC") assessment of SIA Management's Covid-19 recovery.

The FY2024/25 RSP 2014 award was made in July 2024 on a contingent performance basis to Senior Management and other key executives (Vice Presidents and Divisional Vice Presidents).

The PSP 2014 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. A carbon emissions reduction performance condition has been incorporated into the FY2024/25 PSP 2014 award.

The FY2024/25 PSP 2014 award was made in July 2024 on a contingent performance basis to Senior Management.

On 29 July 2024, the shareholders of the Company approved the RSP 2024 and PSP 2024 at the Annual General Meeting, to replace the RSP 2014 and PSP 2014 respectively which expired on 29 July 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

5 Staff Costs (in \$ million) (continued)

Share-based compensation arrangements (continued)

(a) Share-based incentive plans (equity-settled) (continued)

Key terms and conditions related to the grants made during FY2024/25 under these programmes are as follows:

Plans	Vesting Conditions	Performance conditions [^]	Payout
RSP	- Based on meeting stated performance conditions over a one-year performance period, one-third of award vests. - Balance vests equally over the subsequent two years with fulfilment of service requirements.	Company Operational Performance Scorecard ("COPS") with operational focus	0% – 150%*
PSP	Based on meeting stated performance conditions over a three-year performance period.	- Absolute Total Shareholder Return ("TSR") outperform Cost of Equity - Relative TSR against selected airline peer index companies - Carbon Emissions Reduction Target	0% – 200%*
SSA	- The award was based on BCIRC assessment of Covid-19 response 50% of the award vests upon grant - Balance vests equally over the subsequent two years with fulfilment of service requirements. - Additional 20% equity kicker of final award upon final vesting.	No further conditions	100%

[^] For non-market conditions, achievement factors are determined based on inputs from the BCIRC for the purpose of accrual for the share-based incentive plans until the achievement of the targets can be accurately ascertained.

* The payout depends on the achievement of pre-set performance targets over the performance period.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

5 Staff Costs (in \$ million) (continued)

Share-based compensation arrangements (continued)

(a) Share-based incentive plans (equity-settled) (continued)

Movement of share awards during the financial year

	Number of Share Awards					
Date of grant	Balance at 1 April 2024	Granted	Adjustment	Cancelled	Vested	Balance at 31 March 2025
RSP						
15.07.2021	654,496	—	—	—	(654,496)	—
14.07.2022	1,270,463	—	—	(9,116)	(672,187)	589,160
18.07.2023	1,511,290	—	61,211 [#]	(14,140)	(562,025)	996,336
17.07.2024	—	1,534,768	—	—	—	1,534,768
	3,436,249	1,534,768	61,211	(23,256)	(1,888,708)	3,120,264
PSP						
15.07.2021	717,293	—	662,297 [#]	—	(1,379,590)	—
14.07.2022	666,516	—	—	—	—	666,516
18.07.2023	497,376	—	—	—	—	497,376
17.07.2024	—	454,243	—	—	—	454,243
	1,881,185	454,243	662,297	—	(1,379,590)	1,618,135
SSA						
14.07.2022	241,225	—	192,980 [^]	—	(434,205)	—
23.12.2022	18,150	—	—	—	(9,075)	9,075
18.07.2023	628,750	—	—	—	(314,375)	314,375
31.07.2023	22,700	—	—	—	(11,350)	11,350
17.07.2024	—	520,300	—	—	(260,150)	260,150
	910,825	520,300	192,980	—	(1,029,155)	594,950

[#] 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.

Since the commencement of the RSP and PSP plans in July 2014, 22,951,431 awards have been granted.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

5 Staff Costs (in \$ million) (continued)

Share-based compensation arrangements (continued)

(b) Measurement of fair values

The methods and inputs used in the measurement of fair values at grant date of the equity-settled share-based incentive plans were as follows:

	FY2024/25		
	RSP	PSP	SSA
Valuation Method	Monte Carlo Simulation		
Expected dividend paid yield (%)	Management's forecast in line with dividend policy		
Expected volatility (%)	20.68 – 23.22	20.68	20.99 – 23.22
Risk-free interest rate (%)	3.08 – 3.57	3.08	3.15 – 3.57
Expected term (years)	0.96 – 2.96	2.96	0.96 – 1.96
Share price at date of grant (\$)	7.11	7.11	7.11
Estimated fair value (\$)	6.32 – 6.79	7.91	6.55 – 7.11

	FY2023/24		
	RSP	PSP	SSA
Valuation Method	Monte Carlo Simulation		
Expected dividend paid yield (%)	Management's forecast in line with dividend policy		
Expected volatility (%)	18.30 – 24.27	24.27	18.30 – 19.41
Risk-free interest rate (%)	3.32 – 3.70	3.32	3.46 – 3.70
Expected term (years)	0.96 – 2.96	2.96	0.96 – 1.96
Share price at date of grant (\$)	7.46	7.46	7.46
Estimated fair value (\$)	6.79 – 7.13	11.01	6.92 – 7.46

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period that is commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

6 Operating Profit (in \$ million)

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

	The Group	
	FY2024/25	FY2023/24
Interest income from short-term investments	(1.4)	(1.3)
Dividend income from short-term investments	(0.2)	(0.2)
Surplus on disposal of short-term investments	(0.8)	(0.3)
Remuneration for auditors of the Company		
Audit fees	2.6	2.0
Audit-related fees	0.2	0.5
Non-audit fees	0.1	0.1
Bad debts written off	4.0	0.4
(Write-back of impairment)/Impairment of trade debtors	(4.7)	10.5
Writedown of inventories	11.2	6.7
Exchange loss/(gain), net	92.8	(24.4)
Currency hedging gain	(37.1)	(12.7)
Fair value loss from foreign currency derivatives	0.3	–
Foreign currency hedging ineffectiveness	–	(0.1)
Fuel hedging gain recognised in "Fuel costs"	(55.0)	(390.9)
Loss/(Gain) on lease remeasurement	29.4	(0.8)
Net gain on financial assets mandatorily measured at FVTPL	(1.7)	(1.1)
Expenses relating to short-term leases	2.0	(4.2)
Expenses relating to low value leases	5.6	4.5

7 Finance Charges (in \$ million)

	The Group	
	FY2024/25	FY2023/24
Notes payable	174.9	187.1
Bank loans	76.6	83.2
Lease liabilities	149.0	164.3
Amortisation of transaction costs related to borrowings	23.8	23.3
Commitment fees	5.6	6.4
Interest paid and capitalised on qualifying assets	(34.4)	(39.8)
	395.5	424.5

Borrowing costs on qualifying assets are capitalised using an average interest rate of 2.5% (FY2023/24: 2.5%) per annum.

8 Interest Income (in \$ million)

	The Group	
	FY2024/25	FY2023/24
Interest income from fixed deposits and investments	485.3	624.5
Interest income from sub-leasing of ROU assets	6.7	7.2
	492.0	631.7

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

	The Group	
	FY2024/25	FY2023/24
Writeback of provision/(Provision) for onerous contract	15.9	(5.1)
(Provision)/Write-back of provision for ECL on investments and loans	(0.6)	2.3
Headcount rationalisation costs	0.1	0.5
Loss on disposal of other property, plant and equipment	(0.4)	–
Net gain on financial assets mandatorily measured at FVTPL	0.6	–
Write-back of impairment of long term investments	–	0.1
Write-back of provision for ECL on other debtors	–	1.3
Refleeting and restructuring costs	–	0.1
Competition-related settlements	–	(25.4)
Impairment of assets held for sale	–	(1.0)
Impairment of property, plant and equipment and intangible assets	–	(0.7)
Gain on liquidation of an associated company	–	0.2
Gain on disposal of subsidiary companies	–	0.4
	15.6	(27.3)

10 Taxation (in \$ million)

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2025 and 2024 are:

	The Group	
	FY2024/25	FY2023/24
Current taxation		
Provision for the year	16.7	18.4
Prior years' unrecognised tax benefits utilised at Group	(3.2)	(70.5)
Under provision in respect of prior years	1.8	2.7
	15.3	(49.4)
Deferred taxation (refer to note 17)		
Movement in temporary differences	324.8	484.4
Over provision in respect of prior years	(187.5)	(93.0)
	137.3	391.4
	152.6	342.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

10 Taxation (in \$ million) (continued)

Deferred taxation movement related to other comprehensive income:

	The Group	
	FY2024/25	FY2023/24
Cash flow hedges	(58.1)	(18.9)
Actuarial gain on revaluation of defined benefit plans	2.4	0.2
	(55.7)	(18.7)

The Group has tax losses and deductible temporary differences (for which no deferred tax asset has been recognised) of approximately \$212.9 million (2024: \$185.3 million) and \$32.3 million (2024: \$29.5 million) respectively that are available for offset against future taxable profits of the companies. Deferred tax assets have not been recognised in respect of these items because it is uncertain that future taxable profits will be available against which the Group can utilise the benefits therefrom. The use of tax losses is subject to agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Out of these tax losses, \$13.4 million (2024: \$13.8 million) will expire between 2028 – 2035 (2024: 2028 – 2034). In Singapore, these tax losses do not expire under current tax legislation.

A reconciliation between taxation expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 March is as follows:

	The Group	
	FY2024/25	FY2023/24
Profit before taxation	2,964.8	3,037.1
Less: Share of results of associated and joint venture companies	(57.2)	(73.7)
	2,907.6	2,963.4
Taxation at statutory corporate tax rate of 17.0%	494.3	503.8
Adjustments for:		
Income not subject to tax	(223.6)	(41.7)
Expenses not deductible for tax purposes	57.6	39.4
Higher effective tax rates of other countries	9.0	11.1
Over provision in respect of prior years, net	(188.9)	(160.8)
Tax benefits not recognised	6.6	12.4
Previously unrecognised tax benefits	(1.1)	(20.3)
Others	(1.3)	(1.9)
Taxation	152.6	342.0

Global minimum top-up tax

The Group is within the scope of Global Anti-Base Erosion ("GloBE") rules introduced by the OECD under the new global minimum top-up tax framework ("Pillar Two"). The Group has assessed that it is not subject to the top-up tax in the countries where the Group operates which have enacted or substantively enacted Pillar Two legislation for financial years starting on or after 1 January 2024. The Group therefore did not recognise any current tax expense relating to the top-up tax during the financial year ended 31 March 2025.

The Group also operates in countries that have enacted or substantively enacted Pillar Two legislation for financial years starting on or after 1 January 2025. The Group is still in the midst of assessing the impact for the financial year ending 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

11 Earnings Per Share

	The Group			
	FY2024/25		FY2023/24	
	Basic	Diluted	Basic	Diluted
Profit attributable to owners of the Company (in \$ million)	2,778.0	2,778.0	2,674.8	2,674.8
Adjustment for interest expense on convertible bonds, net of tax (in \$ million)	–	25.8	–	25.4
Adjustment for the potential dilution from share-based incentive plans of a subsidiary company (in \$ million)	–	(0.5)	–	(0.3)
Adjusted net profit attributable to owners of the Company (in \$ million)	2,778.0	2,803.3	2,674.8	2,699.9
Weighted average number of ordinary shares in issue (in million)	3,109.8	3,109.8	4,228.4	4,228.4
Adjustment for dilutive potential ordinary shares (in million)	–	176.6	–	166.1
Weighted average number of ordinary shares in issue used for computing earnings per share (in million)	3,109.8	3,286.4	4,228.4	4,394.5
Earnings per share (cents)	89.3	85.3	63.3	61.4

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year, and assuming the conversion of all MCBs.

For purposes of calculating diluted earnings per share, the profit attributable to owners of the Company is adjusted to take into account the potential dilution from interest on convertible bonds, net of tax, and share-based incentive plans of a subsidiary company. The weighted average number of ordinary shares of the Company in issue is also adjusted to take into account effects of dilutive convertible bonds and share-based incentive plans of the Company.

The average market value of the Company's shares for purposes of calculating the potential dilution from share-based incentive plans was based on quoted market prices for the year.

12 Dividends Paid and Proposed (in \$ million)

	The Group and the Company	
	FY2024/25	FY2023/24
The following tax exempt (one-tier) dividends were declared and paid by the Group and Company to the owners of the Company:		
Final dividend of 38.0 cents per share in respect of FY2023/24 (FY2023/24: 28.0 cents per share in respect of FY2022/23)	1,131.5	832.8
Interim dividend of 10.0 cents per share in respect of FY2024/25 (FY2023/24: 10.0 cents per share in respect of FY2023/24)	297.3	297.4
	1,428.8	1,130.2

The Directors propose that a final tax exempt (one-tier) dividend of 30.0 cents amounting to \$892.0 million be paid for the financial year ended 31 March 2025.

During the financial year, total dividends of \$21.4 million (FY2023/24: \$20.7 million) were paid to non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

13 Share Capital (in \$ million)

	The Group and the Company			
	Number of shares		Amount	
	2025	2024	2025	2024
Issued and fully paid share capital				
Ordinary shares				
Balance at 1 April	2,977,590,128	2,977,543,504	7,180.4	7,180.2
Shares issued pursuant to conversion of convertible bonds	–	46,624	–	0.2
Shares issued pursuant to equity compensation plans	80,279	–	0.5	–
Balance at 31 March	2,977,670,407	2,977,590,128	7,180.9	7,180.4
Special share				
Balance at 1 April and 31 March	1	1	#	#

The value is \$0.50

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

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

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

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

No shares were issued (FY2023/24: 46,624) pursuant to conversion of convertible bonds during the year.

80,279 shares were issued (FY2023/24: nil) upon vesting of share-based incentive plans during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

14 Mandatory Convertible Bonds (in \$ million)

	The Group and the Company	
	2025	2024
Balance as at 1 April	1,547.5	6,195.1
Redeemed during the year	(1,547.5)	(4,647.6)
Balance as at 31 March	–	1,547.5

The Company redeemed the following Mandatory Convertible Bonds ("MCBs") that were issued in June 2021 in FY2024/25 and FY2023/24.

Redemption date	Amount	Accreted yield	Accreted principal	Amount recognised in general reserve
FY2024/25				
24 June 2024	1,547.5	112.616%	1,744.6	197.1
FY2023/24				
26 June 2023	3,098.4	108.243%	3,353.8	255.4
26 December 2023	1,549.2	110.408%	1,710.4	161.2
	4,647.6		5,064.2	416.6

The MCBs have been fully redeemed by the Company on 24 June 2024. Following the redemption, the MCBs have been cancelled in their entirety.

15 Treasury Shares (in \$ million)

	The Group and the Company	
	2025	2024
Balance at 1 April	(37.5)	(73.8)
Treasury shares transferred on vesting of share-based incentive plans	40.6	38.7
Treasury shares transferred on payment of Directors' remuneration	0.7	0.8
Purchase of treasury shares	(30.3)	(3.2)
Balance at 31 March	(26.5)	(37.5)

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

During the financial year, the Company purchased 4,994,000 treasury shares (FY2023/24: 500,000).

The Company reissued 4,217,174 (FY2023/24: 3,657,878) treasury shares pursuant to share-based incentive plans and 115,300 (FY2023/24: 73,200) treasury shares on payment of Directors' remuneration. The number of treasury shares as at 31 March 2025 was 4,397,526 (2024: 3,736,000).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

16 Other Reserves (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Capital reserve	(130.9)	(116.7)	(929.2)	(909.7)
Foreign currency translation reserve	(25.2)	(22.4)	—	—
Share-based compensation reserve	31.6	32.2	26.2	26.4
Fair value reserve	153.2	448.7	154.4	419.8
General reserve	8,473.1	7,305.7	10,090.3	9,243.0
	8,501.8	7,647.5	9,341.7	8,779.5

(a) Capital reserve

Capital reserve for the Group mainly arose from the loss on the acquisition of non-controlling interests in a subsidiary company, revaluation of land and buildings owned by RCMS Properties Private Limited ("RCMS"), an associated company, gains or losses on the reissuance of treasury shares and the equity component on convertible bonds.

Capital reserve for the Company mainly arose from the re-integration of Singapore Airlines Cargo Pte Ltd ("SIA Cargo") in FY2018/19, transfer of Kris+ payments and lifestyle rewards business to its subsidiary company, Kris+ in FY2023/24, gains or losses on the reissuance of treasury shares and the equity component on convertible bonds.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(c) Share-based compensation reserve

Share-based compensation reserve consists of equity-settled share options and awards granted to employees, that is made up of the cumulative value of services received from employees recorded on grant of equity-settled share awards.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

16 Other Reserves (in \$ million) (continued)

(d) Fair value reserve

Fair value reserve records the cumulative fair value changes of financial assets measured at FVOCI and the portion of the fair value changes (net of tax) on derivative financial instruments designated as hedging instruments in cash flow hedges that are determined to be effective hedges.

Breakdown of the fair value reserve is as follows:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Derivative financial instruments designated as hedging instruments	153.2	448.7	154.4	419.8

Fair value changes of derivative financial instruments designated as hedging instruments in cash flow hedges:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
(Loss)/Gain on fair value changes	(161.4)	370.2	(139.6)	327.2
Recognised in the carrying values of non-financial assets on occurrence of capital expenditure commitments	5.4	0.2	5.4	0.2
Recognised in the profit and loss account on occurrence of:				
Fuel hedging contracts recognised in "Fuel costs"	(45.6)	(324.5)	(38.4)	(276.0)
Foreign currency contracts recognised in "Other operating expenses"	(34.4)	(28.5)	(35.6)	(30.6)
Interest rate swap contracts recognised in "Finance Charges"	(58.7)	(71.6)	(57.2)	(68.8)
Ineffective foreign currency hedges reclassified to profit or loss, recognised in "Other operating expenses"	—	(0.1)	—	(0.1)
	(294.7)	(54.3)	(265.4)	(48.1)

(e) General reserve

General reserve comprises mainly retained earnings of the Group and the Company. Movements in the Group's and the Company's general reserves are set out in the Statements of Changes in Equity respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

17 Deferred Taxation (in \$ million)

	The Group				The Company	
	Statement of financial position		Profit and loss		Statement of financial position	
	31 March				31 March	
	2025	2024	FY2024/25	FY2023/24	2025	2024
The deferred taxation arises as a result of:						
Deferred tax liabilities						
Differences in depreciation	2,575.3	2,474.9	100.4	190.9	2,261.3	2,157.2
Revaluation to fair value						
– fuel hedging contracts	1.8	28.5	–	–	1.5	24.2
– currency hedging contracts	3.3	2.0	–	–	1.2	2.1
– interest rate swap contracts	17.1	35.7	–	–	17.1	35.0
Other temporary differences	44.4	73.9	(29.5)	20.0	43.0	71.3
Gross deferred tax liabilities	2,641.9	2,615.0	70.9	210.9	2,324.1	2,289.8
Deferred tax assets						
Unabsorbed capital allowances and tax losses	(29.7)	(54.7)	25.0	106.8	–	–
Lease liabilities	(556.0)	(605.9)	49.9	70.1	(361.1)	(399.1)
Revaluation to fair value						
– fuel hedging contracts	(13.9)	(0.3)	–	–	(11.7)	(0.3)
– currency hedging contracts	(3.1)	(2.6)	–	–	(1.1)	(2.4)
– interest rate swap contracts	–	–	–	–	–	–
Other temporary differences	(154.7)	(148.6)	(8.5)	3.6	(38.2)	(34.8)
Gross deferred tax assets	(757.4)	(812.1)	66.4	180.5	(412.1)	(436.6)
Net deferred tax liabilities	1,884.5	1,802.9			1,912.0	1,853.2
Deferred tax charged to profit and loss			137.3	391.4		
Deferred tax credited to equity	(55.7)	(18.7)			(49.2)	(17.2)

Except for deferred tax liabilities recorded on unremitted retained earnings for certain group entities, the Group has determined the undistributed earnings of the remaining overseas subsidiaries will not be distributed in the foreseeable future. As at 31 March 2025, the unremitted earnings aggregated to \$16.2 million (2024: \$15.5 million). The deferred tax liability is estimated to be \$4.9 million (2024: \$4.6 million).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

18 Borrowings (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
<u>Current Liabilities – Borrowings</u>				
Notes payable	700.0	300.0	700.0	300.0
Loans	675.7	615.4	613.0	551.2
Convertible bonds	837.7	–	837.7	–
	2,213.4	915.4	2,150.7	851.2
<u>Non-current Liabilities – Borrowings</u>				
Notes payable	3,965.2	4,677.4	3,965.2	4,677.4
Loans	3,332.1	3,239.6	3,221.9	3,080.2
Convertible bonds	–	820.4	–	820.4
	7,297.3	8,737.4	7,187.1	8,578.0

Notes payable

Notes payable as at 31 March 2025 comprised unsecured notes issued by the Company. The details are set out below.

Series	Currency	Fixed interest rate per annum	Year of maturity	31 March 2025		31 March 2024	
				Face value	Carrying value	Face value	Carrying value
SGD10 Billion Multicurrency Medium Term Note Programme							
003	SGD	3.75%	2024	—	—	300.0	300.0
004	SGD	3.13%	2026	630.0*	630.5	630.0*	630.9
005	SGD	3.035%	2025	700.0	700.0	700.0	699.8
006	SGD	3.13%	2027	700.0	699.6	700.0	699.5
008	SGD	3.50%	2030	500.0	499.4	500.0	499.3
009	USD	3.00%	2026	670.2	669.1	674.7	672.9
010	USD	3.375%	2029	804.2	799.9	809.7	804.1
011	USD	5.250%	2034	670.2	666.7	674.7	670.9
				4,674.6	4,665.2	4,989.1	4,977.4

* Comprised \$430.0 million in aggregate principal amount issued on 17 November 2016 and \$200.0 million in aggregate principal amount issued on 17 October 2017 that was consolidated into Series 004.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

18 Borrowings (in \$ million) (continued)

Loans

The Group

Type	Currency	Interest rate per annum	Year of maturity	31 March 2025		31 March 2024	
				Face value	Carrying value	Face value	Carrying value
Fixed Rate							
Secured bank loan	SGD	2.86%	2028	344.4	344.1	436.7	436.2
Secured bank loan	SGD	2.92%	2028	156.0	155.0	204.0	202.7
Secured bank loan	SGD	2.62%	2029	388.4	387.9	479.3	478.6
Secured bank loan	SGD	0.34%	2029	71.3	71.2	86.3	86.1
Secured bank loan	SGD	0.35%	2029	75.3	75.2	90.2	90.1
Secured bank loan	SGD	2.10%	2030	210.0	209.0	240.0	238.7
Secured bank loan	SGD	2.19%	2030	181.2	180.5	211.8	210.9
Secured bank loan	SGD	2.14%	2030	90.5	90.0	105.9	105.2
Secured bank loan	SGD	1.92%	2030	172.1	171.0	201.5	199.9
Secured bank loan	SGD	1.98%	2030	90.2	89.8	105.6	105.1
Secured bank loan	SGD	2.07%	2030	98.1	97.8	113.3	112.9
Secured bank loan	SGD	2.24%	2031	98.4	98.0	113.6	113.0
Secured bank loan	SGD	2.15%	2032	198.3	197.2	222.4	221.0
Secured bank loan	SGD	2.15%	2032	174.4	173.1	195.6	194.0
Secured bank loan	EUR	0.46%	2029	69.5	69.5	84.6	84.5
Secured bank loan	EUR	0.65% – 0.68%	2029 – 2030	430.3	429.8	520.8	519.9
Secured bank loan	JPY	0.41%	2029	98.4	98.3	118.9	118.7
Aircraft leasing loans	JPY	0.93% – 1.35%	2033 – 2034	819.4	816.0	233.8	232.2
Aircraft leasing loans	USD	1.69% – 1.85%	2033 – 2034	238.8	236.5	84.4	84.4
Floating rate							
Revolving credit facility	USD	5.81%	2025	0.7	0.7	–	–
Revolving credit facility	USD	6.70%	2024	–	–	0.9	0.9
Revolving credit facility	USD	6.72%	2024	–	–	1.8	1.8
Term loan drawdown	USD	7.42%	2028	4.0	4.0	2.5	2.5
Revolving credit facility	SGD	4.60%	2025	3.0	3.0	–	–
Revolving credit facility	SGD	4.45%	2025	8.0	8.0	–	–
Revolving credit facility	SGD	5.66%	2024	–	–	3.0	3.0
Revolving credit facility	SGD	5.69%	2024	–	–	8.0	8.0
Trust receipt	SGD	2.66%	2025	2.2	2.2	–	–
Trust receipt	SGD	3.75%	2024	–	–	2.4	2.4
Fellow shareholders' loan	SGD	4.46%	2025	–	–	1.5	1.5
Fellow shareholders' loan	SGD	5.12%	2025	–	–	0.8	0.8
				4,022.9	4,007.8	3,869.6	3,855.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

18 Borrowings (in \$ million) (continued)

Loans (continued)

The Company

Type	Currency	Interest rate per annum	Year of maturity	31 March 2025		31 March 2024	
				Face value	Carrying value	Face value	Carrying value
Fixed Rate							
Secured bank loan	SGD	2.86%	2028	344.4	344.1	436.7	436.2
Secured bank loan	SGD	2.62%	2029	388.4	387.9	479.3	478.6
Secured bank loan	SGD	0.34%	2029	71.3	71.2	86.3	86.1
Secured bank loan	SGD	0.35%	2029	75.3	75.2	90.2	90.1
Secured bank loan	SGD	2.10%	2030	210.0	209.0	240.0	238.7
Secured bank loan	SGD	2.19%	2030	181.2	180.5	211.8	210.9
Secured bank loan	SGD	2.14%	2030	90.5	90.0	105.9	105.2
Secured bank loan	SGD	1.92%	2030	172.1	171.0	201.5	199.9
Secured bank loan	SGD	1.98%	2030	90.2	89.8	105.6	105.1
Secured bank loan	SGD	2.07%	2030	98.1	97.8	113.3	112.9
Secured bank loan	SGD	2.24%	2031	98.4	98.0	113.6	113.0
Secured bank loan	SGD	2.15%	2032	198.3	197.2	222.4	221.0
Secured bank loan	SGD	2.15%	2032	174.4	173.1	195.6	194.0
Secured bank loan	EUR	0.46%	2029	69.5	69.5	84.6	84.5
Secured bank loan	EUR	0.65% – 0.68%	2029 – 2030	430.3	429.8	520.8	519.9
Secured bank loan	JPY	0.41%	2029	98.4	98.3	118.9	118.7
Aircraft leasing loans	JPY	0.93% – 1.35%	2033 – 2034	819.4	816.0	233.8	232.2
Aircraft leasing loans	USD	1.69% – 1.85%	2033 – 2034	238.8	236.5	84.4	84.4
				3,849.0	3,834.9	3,644.7	3,631.4

The Group uses interest rate swaps to hedge the variability of future interest payments on a floating rate loan attributable to movements in the relevant benchmark interest rates. As at 31 March 2025, the Group and Company had floating rate loans with nominal amounts of \$2,755.1 million (2024: \$3,293.0 million) and \$2,599.1 million (2024: \$3,089.0 million) which are hedged with interest rate swaps (refer to note 42(c)).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

18 Borrowings (in \$ million) (continued)

Convertible bonds

	The Group and the Company	
	2025	2024
Balance at 1 April	820.4	803.8
Amortised bond principal	15.5	15.1
Amortised transaction costs	1.8	1.7
Conversion of convertible bonds	—	(0.2)
Balance at 31 March	837.7	820.4

The Company held \$849.8 million in principal amount of convertible bonds due in 2025. These convertible bonds bear interest at 1.625% per annum, payable semi-annually in arrears.

The bonds are convertible at the option of the holder, at the prevailing conversion price from 13 January 2021 to 24 November 2025 (both dates inclusive).

Following the declaration of dividends, the Company adjusted the conversion price of the convertible bonds in accordance with the terms and conditions set out in the Trust Deed, as follows:

Dividends declared	Conversion price per share		Effective date
	Before adjustment	After adjustment	
FY2024/25 interim dividend of 10.0 cents per share	4.9714	4.8945	27 November 2024
FY2023/24 final dividend of 38.0 cents per share	5.2744	4.9714	5 August 2024
FY2023/24 interim dividend of 10.0 cents per share	5.3620	5.2744	8 December 2023
FY2022/23 final dividend of 28.0 cents per share	5.6309	5.3620	3 August 2023
FY2022/23 interim dividend of 10.0 cents per share	5.7430	5.6309	13 December 2022

The convertible bonds are convertible to 173,613,239 (2024: 161,108,372) ordinary shares upon conversion.

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

19 Other Long-Term Liabilities (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Amount payable to engine manufacturer	58.7	59.0	58.7	59.0
Derivative liabilities (refer to note 42)	78.9	51.4	78.9	51.4
	137.6	110.4	137.6	110.4

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

20 Provisions (in \$ million)

Included are provisions for return costs for leased aircraft and other provisions. It is expected that the return costs will be incurred by the end of the lease terms.

Other provisions include provisions for onerous contracts, crew gratuity, Carbon Offsetting and Reduction Scheme for International Aviation obligations and warranty claims. Provision for warranty claims is made for engine overhauls, repairs and maintenance of aircraft (excluding line maintenance), based on past experience of repairs.

An analysis of the provisions is as follows:

	The Group		
	Return costs for leased aircraft	Others	Total
Balance at 1 April 2023	1,278.9	158.5	1,437.4
Provision during the year	178.8	24.4	203.2
Provision written back during the year	(73.2)	–	(73.2)
Provision utilised during the year	(198.3)	(17.3)	(215.6)
Balance at 31 March 2024	1,186.2	165.6	1,351.8
Current	335.6	100.4	436.0
Non-current	850.6	65.2	915.8
	1,186.2	165.6	1,351.8
Balance at 1 April 2024	1,186.2	165.6	1,351.8
Provision during the year	162.3	180.7	343.0
Provision written back during the year	(174.4)	(18.6)	(193.0)
Provision utilised during the year	(140.8)	(13.1)	(153.9)
Reclassification from trade and other creditors	–	1.2	1.2
Balance at 31 March 2025	1,033.3	315.8	1,349.1
Current	396.9	209.0	605.9
Non-current	636.4	106.8	743.2
	1,033.3	315.8	1,349.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

20 Provisions (in \$ million) (continued)

	The Company		
	Return costs for leased aircraft	Others	Total
Balance at 1 April 2023	553.5	156.7	710.2
Provision during the year	67.7	23.1	90.8
Provision written back during the year	(70.7)	–	(70.7)
Provision utilised during the year	(59.5)	(15.9)	(75.4)
Balance at 31 March 2024	491.0	163.9	654.9
Current	87.4	98.7	186.1
Non-current	403.6	65.2	468.8
	491.0	163.9	654.9
Balance at 1 April 2024	491.0	163.9	654.9
Provision during the year	59.7	173.5	233.2
Provision written back during the year	(160.7)	(18.6)	(179.3)
Provision utilised during the year	(10.2)	(13.0)	(23.2)
Balance at 31 March 2025	379.8	305.8	685.6
Current	128.0	203.4	331.4
Non-current	251.8	102.4	354.2
	379.8	305.8	685.6

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

The Group

	Aircraft	Aircraft spares	Aircraft spare engines
Cost			
At 1 April 2023	22,613.7	614.1	281.7
Additions	287.4	39.7	–
Transfers	2,705.4	3.8	98.7
Transfer from assets held for sale	–	18.3	–
Acquisition of a subsidiary company	–	–	–
Disposal of a subsidiary company	–	–	–
Disposals	(347.3)	(1.6)	–
Exchange differences	23.7	0.1	–
At 31 March 2024	25,282.9	674.4	380.4
Additions	430.0	86.5	–
Transfers	2,487.8	–	26.2
Write-off	–	–	–
Disposals	(431.4)	(24.4)	–
Exchange differences	(9.7)	(0.1)	–
At 31 March 2025	27,759.6	736.4	406.6
Accumulated depreciation and impairment losses			
At 1 April 2023	7,809.1	383.0	173.8
Depreciation	1,444.1	22.4	21.2
Impairment losses	21.2	0.5	–
Transfer from assets held for sale	–	18.3	–
Acquisition of a subsidiary company	–	–	–
Disposal of a subsidiary company	–	–	–
Disposals	(323.8)	(1.1)	–
Exchange differences	–	0.1	–
At 31 March 2024	8,950.6	423.2	195.0
Depreciation	1,648.9	27.5	27.1
Transfers	140.4	–	(4.4)
Write-off	–	–	–
Disposals	(409.0)	(11.4)	–
Exchange differences	–	–	–
At 31 March 2025	10,330.9	439.3	217.7
Net book value			
At 31 March 2024	16,332.3	251.2	185.4
At 31 March 2025	17,428.7	297.1	188.9

	Freehold land	Freehold buildings	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Advance and progress payments	Total
	15.7	135.4	635.4	729.2	369.5	8,816.5	34,211.2
	–	–	0.2	15.0	3.0	853.4	1,198.7
	–	–	0.1	8.5	38.3	(2,854.8)	–
	–	–	–	–	–	–	18.3
	–	–	–	0.1	0.8	–	0.9
	–	–	–	(1.0)	(0.3)	–	(1.3)
	–	–	(12.8)	(60.0)	(34.4)	(7.8)	(463.9)
	–	–	0.7	0.9	–	(0.1)	25.3
	15.7	135.4	623.6	692.7	376.9	6,807.2	34,989.2
	–	–	0.6	16.3	3.5	1,329.2	1,866.1
	–	–	3.9	(153.3)	20.7	(2,385.3)	–
	–	–	–	–	–	(390.6)	(390.6)
	–	–	(2.5)	(12.3)	(9.3)	–	(479.9)
	–	–	0.2	0.2	(0.7)	0.3	(9.8)
	15.7	135.4	625.8	543.6	391.1	5,360.8	35,975.0
	–	135.2	551.1	612.1	326.2	388.2	10,378.7
	–	0.1	9.6	45.2	20.2	–	1,562.8
	–	–	–	0.7	–	2.4	24.8
	–	–	–	–	–	–	18.3
	–	–	–	0.1	0.7	–	0.8
	–	–	–	(1.0)	(0.3)	–	(1.3)
	–	–	(12.7)	(60.0)	(34.4)	–	(432.0)
	–	–	0.3	0.9	–	–	1.3
	–	135.3	548.3	598.0	312.4	390.6	11,553.4
	–	0.1	7.2	38.3	26.6	–	1,775.7
	–	–	–	(136.0)	–	–	–
	–	–	–	–	–	(390.6)	(390.6)
	–	–	(2.5)	(12.1)	(9.3)	–	(444.3)
	–	–	0.4	0.2	(0.7)	–	(0.1)
	–	135.4	553.4	488.4	329.0	–	12,494.1
	15.7	0.1	75.3	94.7	64.5	6,416.6	23,435.8
	15.7	–	72.4	55.2	62.1	5,360.8	23,480.9

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

21 Property, Plant and Equipment (in \$ million) (continued)

The Company

	Aircraft	Aircraft spares	Aircraft spare engines
Cost			
At 1 April 2023	20,008.0	454.3	158.4
Additions	283.3	15.9	–
Transfers	2,437.7	–	14.3
Disposals	(304.2)	(1.3)	–
Exchange differences	20.8	–	–
At 31 March 2024	22,445.6	468.9	172.7
Additions	430.0	42.6	–
Transfers	2,054.3	–	9.2
Write-off	–	–	–
Disposals	(397.0)	(21.5)	–
Exchange differences	(8.1)	–	–
At 31 March 2025	24,524.8	490.0	181.9
Accumulated depreciation and impairment losses			
At 1 April 2023	6,730.5	284.5	94.5
Depreciation	1,311.5	14.9	11.9
Impairment losses	21.2	0.5	–
Disposals	(302.6)	(0.9)	–
At 31 March 2024	7,760.6	299.0	106.4
Depreciation	1,499.7	16.1	12.7
Transfers	140.4	–	(4.4)
Write-off	–	–	–
Disposals	(394.1)	(8.7)	–
At 31 March 2025	9,006.6	306.4	114.7
Net book value			
At 31 March 2024	14,685.0	169.9	66.3
At 31 March 2025	15,518.2	183.6	67.2

	Freehold land	Freehold buildings	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Advance and progress payments	Total
	15.7	135.4	330.1	385.9	271.4	7,769.2	29,528.4
	–	–	–	6.3	1.6	792.2	1,099.3
	–	–	–	1.8	34.2	(2,488.0)	–
	–	–	(12.5)	(54.5)	(31.9)	(108.6)	(513.0)
	–	–	–	–	–	–	20.8
	15.7	135.4	317.6	339.5	275.3	5,964.8	30,135.5
	–	–	–	5.2	0.5	930.1	1,408.4
	–	–	–	(153.5)	19.4	(1,929.4)	–
	–	–	–	–	–	(390.6)	(390.6)
	–	–	–	(4.9)	(7.1)	(105.0)	(535.5)
	–	–	–	–	–	–	(8.1)
	15.7	135.4	317.6	186.3	288.1	4,469.9	30,609.7
	–	135.2	324.7	294.5	241.9	388.2	8,494.0
	–	0.1	1.2	34.7	13.3	–	1,387.6
	–	–	–	–	–	2.4	24.1
	–	–	(12.5)	(54.5)	(31.9)	–	(402.4)
	–	135.3	313.4	274.7	223.3	390.6	9,503.3
	–	0.1	1.0	27.5	21.5	–	1,578.6
	–	–	–	(136.0)	–	–	–
	–	–	–	–	–	(390.6)	(390.6)
	–	–	–	(4.9)	(7.1)	–	(414.8)
	–	135.4	314.4	161.3	237.7	–	10,276.5
	15.7	0.1	4.2	64.8	52.0	5,574.2	20,632.2
	15.7	–	3.2	25.0	50.4	4,469.9	20,333.2

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

21 Property, Plant and Equipment (in \$ million) (continued)

Assets held as security

The Company's aircraft with carrying amount of \$5,563.2 million (2024: \$4,993.5 million) are pledged as security to the banks.

Scoot Pte. Ltd.'s aircraft with carrying amount of \$338.1 million (2024: \$352.8 million) are pledged as security to the banks.

Write-back of impairment of aircraft

During the previous financial year, the Group recorded an impairment loss of \$2.4 million to write-off certain progress payments related to aircraft which have been cancelled from the order book. There was a further impairment of \$21.2 million of one 777-300ER aircraft pursuant to a review of the Group's network and fleet requirements. In addition, a write-back of \$37.4 million was recorded on aircraft related assets for provisions that are no longer required.

Assets held for sale

Following the review of the Group's fleet plan and cessation of certain inventory management contracts, certain aircraft and aircraft spares were classified as held for sale as the Group had decided to sell the aircraft and aircraft spares. During the previous financial year, all the aircraft held for sale were disposed. The sale of the spares is expected to be completed within the next financial year.

	The Group	The Company
Balance as at 1 April 2023	25.9	0.1
Addition during the year	5.3	5.3
Impairment losses	(1.0)	–
Disposal during the year	(29.6)	(5.3)
Exchange differences	(0.1)	–
Balance as at 31 March 2024	0.5	0.1
Disposal during the year	(0.4)	–
Balance as at 31 March 2025	0.1	0.1

Impairment test

Management's annual impairment assessment covers the following cash-generating units ("CGUs"):

FSC CGU

The FSC CGU continued to show strong operating performance and Management did not identify any impairment indicators for the FSC CGU for FY2024/25 and FY2023/24.

LCC CGU

For FY2024/25 and FY2023/24, Management did not identify any impairment indicators for the LCC CGU as the actual results are tracking better than the previous set of financial projections.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

The Group

	Aircraft	Aircraft spare engines	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Total
At 1 April 2023	3,450.0	218.7	183.9	1.3	0.6	3,854.5
Additions	–	–	16.1	2.2	0.6	18.9
Reassessment and modifications	35.4	0.1	8.9	–	–	44.4
Depreciation	(460.4)	(27.6)	(57.3)	(1.1)	(0.4)	(546.8)
At 31 March 2024	3,025.0	191.2	151.6	2.4	0.8	3,371.0
Additions	80.3	–	166.8	0.9	–	248.0
Reassessment and modifications	(4.3)	–	5.2	–	–	0.9
Depreciation	(440.3)	(27.5)	(62.8)	(1.4)	(0.5)	(532.5)
At 31 March 2025	2,660.7	163.7	260.8	1.9	0.3	3,087.4

The Company

	Aircraft	Aircraft spare engines	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Total
At 1 April 2023	2,126.1	218.7	67.5	0.5	0.7	2,413.5
Additions	–	–	53.7	0.5	–	54.2
Reassessment and modifications	–	0.1	9.5	–	–	9.6
Depreciation	(274.1)	(27.6)	(42.1)	(0.4)	(0.2)	(344.4)
At 31 March 2024	1,852.0	191.2	88.6	0.6	0.5	2,132.9
Additions	–	–	162.6	0.3	–	162.9
Reassessment and modifications	(32.3)	–	4.3	–	–	(28.0)
Depreciation	(256.9)	(27.5)	(46.7)	(0.4)	(0.2)	(331.7)
At 31 March 2025	1,562.8	163.7	208.8	0.5	0.3	1,936.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

23 Intangible Assets (in \$ million)

The Group

	Goodwill	Trademarks	Computer software and others	Deferred engine development cost	Advance and progress payments	Total
Cost						
At 1 April 2023	186.0	25.0	930.8	44.6	64.5	1,250.9
Additions	–	–	4.0	–	92.1	96.1
Transfers	–	–	72.7	–	(72.7)	–
Disposals	–	–	(55.1)	(11.7)	–	(66.8)
Acquisition of a subsidiary company	4.7	–	–	–	–	4.7
Exchange differences	–	–	(0.2)	0.7	(0.1)	0.4
At 31 March 2024	190.7	25.0	952.2	33.6	83.8	1,285.3
Additions	–	–	2.9	–	104.2	107.1
Transfers	–	–	86.5	–	(86.5)	–
Disposals	–	–	(2.7)	–	–	(2.7)
Exchange differences	–	–	0.2	–	–	0.2
At 31 March 2025	190.7	25.0	1,039.1	33.6	101.5	1,389.9
Accumulated amortisation and impairment losses						
At 1 April 2023	184.4	25.0	718.0	26.0	–	953.4
Amortisation	–	–	74.8	1.4	–	76.2
Disposals	–	–	(55.0)	(11.7)	–	(66.7)
Impairment losses	–	–	–	17.6	–	17.6
Exchange differences	–	–	–	0.3	–	0.3
At 31 March 2024	184.4	25.0	737.8	33.6	–	980.8
Amortisation	–	–	72.8	–	–	72.8
Disposals	–	–	(2.4)	–	–	(2.4)
Exchange differences	–	–	0.1	–	–	0.1
At 31 March 2025	184.4	25.0	808.3	33.6	–	1,051.3
Net book value						
At 31 March 2024	6.3	–	214.4	–	83.8	304.5
At 31 March 2025	6.3	–	230.8	–	101.5	338.6

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

23 Intangible Assets (in \$ million) (continued)

The Company

	Computer software and others	Advance and progress payments	Total
Cost			
At 1 April 2023	788.2	51.7	839.9
Additions	–	77.7	77.7
Transfers	55.4	(55.4)	–
Disposals	(51.3)	–	(51.3)
At 31 March 2024	792.3	74.0	866.3
Additions	–	80.7	80.7
Transfers	65.7	(65.7)	–
Disposals	(0.9)	–	(0.9)
At 31 March 2025	857.1	89.0	946.1
Accumulated amortisation			
At 1 April 2023	604.5	–	604.5
Amortisation	58.4	–	58.4
Disposals	(51.3)	–	(51.3)
At 31 March 2024	611.6	–	611.6
Amortisation	60.0	–	60.0
Disposals	(0.9)	–	(0.9)
At 31 March 2025	670.7	–	670.7
Net book value			
At 31 March 2024	180.7	74.0	254.7
At 31 March 2025	186.4	89.0	275.4

Impairment of deferred engine development cost

This relates to the Group's share of engine programme assets including development costs made in connection with its participation in aircraft engine development projects together with other companies.

During the previous financial year, following the exit in the aircraft engine development project, a full impairment loss of \$25.1 million, based on the net assets value associated with the engine programme, was charged to profit or loss, which included impairment losses of the engine development costs and net financial assets of \$17.6 million and \$7.5 million respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

24 Subsidiary Companies (in \$ million)

	The Company 31 March	
	2025	2024
Investment in subsidiary companies	6,567.7	6,526.2
Accumulated impairment losses	(52.7)	(52.7)
Effects of integration of SIA Cargo	(1,405.0)	(1,405.0)
	5,110.0	5,068.5
Long-term loans to subsidiary companies	582.5	582.5
Accumulated impairment losses	(5.3)	(1.4)
	577.2	581.1
Amount owing by a subsidiary company	14.8	–
	5,702.0	5,649.6

During the financial year:

1. The Company injected \$15.0 million in KrisShop Pte. Ltd ("KrisShop"). As a result, the Group's shareholdings in KrisShop increased from 94.8% to 96.2%.

Subsequently, the Company acquired the remaining 3.8% interest in KrisShop at a nominal value of \$1 and KrisShop became a wholly-owned subsidiary company.
2. The Company injected \$20.0 million in Encounters Pte. Ltd.
3. The Company injected \$6.5 million in Kris+.
4. The Company established Singapore Airlines Foundation Limited as a company limited by guarantee.
5. SIA Engineering Company Limited ("SIAEC") and Cambodia Airports incorporated a company, TIA Engineering Services Company Limited ("TES"). SIAEC holds a 51% equity interest in TES and invested \$3.5 million in TES.
6. SIAEC injected \$5.6 million in Base Maintenance Sdn Bhd.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

24 Subsidiary Companies (in \$ million) (continued)

(a) Composition of the Group

The subsidiary companies are:

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
			2025	2024
SIA Engineering Company Limited⁽¹⁾ and its subsidiaries	Engineering services	Singapore	77.8	77.5
NexGen Network (2) Holding Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	77.8	77.5
SIAEC Global Private Limited ⁽¹⁾	Investment holding	Singapore	77.8	77.5
SIA Engineering (USA), Inc. ⁽⁴⁾	Provide aircraft maintenance services, including technical and non-technical handling at the airport	United States of America	77.8	77.5
SIA Engineering Japan Corporation ⁽⁴⁾	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Japan	77.8	77.5
Singapore Aero Support Services Pte. Ltd. ⁽¹⁾	Maintenance, repair and overhaul of aircraft and cabin components/systems	Singapore	77.8	77.5
Heavy Maintenance Singapore Services Pte. Ltd. ⁽¹⁾	Dormant	Singapore	77.8	77.5
SIA Engineering (Philippines) Corporation ⁽²⁾	Provide airframe maintenance component overhaul services	Philippines	77.8	77.5
Base Maintenance Malaysia Sdn. Bhd. ⁽²⁾	Provide aircraft maintenance, repair and overhaul	Malaysia	77.8	77.5
Asia Pacific Aircraft Component Services Sdn. Bhd. ⁽²⁾	Provide airframe maintenance component overhaul services	Malaysia	58.4	58.1
JADE Engineering Pte. Ltd. ^{(1)*}	Provide turnkey solutions for aircraft interior modifications	Singapore	42.8	42.6
Aerospace Component Engineering Services Pte. Limited ^{(1)*}	Repair and overhaul of hydro-mechanical equipment for Boeing and Airbus aircraft	Singapore	39.7	39.5
TIA Engineering Services Company Limited ^{(5)*}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Cambodia	39.7	–
Scoot Holdings Pte. Ltd.⁽¹⁾ and its subsidiaries	Investment holding	Singapore	100.0	100.0
Scoot Pte. Ltd. ⁽¹⁾	Air transportation	Singapore	100.0	100.0
Roar Aviation Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Cargo Community Network Pte Ltd⁽¹⁾ and its subsidiary	Providing and marketing of cargo community system	Singapore	51.0	51.0
Cargo Community (Shanghai) Co. Ltd. ⁽³⁾⁺	Marketing and support of portal services for the air cargo industry	People's Republic of China	51.0	51.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

24 Subsidiary Companies (in \$ million) (continued)

(a) Composition of the Group (continued)

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
			2025	2024
Budget Aviation Holdings Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Encounters Pte. Ltd. ⁽¹⁾	Travel booking and related services through an online portal	Singapore	100.0	100.0
Kris+ Pte. Ltd. ⁽¹⁾	Marketing, payment and related services	Singapore	100.0	100.0
KrisShop Pte. Ltd. ⁽¹⁾	Travel-related retail operations	Singapore	100.0	94.8
SilkAir (Singapore) Private Limited ⁽¹⁾	Inactive	Singapore	100.0	100.0
Singapore Airlines Cargo Pte Ltd ⁽¹⁾	Inactive	Singapore	100.0	100.0
Singapore Airlines Foundation Limited ⁽¹⁾	Educational support services	Singapore	100.0	–
Singapore Aviation and General Insurance Company (Pte) Limited ⁽¹⁾	Aviation insurance	Singapore	100.0	100.0
Singapore Flying College Pte Ltd ⁽¹⁾	Training of pilots	Singapore	100.0	100.0
Sing-Bi Funds Private Limited ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Tradewinds Tours & Travel Private Limited ⁽¹⁾	Inactive	Singapore	100.0	100.0

⁽¹⁾ Audited by KPMG LLP, Singapore

⁽²⁾ Audited by member firms of KPMG International in the respective countries

⁽³⁾ Audited by Shanghai HDDY Certified Public Accountants Co., Ltd

⁽⁴⁾ Not required to be audited under the law in country of incorporation

⁽⁵⁾ Not required to be audited

* The company is considered a subsidiary of the Group by virtue of the management control over financial and operating policies of the company

+ Financial year end 31 December

Special purpose entities ("SPEs")

Details of the operating SPEs controlled and consolidated by the Group at the end of financial year are as follows:

Name of entity	Purpose of special purpose entity	Country of incorporation
Winnie Aircraft Limited	Financing of aircraft	Mauritius
Falcon Aircraft Limited	Financing of aircraft	Mauritius

The SPEs are held by Scoot Holdings Pte. Ltd. and are audited by Ernst & Young LLP, Mauritius.

Although the Group does not hold shares in these companies, they are considered subsidiary companies as the activities of the SPEs are being conducted on behalf of the Group according to its specific business needs and the Group retains the majority of the residual or ownership risks related to the assets held by these SPEs. These SPEs were incorporated for the sole purpose of financing of the Group's aircraft.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

24 Subsidiary Companies (in \$ million) (continued)

(b) Interest in subsidiary company with material non-controlling interests ("NCI")

The Group has the following subsidiary company that has NCI that are material to the Group:

	SIA Engineering Company Group of Companies 31 March	
	2025	2024
Proportion of ownership interest held by NCI	22.2%	22.5%
Profit allocated to NCI during the reporting period	33.3	21.9
Accumulated NCI at the end of reporting period	402.9	395.7
Dividends paid to NCI	20.3	19.6

(c) Summarised financial information about subsidiary company with material NCI

Summarised financial information before intercompany eliminations of the subsidiary company with material non-controlling interests are as follows:

Summarised statement of financial position

	SIA Engineering Company Group of Companies 31 March	
	2025	2024
<u>Current</u>		
Assets	970.3	1,000.9
Liabilities	(337.3)	(301.9)
Net current assets	633.0	699.0
<u>Non-current</u>		
Assets	1,171.1	1,087.5
Liabilities	(62.6)	(83.2)
Net non-current assets	1,108.5	1,004.3
Net assets	1,741.5	1,703.3

Summarised statement of comprehensive income

	SIA Engineering Company Group of Companies	
	FY2024/25	FY2023/24
Revenue	1,245.1	1,094.2
Profit before tax	147.3	99.3
Taxation	(5.7)	(2.2)
Profit after tax	141.6	97.1
Other comprehensive income	(5.9)	5.8
Total comprehensive income	135.7	102.9

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

24 Subsidiary Companies (in \$ million) (continued)

(c) Summarised financial information about subsidiary company with material NCI (continued)

Other summarised information

	SIA Engineering Company Group of Companies	
	FY2024/25	FY2023/24
Net cash flow from operations	167.0	100.4
Acquisition of significant property, plant and equipment	(52.9)	(39.2)

(d) Acquisition of NCI without a change in control – KrisShop

FY2024/25

The Company injected \$15.0 million in KrisShop. As a result, the Group's shareholdings in KrisShop increased from 94.8% to 96.2%.

Subsequently, the Company acquired the remaining 3.8% interest in KrisShop at a nominal value of \$1 and KrisShop became a wholly-owned subsidiary company.

The following summarises the effect of the changes in the Group's ownership interests in KrisShop on the equity attributable to owners of the Company:

	As at date of acquisition
Consideration paid for acquisition of NCI	*
Decrease in equity attributable to NCI	<u>0.1</u>
Increase in equity attributable to owners of the Company	<u>0.1</u>

* The value is \$1

FY2023/24

The Company injected \$15.0 million and converted \$10.5 million of its shareholder loan into equity in KrisShop. As a result, the Group's shareholdings in KrisShop increased from 70.0% to 89.5%.

Subsequently, the Company acquired an additional interest in KrisShop of 5.3% for \$4.5 million and the Group's shareholdings in KrisShop increased to 94.8%.

The following summarises the effect of the changes in the Group's ownership interests in KrisShop on the equity attributable to owners of the Company:

	As at date of acquisition
Consideration paid for acquisition of NCI	4.5
Increase in equity attributable to NCI	<u>6.5</u>
Decrease in equity attributable to owners of the Company	<u>11.0</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

24 Subsidiary Companies (in \$ million) (continued)

(e) Acquisition of a subsidiary company – JADE Engineering Pte. Ltd. ("JADE")

FY2023/24

On 20 October 2023, SIAEC acquired an additional 10.0% of the shares and voting interests in JADE. As a result, SIAEC's equity interest in JADE increased from 45.0% to 55.0%, granting it control of JADE.

The change in control is accounted for using the acquisition method, and the Group's previously held equity interest is re-measured to fair value and a gain of \$2.1 million on deemed disposal was recognised in profit or loss.

Goodwill

Goodwill of \$4.7 million is recognised resulting from the difference between the fair value of the Group's interest in JADE and the fair value of the net assets acquired.

	As at date of acquisition
Total consideration transferred	1.3
NCI	5.6
Fair value of previously held equity interest	5.6
Fair value of identifiable net assets	(7.8)
Goodwill	4.7

(f) Disposal of a subsidiary company – Additive Flight Solutions Pte. Ltd. ("AFS")

FY2023/24

SIAEC disposed its entire interest of 60.0% of the shares in AFS for a cash consideration of \$0.1 million. Upon completion of the divestment, and a gain on disposal of \$1.0 million was recognised in profit or loss:

	As at date of disposal
Cash received	0.1
Net liabilities disposed	1.5
NCI at disposal	(0.6)
Gain on disposal	1.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Investment in associated companies	2,874.6	789.9	2,147.3	981.2
Accumulated impairment losses	(9.4)	(9.4)	(9.4)	(441.2)
	2,865.2	780.5	2,137.9	540.0

During the financial year:

1. RCMS recorded a revaluation gain of \$57.2 million from its annual revaluation exercise of its land and building. The Group's share of the revaluation gain of \$11.4 million as at 31 March 2025 is included under the share of post-acquisition capital reserve.
2. Following the completion of the merger of TATA SIA Airlines Limited ("TATA-SIA") and Air India Limited ("AI") on 12 November 2024, the Company holds 25.1% of the enlarged AI. Accordingly, AI is regarded as an associated company of the Company and TATA-SIA has ceased to be an associated company of the Company. Consequently, the Group recognised a gain of \$1,097.9 million in profit or loss from the disposal of TATA-SIA.
3. SIAEC together with Eaton, have incorporated Eaton Aerospace Component Services Asia Sdn. Bhd. ("EAS"), in Malaysia on 7 June 2024. SIAEC holds a 49% equity interest in EAS and invested \$10.6 million in EAS.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million) (continued)

(a) Associated companies of the Group

		Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
	Principal activities		2025	2024
<u>Held by the Company</u>				
Airbus Asia Training Centre Pte. Ltd. ^{(5)(b)}	Flight training services	Singapore	45.0	45.0
Air India Limited ⁽¹⁰⁾	Domestic and international airlines services	India	25.1	–
Ritz-Carlton, Millenia Singapore Properties Private Limited ^{(5)(b)}	Hotel ownership and management	Singapore	20.0	20.0
TATA SIA Airlines Limited ⁽¹⁰⁾	Domestic and international full service scheduled passenger airlines services	India	–	49.0
<u>Held by SIAEC</u>				
Eagle Services Asia Private Limited ^{(2)(b)}	Repair and overhaul of aircraft engines	Singapore	38.1	38.0
Fuel Accessory Service Technologies Pte Ltd ^{(2)(a)}	Repair and overhaul of engine fuel components and accessories	Singapore	38.1	38.0
GE Aviation, Overhaul Services – Singapore Pte. Ltd. ^{(12)(b)}	Repair and servicing of aircraft and spacecraft (including aircraft engines and other parts)	Singapore	38.1	38.0
Moog Aircraft Services Asia Pte. Ltd. ⁽³⁾	Repair and overhaul services for flight control systems	Singapore	38.1	38.0
PT Jas Aero-Engineering Services ^{(8)(b)}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Indonesia	38.1	38.0
Southern Airports Aircraft Maintenance Services Company Limited ^{(4)(b)}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Vietnam	38.1	38.0
POS Aviation Engineering Services Sdn. Bhd. ^{(6)(b)}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Malaysia	38.1	38.0
Component Aerospace Singapore Pte. Ltd. ^{(2)(a)}	Repair and overhaul of aircraft engine combustion chambers, guides, fuel nozzles and related parts	Singapore	36.1	36.0
Eaton Aerospace Component Services Asia Sdn. Bhd. ^{(11)(b)}	Inspect, test, repair, maintain, modify and overhaul Eaton-manufactured aircraft components installed on airframe and engine fuel systems and hydraulic systems	Malaysia	36.1	–
Panasonic Avionics Services Singapore Pte. Ltd. ⁽¹⁾	Provide line maintenance and repair services of in-flight entertainment systems	Singapore	33.1	32.9
Goodrich Aerostructures Service Center-Asia Pte. Ltd. ^{(2)(b)}	Repair and overhaul of aircraft nacelles, thrust reversers and pylons	Singapore	31.1	31.0
Pan Asia Pacific Aviation Services Limited ⁽⁷⁾	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Hong Kong	31.1	31.0
Safran Electronics & Defense Services Asia Pte. Ltd. ^{(9)(b)}	Provide avionics maintenance, repair and overhaul services	Singapore	31.1	31.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million) (continued)

(a) Associated companies of the Group (continued)

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group	
			2025	2024
Safran Landing Systems Services Singapore Pte. Ltd. ^{(9)(b)}	Repair and overhaul of Boeing and Airbus series landing gears	Singapore	31.1	31.0
Turbine Coating Services Pte Ltd ^{(2)(a)*}	Repair and overhaul of aircraft engine turbine airfoils	Singapore	19.1	19.0

⁽¹⁾ Audited by KPMG LLP, Singapore

⁽²⁾ Audited by PricewaterhouseCoopers LLP, Singapore

⁽³⁾ Audited by Cypress Singapore Public Accounting Corporation

⁽⁴⁾ Audited by member firms of Deloitte & Touche

⁽⁵⁾ Audited by Ernst & Young LLP, Singapore

⁽⁶⁾ Audited by KPMG LLP, Malaysia

⁽⁷⁾ Audited by Chan Li Law CPA Ltd

⁽⁸⁾ Audited by Ernst & Young LLP, Indonesia

⁽⁹⁾ Audited by Mazars LLP, Singapore

⁽¹⁰⁾ Audited by PKF Sridhar & Santhanam LLP and T.P. Ostwal & Associates

⁽¹¹⁾ Audited by Grant Thornton Malaysia PLT, Malaysia

⁽¹²⁾ Not required to be audited under the law in country of incorporation

^(a) Financial year end 30 November

^(b) Financial year end 31 December

* The Group has significant influence in these entities through its holdings in SIAEC

(b) Acquisition of Air India Limited

The Company, TATA-SIA, Tata Sons Private Limited and AI entered into an Implementation Agreement dated 29 November 2022 in connection with the proposed merger of TATA-SIA and AI.

On 12 November 2024, the merger was completed and the Company acquired 25.1% of the shares of AI.

The acquisition is part of the Company's strategy to strengthen SIA's position in the fast-growing Indian aviation market which complements its Singapore hub.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million) (continued)

(b) Acquisition of Air India Limited (continued)

Consideration transferred

As part of the merger, the Company was allotted 2.5487 shares for every 1 share held in TATA-SIA valued at \$1,099.3 million and also subscribed for shares of the enlarged AI for an amount of INR20,585 million (\$322.1 million) at a price of INR5.56 per equity share.

In accordance with the terms of the Implementation Agreement, the Company made an additional capital injection amounting to INR31,945 million (\$499.9 million).

The Company incurred acquisition-related costs of \$7.3 million on advisory and due diligence costs, which were capitalised as part of the cost of investment.

Subsequently in March 2025, the Company made an additional capital injection amounting to INR10,807 million (\$166.9 million). The Company's equity interest in AI remains unchanged at 25.1% with a total cost of \$2,095.5 million.

Identifiable assets acquired and liabilities assumed

The fair value of identifiable assets acquired and liabilities assumed at the acquisition date are summarised below:

	At date of acquisition
Property, plant and equipment	2,090.6
Right-of-use assets	2,057.0
Brand and trademarks	430.0
Investments	275.8
Lease liabilities	(2,017.8)
Contingent liabilities	(47.4)
Net working capital	148.6
Borrowings	(1,598.7)
Provisions	(507.6)
Deferred revenue	(419.0)
Other assets and liabilities	190.5
Net identifiable assets at fair value	602.0
Consideration transferred	1,921.3
Less: Net identifiable assets at fair value	(602.0)
Provisional goodwill arising from acquisition	1,319.3

The above amounts have been determined provisionally pending completion of an independent valuation.

If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of the acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of the acquisition, then the accounting for the acquisition will be revised.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million) (continued)

(b) Acquisition of Air India Limited (continued)

Measurement of fair value

The valuation techniques used for measuring fair value of material assets acquired and liabilities assumed were as follows:

Assets acquired and Liabilities assumed	Valuation technique
Property, plant and equipment	Market comparison technique This approach considers market prices for similar items when they are available.
Brand and trademarks	Relief from Royalty Method This method considers the discounted estimated royalty payments that are expected to be avoided as result of the trademark being owned.
Right-of-use assets	Adjusted present value of remaining lease payments Right-of-use assets are measured as the present value of remaining lease payments, adjusted for favourable or unfavourable terms. The identification and measurement of such favourable or unfavourable terms is based on the Market comparison technique. Market comparison technique This approach considers market prices for similar items when they are available.
Lease liabilities	Adjusted present value of remaining lease payments Lease liabilities are measured as the present value of remaining lease payments.

Contingent liabilities

The liabilities assumed at date of acquisition include contingent liabilities arising from various taxation disputes and legal claims.

(c) Material associated companies

	The Group 31 March	
	2025	2024
Air India Limited	2,024.6	–
Eagle Services Asia Private Limited ("ESA")	315.7	291.0
Other associated companies	524.9	489.5
	2,865.2	780.5

The carrying amounts of the investment in associated companies are as follows:

The activities of the associated companies are strategic to the Group's activities.

The Group has two (2024: two) associated companies that are material and a number of associated companies that are individually immaterial to the Group. The following summarises the financial information of each of the Group's material associated companies based on their respective (consolidated) financial statements prepared in accordance with IFRS, modified for fair value adjustments on acquisitions.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million) (continued)

(c) Material associated companies (continued)

Summarised statement of financial position

	AI 31 March		ESA 31 March	
	2025	2024	2025	2024
Current assets	3,842.7	–	1,340.0	925.7
Non-current assets	18,524.5	–	120.8	118.0
Total assets	22,367.2	–	1,460.8	1,043.7
Current liabilities	(5,335.2)	–	(797.9)	(439.7)
Non-current liabilities	(14,222.1)	–	(18.6)	(10.1)
Total liabilities	(19,557.3)	–	(816.5)	(449.8)
Net assets	2,809.9	–	644.3	593.9
Share of net assets	705.3	–	315.7	291.0

Summarised statement of comprehensive income

	AI		ESA	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Revenue	4,551.8	–	2,273.4	2,042.9
(Loss)/Profit after tax	(288.4)	–	54.4	44.0
Other comprehensive income	(0.4)	–	–	–
Total comprehensive income	(288.8)	–	54.4	44.0

The summarised comprehensive income information for AI above and the Group's share of losses for FY2024/25 are based on AI's management accounts for the period of December 2024 to March 2025.

A reconciliation of the summarised financial information to the carrying amount of AI is as follows:

	The Group 31 March	
	2025	2024
AI		
Group's share of net assets	705.3	–
Goodwill on acquisition	1,319.3	–
	2,024.6	–

No dividends (FY2023/24: nil) were received from AI and ESA during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

25 Associated Companies (in \$ million) (continued)

(d) Other associated companies

Aggregate information about the Group's share of the results of the associated companies that are not individually material is as follows:

Summarised statement of comprehensive income

	Immaterial associates	
	FY2024/25	FY2023/24
Profit after tax	62.8	59.5
Other comprehensive income	11.0	31.0
Total comprehensive income	73.8	90.5

26 Joint Venture Companies (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Investment in joint venture companies	334.4	297.1	32.3	32.3

The joint venture companies are:

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
			2025	2024
<u>Held by SIAEC</u>				
Singapore Aero Engine Services Private Limited ⁽¹⁾	Repair and overhaul of aircraft engines	Singapore	38.9	38.8
<u>Held by Scoot</u>				
NokScoot Airlines Co., Ltd. ⁽²⁾	Air transportation	Thailand	49.0	49.0
<u>Held by the Company</u>				
Singapore CAE Flight Training Pte. Ltd. ⁽³⁾ and its subsidiary	Flight training services	Singapore	50.0	50.0
SCFT Malaysia Sdn. Bhd. ⁽⁴⁾	Supporting services to air transport and providing simulation training for pilots	Malaysia	50.0	50.0

⁽¹⁾ Audited by KPMG LLP, Singapore, and financial year end of 31 December.

⁽²⁾ Not required to be audited, and financial year end of 31 December. Entered into liquidation on 26 June 2020.

⁽³⁾ Audited by PricewaterhouseCoopers LLP, Singapore.

⁽⁴⁾ Audited by SCS Global & Co PLT.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

26 Joint Venture Companies (in \$ million) (continued)

The Group jointly controls all the joint venture companies with other partners under contractual agreements that require unanimous consent for all major decisions over the relevant activities; they are all equity accounted.

The carrying amounts of the investments are as follows:

	The Group 31 March	
	2025	2024
Singapore Aero Engine Services Pte Ltd ("SAESL")	296.4	261.6
Other joint venture companies	38.0	35.5
	334.4	297.1

The activities of SAESL are strategic to the Group's activities.

No dividends (FY2023/24: nil) were received from SAESL during the financial year.

Summarised financial information in respect of SAESL, which is material to the Group, is as follows:

Summarised statement of financial position

	SAESL 31 March	
	2025	2024
Cash and short-term deposits	57.8	140.7
Other current assets	2,221.6	1,575.8
Total current assets	2,279.4	1,716.5
Non-current assets	228.8	216.6
Total assets	2,508.2	1,933.1
Current liabilities	(1,915.5)	(1,396.9)
Non-current liabilities	—	(12.9)
Total liabilities	(1,915.5)	(1,409.8)
Net assets	592.7	523.3

Summarised statement of comprehensive income

	SAESL	
	FY2024/25	FY2023/24
Revenue	4,574.2	4,032.1
Depreciation and amortisation	(31.0)	(33.0)
Interest income	12.6	11.3
Interest expense	(1.5)	(2.1)
Profit before tax	80.1	64.9
Taxation	(5.6)	(4.3)
Profit after tax	74.5	60.6
Other comprehensive income	(1.9)	(9.9)
Total comprehensive income	72.6	50.7

The summarised financial information presented is extracted from the financial statements of SAESL prepared in accordance with IFRS.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

26 Joint Venture Companies (in \$ million) (continued)

Aggregate information about the Group's investment in the other joint venture companies that are not individually material is as follows:

The Group's share of the assets and liabilities comprises:

	The Group 31 March	
	2025	2024
Current assets	5.4	4.3
Non-current assets	69.0	63.6
Total assets	74.4	67.9
Current liabilities	(7.8)	(9.2)
Non-current liabilities	(28.6)	(23.2)
Total liabilities	(36.4)	(32.4)
Net assets	38.0	35.5

The Group's share of the results is as follows:

	FY2024/25	FY2023/24
Profit after tax	2.8	2.5
Other comprehensive income	(0.2)	0.5
Total comprehensive income	2.6	3.0

27 Long-Term Investments (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Unquoted Equity investments	39.5	38.9	36.2	36.2

28 Other Long-Term Assets (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Deposits	58.3	52.3	0.1	0.1
Fixed deposits	1,360.0	34.0	1,360.0	34.0
Other receivables	21.9	131.6	21.9	131.6
Derivative assets (refer to note 42)	104.6	177.3	104.6	175.3
	1,544.8	395.2	1,486.6	341.0

The Group's fixed deposits are denominated in USD and are held to hedge against foreign currency risk for a portion of the forecast USD capital expenditure and USD capital injections in an associated company (see note 42(b)).

The Group's other receivables are stated at amortised cost and are expected to be received over a period of two years (2024: two years).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

29 Inventories (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Technical stocks and stores	295.7	220.6	231.9	163.7
Catering and general stocks	49.2	47.4	39.9	32.8
Total inventories at lower of cost and net realisable value	344.9	268.0	271.8	196.5

The cost of inventories recognised as an expense amounted to \$311.0 million (FY2023/24: \$224.9 million).

30 Trade Debtors (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Trade debtors	1,159.2	1,309.5	1,019.5	1,166.6
Contract assets	56.7	76.4	–	–
Amounts owing by:				
– associated companies	12.8	1.9	1.0	0.4
– joint venture companies	1.2	0.9	–	–
	1,229.9	1,388.7	1,020.5	1,167.0
Amounts owing by:				
– subsidiary companies	–	–	100.7	12.8
	1,229.9	1,388.7	1,121.2	1,179.8

Trade debtors are non-interest bearing. The carrying amount of trade debtors impaired by credit losses is reduced through the use of an allowance account unless the Group writes off the amount ascertained to be uncollectible. In subsequent periods when a trade debtor is ascertained to be uncollectible, it is written off against the allowance account.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days ageing of debtor balances) are considered indicators that the trade debtor is impaired. Individual trade debtor is written off when Management deems the amount not to be collectible.

Contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade debtors when the rights become unconditional. This usually occurs when the Group invoices the customers.

Amounts owing by subsidiary, associated and joint venture companies are unsecured, trade-related, non-interest bearing and repayable on demand. The amounts are stated at net of accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

30 Trade Debtors (in \$ million) (continued)

The table below is an analysis of trade debtors as at 31 March:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Not past due and not impaired	1,006.4	1,125.6	944.9	954.7
Past due but not impaired	215.3	250.1	168.1	212.1
	1,221.7	1,375.7	1,113.0	1,166.8
Impaired trade debtors – collectively assessed	17.9	27.2	16.8	24.4
Less: Accumulated impairment losses	(9.7)	(14.2)	(8.6)	(11.4)
	8.2	13.0	8.2	13.0
Impaired trade debtors – individually assessed				
Customers in bankruptcy or other financial reorganisation	0.3	3.4	0.2	–
Customers who default in payment within stipulated framework of IATA Clearing House or Bank Settlement Plan	3.2	1.7	1.2	1.3
Less: Accumulated impairment losses	(3.5)	(5.1)	(1.4)	(1.3)
	–	–	–	–
Impaired amounts owing by joint venture companies – individually assessed	75.5	75.5	75.5	75.5
Less: Accumulated impairment losses	(75.5)	(75.5)	(75.5)	(75.5)
	–	–	–	–
Total trade debtors, net	1,229.9	1,388.7	1,121.2	1,179.8

Included in trade and other debtors are amounts owing by related parties of \$47.8 million (2024: \$20.7 million) and \$32.6 million (2024: \$20.2 million) for the Group and Company respectively.

Trade debtors are stated after accumulated impairment losses. An analysis of the accumulated impairment losses is as follows:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Balance at 1 April	94.8	84.5	88.2	81.6
(Written back)/Provided during the year for trade debtors	(4.7)	10.5	(2.6)	6.6
Written off during the year	(1.4)	(0.2)	(0.1)	–
Balance at 31 March	88.7	94.8	85.5	88.2
Bad debts written off directly to profit and loss account, net of debts recovered	4.0	0.4	0.4	0.1

As at 31 March 2025, the composition of trade debtors held in foreign currencies by the Group is as follows: USD – 24.2% (2024: 25.3%), AUD – 6.1% (2024: 7.9%), EUR – 3.6% (2024: 5.5%), GBP – 3.3% (2024: 3.9%) and JPY – 1.8% (2024: 1.5%).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

31 Deposits and Other Debtors (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Deposits	24.3	23.7	9.0	8.5
Other debtors	248.3	358.5	155.2	224.0
	272.6	382.2	164.2	232.5

In the previous financial year, the Group recognised a write-back of impairment on other debtors of \$1.3 million as non-operating item.

32 Other Short-Term Assets (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Fixed deposits	421.1	772.0	421.1	772.0
Other receivables	115.4	118.7	115.4	118.7
	536.5	890.7	536.5	890.7

The Group's fixed deposits are denominated in USD and are held to hedge against foreign currency risk for a portion of the forecast USD capital expenditure and USD capital injections in an associated company (see note 42(b)).

33 Investments (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Quoted				
Equity investments	3.7	2.3	—	—
Non-equity investments	516.0	517.4	463.4	464.5
	519.7	519.7	463.4	464.5

The Group's non-equity investments comprised investments in government securities, corporate bonds, money market funds and unit trusts. These investments are held to manage the Group's liquidity needs.

The interest rates for quoted non-equity investments range from 0.00% to 6.20% (FY2023/24: 1.25% to 6.00%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

34 Cash and Bank Balances (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Short-term deposits	6,877.4	8,264.6	6,839.0	8,220.4
Cash and bank balances	1,379.7	2,991.4	1,121.1	2,755.6
	8,257.1	11,256.0	7,960.1	10,976.0

As at 31 March 2025, the composition of cash and bank balances held in foreign currencies by the Group is as follows: USD – 26.0% (2024: 40.1%), EUR – 1.5% (2024: 0.3%), GBP – 1.1% (2024: 0.2%), AUD – 0.9% (2024: 0.8%), and JPY – 0.4% (2024: 0.2%).

Cash at bank earns interest at floating rates based on daily bank deposit rates ranging from 0% to 4.50% (FY2023/24: 0% to 5.25%) per annum. Short-term deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The weighted average effective interest rate for short-term deposits is 3.51% (FY2023/24: 4.74%) per annum.

35 Trade and Other Creditors (in \$ million)

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Trade creditors	4,509.2	4,259.3	3,360.9	3,174.1
Accrued interest	50.1	57.6	48.9	55.9
Contract liabilities	46.0	46.2	–	–
Amounts owing to associated companies	6.9	4.6	6.1	4.2
Amounts owing to joint venture companies	16.2	16.1	2.0	2.0
	4,628.4	4,383.8	3,417.9	3,236.2
Funds from subsidiary companies	–	–	2,368.6	2,766.3
Amounts owing to subsidiary companies	–	–	334.4	397.0
	–	–	2,703.0	3,163.3

Trade and other creditors are generally non-interest bearing. As at 31 March 2025, 28.7% (2024: 29.4%) of trade and other creditors were held in USD by the Group. Included in trade and other creditors are amounts owing to related parties of \$415.2 million (2024: \$431.0 million) and \$387.6 million (2024: \$357.1 million) for the Group and Company respectively.

Funds from subsidiary companies are unsecured and have varying repayment terms. Interest on funds from subsidiary companies are computed using prevailing market rates which range from 2.15% to 3.79% (FY2023/24: 3.00% to 4.22%) per annum for SGD funds, and 4.30% to 4.44% (FY2023/24: 5.30% to 5.68%) per annum for USD funds.

As at 31 March 2025, 38.8% (2024: 41.0%) of the funds from subsidiary companies were denominated in USD.

Amounts owing to related parties, subsidiary, associated and joint venture companies are unsecured, trade-related, non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

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

	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Revenue recognised that was included in the balance at the beginning of the year				
– Sales in advance of carriage	3,873.2	3,733.2	3,487.9	3,377.4
– Deferred revenue	544.6	641.4	539.2	641.4

Deferred revenue relates to KrisFlyer and KrisPay miles expected to be redeemed. The Group expects the majority of these miles to be redeemed by the end of their validity dates.

All tickets sold at any given point of time have travel dates extending up to 12 months. As a result, the balance of the sales in advance of carriage liability represents activity that will typically be recognised in the next 12 months.

37 Analysis of Capital Expenditure Cash Flow (in \$ million)

	The Group	
	FY2024/25	FY2023/24
Purchase of property, plant and equipment	1,866.1	1,198.7
Property, plant and equipment (acquired under)/settled by credit terms	(63.7)	72.4
Interest capitalised	(34.4)	(39.8)
Cash invested in capital expenditure	1,768.0	1,231.3

38 Capital Expenditure Commitments (in \$ million)

The Group and the Company have commitments for capital expenditure. Such commitments aggregated \$11,684.7 million (2024: \$12,268.7 million) for the Group and \$10,421.7 million (2024: \$10,707.2 million) for the Company. The commitments relate principally to the acquisition of aircraft fleet and related equipment.

In addition, the Group's share of associated companies' and joint venture companies' commitments for capital expenditure totalled \$12,116.2 million (2024: \$4.2 million) and \$22.3 million (2024: \$15.1 million) respectively. The increase in the Group's share of associated companies' commitments for capital expenditure is due to AI's aircraft order.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

39 Leases (in \$ million)

(a) As lessee

Aircraft

The Company leases three 777-300ERs, seven A350-900s, four 787-10s, four 737-800NGs, six 737-8s and five 777F freighters at fixed rental rates. The leases of two A380-800 were terminated during the year. The original lease terms of these aircraft range from three to 13 years.

For flexibility in fleet planning, most leases include extension options. The extension options provide for lease renewals up to a maximum of four years. In addition, leases for the A350-900s, 787-10s and 737-8s include early termination options that allow termination of the leases up to two years prior to original lease expiry. Sub-leasing is allowed under all the lease arrangements.

Scoot Pte. Ltd. ("Scoot") leases 14 A320-200s, four A320neos, nine A321neo, five E190-E2 and six 787s. The original lease terms on the aircraft are for five to 13 years. Certain aircraft leases confer on Scoot an option to purchase the related aircraft. Sub-leasing is allowed under all the lease arrangements, subject to certain terms and conditions stated in the agreements. Certain aircraft leases allow for lease extension/termination options for a period of three months to two years from original lease expiry. The lease term for certain aircraft leases were extended by two to three years.

Singapore Flying College ("SFC") leases two Piper Seminole (G1000) aircraft in Australia. The original lease terms on the aircraft are for a period of five years, with an option to renew. Both aircraft leases allow for lease extension/termination options for a period of up to three years from original lease expiry.

Spare engines

The Company has lease agreements for six Trent 1000-J and six Trent TXWB-84 engines with fixed rental rates. The original lease terms for the Trent 1000-J and Trent TXWB-84 engines are 10 years with extension options of up to 36 months.

Property and equipment

The Group has entered into lease agreements for office and computer equipment, leasehold land and buildings. These non-cancellable leases have lease terms of between one and 60 years.

Extension/termination options

To the extent the future lease payments can be reliably estimated, the Group has determined that in relation to aircraft, should the extension options be exercised, it would result in an increase in lease liabilities of \$431.0 million (2024: \$452.4 million), while the exercise of the termination options would result in a decrease in lease liabilities of \$245.3 million (2024: \$229.7 million).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

39 Leases (in \$ million) (continued)

(b) As lessor

Finance lease

The Company sub-leases five 777F freighters to an external party. The sub-lease term for the aircraft is between four and five years.

Future minimum lease receivables under the finance leases are as follows:

	The Group 31 March	
	2025	2024
Within 1 year	93.8	102.0
1 – 2 years	10.9	88.8
2 – 3 years	–	10.1
Total undiscounted lease receivables	104.7	200.9
Unearned finance income	(2.1)	(8.3)
Net investment in the lease	102.6	192.6

40 Contingent Liabilities (in \$ million)

(a) **Cargo: Investigations by Competition Authorities and Civil Class Damages Actions**

In 2006 and thereafter, SIA Cargo and the Company were among several airlines that received notice of investigations by competition authorities in the United States, European Union, Australia, Canada, New Zealand, South Africa, South Korea and Switzerland as to whether surcharges, rates or other competitive aspects of air cargo service were lawfully determined (the "air cargo issues").

On 9 November 2010, the European Commission issued an adverse decision against 13 air cargo airlines, including SIA Cargo and the Company, in respect of fuel surcharges, security surcharges and commissions on surcharges. A fine of EUR74.8 million (\$135.7 million) was imposed on SIA Cargo and the Company. SIA Cargo paid the fine in February 2011 in accordance with European Union laws. This amount was reflected as an exceptional item in the Group's accounts in FY2010/11. SIA Cargo and the Company filed an appeal to the European General Court seeking annulment of the decision. In December 2015, the European General Court annulled the decision of the European Commission in its entirety vis-à-vis SIA Cargo and the Company. In February 2016, EUR76.4 million (\$119.1 million) comprising the fine amount and returns thereon was refunded to SIA Cargo. This refund was recognised as a non-operating item in the Group's FY2015/16 accounts. In March 2017, the European Commission re-adopted a decision in respect of the same case against the air cargo airlines, imposing a fine of EUR74.8 million (\$111.8 million) against SIA Cargo and the Company. This amount was recognised as a non-operating item in the Group's accounts in FY2016/17. SIA Cargo and the Company have filed an appeal to the European General Court seeking annulment of the re-adopted decision. In March 2022, the European General Court has issued its decision, dismissing the appeal by SIA Cargo and the Company. In June 2022, SIA Cargo and the Company filed an appeal to the European Court of Justice against the decision of the European General Court.

In January 2014, the Swiss Competition Commission announced a fine against SIA Cargo and the Company of CHF1.7 million (\$2.3 million) in respect of the air cargo issues. This amount was reflected as an exceptional item in the Group's accounts in FY2013/14. SIA Cargo and the Company have filed an appeal to the Swiss Federal Administrative Tribunal seeking annulment of the decision. In December 2022, the tribunal partially allowed the appeal, reducing the fine amount to CHF1.4 million (\$2.1 million). The Company filed an appeal to the Swiss Federal Supreme Court against the decision of the Swiss Federal Administrative Tribunal. In April 2025, the Company was notified that the court had partially allowed the appeal, reducing the fine amount to CHF1.05 million (\$1.6 million).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

40 Contingent Liabilities (in \$ million) (continued)

(a) Cargo: Investigations by Competition Authorities and Civil Class Damages Actions (continued)

The proceedings by competition authorities in the United States, South Korea, South Africa, Australia and New Zealand were resolved in previous financial periods.

After the investigations commenced, civil damage lawsuits were filed in the United States, Canada, Australia, South Korea, England, the Netherlands, Norway and Germany by private parties against several airlines, including SIA Cargo and the Company. Other lawsuits have been threatened by customers of SIA Cargo or shippers that purportedly contracted with SIA Cargo's customers.

In November 2023 and February 2024, without admitting any liability, SIA Cargo and the Company entered into a settlement with two out of the three claimant groups in the civil damages claim filed in the Netherlands.

Without admitting any liability, SIA Cargo and/or the Company have settled the civil damages claims in the United States, Canada, Australia, South Korea, England and Germany, as the case may be, to resolve all liabilities of SIA Cargo and/or the Company as concerns such lawsuits filed in the relevant jurisdictions.

In addition, without admitting any liability, in 2012, 2013 and 2015, SIA Cargo reached settlements with certain customers to resolve all pending and potential future civil damage claims regarding the air cargo issues for those customers. The prior settlements have been reflected in the Group's financial statements in the previous financial years. The individual terms of all such settlements are required to be kept confidential.

Apart from the civil damages claims in the United States, Canada, Australia, South Korea, England and Germany, the filed cases remain in their respective procedural stages and none have been tried thus far on their respective substantive legal merits.

Apart from the items recorded as non-operating items noted above, it is premature to make a provision in the financial statements for the other pending investigations, court proceedings, civil suits, or threatened claims as their respective outcomes are uncertain.

(b) Passengers: Civil Class Actions

The Company and several other airlines have been named in a civil class action lawsuit in Canada alleging an unlawful agreement to fix surcharges and fares on transpacific flights. The case is currently in the procedural stage and has not been tried thus far on its substantive legal merits. As the lawsuit has neither been tried nor alleged damages quantified, it is premature to make a provision in the financial statements.

41 Financial Instruments (in \$ million)

Classification and fair values of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The material accounting policies in note 2 describe how the classes of financial instruments are measured, and how revenue and expenses, including fair value gains and losses, are recognised. The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as per the following tables.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Classification and fair values of financial instruments (continued)

31 March 2025 The Group	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
Financial assets							
Long-term investments							
Unquoted							
Equity investments	–	38.2	1.3	39.5	–	–	39.5
Other long-term receivables	76.6	–	–	76.6	–	–	72.2
Derivative assets*	–	210.7	–	210.7	–	210.7	–
Investments							
Quoted							
Equity investments	–	3.7	–	3.7	3.7	–	–
Non-equity investments*	–	52.6	–	52.6	52.6	–	–
Non-equity investments	463.4	–	–	463.4	463.4	–	–
	540.0	305.2	1.3	846.5	519.7	210.7	111.7
Financial liabilities							
Derivative liabilities*	–	169.9	–	169.9	–	169.9	–
Notes payable	4,665.2	–	–	4,665.2	4,668.3	–	–
Convertible bonds	837.7 [#]	–	–	837.7	1,180.7	–	–
	5,502.9	169.9	–	5,672.8	5,849.0	169.9	–
31 March 2025 The Company	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
Financial assets							
Long-term investments							
Unquoted							
Equity investments	–	34.9	1.3	36.2	–	–	36.2
Other long-term receivables	21.9	–	–	21.9	–	–	21.1
Derivative assets*	–	210.5	–	210.5	–	210.5	–
Investments							
Quoted							
Non-equity investments	463.4	–	–	463.4	463.4	–	–
	485.3	245.4	1.3	732.0	463.4	210.5	57.3
Financial liabilities							
Derivative liabilities*	–	169.9	–	169.9	–	169.9	–
Notes payable	4,665.2	–	–	4,665.2	4,668.3	–	–
Convertible bonds	837.7 [#]	–	–	837.7	1,180.7	–	–
	5,502.9	169.9	–	5,672.8	5,849.0	169.9	–

* Mandatorily measured at FVTPL

[#] Excludes the equity conversion component of \$74.3 million which is recognised in capital reserve

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Classification and fair values of financial instruments (continued)

31 March 2024 The Group	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
Financial assets							
Long-term investments							
Unquoted	–	37.6	1.3	38.9	–		38.9
Equity investments	180.4	–	–	180.4	–		178.9
Other long-term receivables							
Derivative assets*	–	946.5	–	946.5	–		–
Investments						946.5	
Quoted							
Equity investments	–	2.3	–	2.3	2.3	–	–
Non-equity investments*	–	52.9	–	52.9	52.9	–	–
Non-equity investments	464.5	–	–	464.5	464.5	–	–
	644.9	1,039.3	1.3	1,685.5	519.7	946.5	217.8
Financial liabilities							
Derivative liabilities*	–	540.9	–	540.9	–	540.9	–
Notes payable	4,977.4	–	–	4,977.4	4,881.4	–	–
Convertible bonds	820.4 [#]	–	–	820.4	1,054.5	–	–
	5,797.8	540.9	–	6,338.7	5,935.9	540.9	–

31 March 2024 The Company	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
Financial assets							
Long-term investments							
Unquoted							
Equity investments	–	34.9	1.3	36.2	–	–	36.2
Other long-term receivables	131.6	–	–	131.6	–	–	133.7
Derivative assets*	–	942.0	–	942.0	–	942.0	–
Investments							
Quoted							
Non-equity investments	464.5	–	–	464.5	464.5	–	–
	596.1	976.9	1.3	1,574.3	464.5	942.0	169.9
Financial liabilities							
Derivative liabilities*	–	540.9	–	540.9	–	540.9	–
Notes payable	4,977.4	–	–	4,977.4	4,881.4	–	–
Convertible bonds	820.4 [#]	–	–	820.4	1,054.5	–	–
	5,797.8	540.9	–	6,338.7	5,935.9	540.9	–

* Mandatorily measured at FVTPL

Excludes the equity conversion component of \$74.3 million which is recognised in capital reserve

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Classification and fair values of financial instruments (continued)

Financial instruments carried at fair value

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3 – Unobservable inputs for the asset or liability

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

Determination of fair value

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Master netting or similar agreements

The Group enters into derivative transactions under International Swaps and Derivatives Association ("ISDA") master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances – e.g., when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group also enters into netting arrangements with International Air Transport Association ("IATA") which is enforceable in the normal course of operations and also following an event of default, insolvency or bankruptcy of the Group or the counterparties. The Group settles these balances on a net basis during the normal course of operations.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

	Effects of offsetting in the statements of financial position		Related amounts not offset		
	Gross amounts	Gross amounts set-off in the statements of financial position	Net amounts presented in the statements of financial position	Amounts subject to master netting arrangements	Net amount
The Group					
<u>31 March 2025</u>					
Derivative assets	210.7	–	210.7	(80.7)	130.0
Trade debtors	1,241.2	(11.3)	1,229.9	–	1,229.9
	1,451.9	(11.3)	1,440.6	(80.7)	1,359.9
Derivative liabilities	169.9	–	169.9	(80.7)	89.2
Trade and other creditors	4,639.9	(11.3)	4,628.6	–	4,628.6
	4,809.8	(11.3)	4,798.5	(80.7)	4,717.8
<u>31 March 2024</u>					
Derivative assets	946.5	–	946.5	(464.4)	482.1
Trade debtors	1,416.2	(27.5)	1,388.7	–	1,388.7
	2,362.7	(27.5)	2,335.2	(464.4)	1,870.8
Derivative liabilities	540.9	–	540.9	(464.4)	76.5
Trade and other creditors	4,411.3	(27.5)	4,383.8	–	4,383.8
	4,952.2	(27.5)	4,924.7	(464.4)	4,460.3

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

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

Master netting or similar agreements (continued)

The Company	Effects of offsetting in the statements of financial position			Related amounts not offset	
	Gross amounts	Gross amounts set-off in the statements of financial position	Net amounts presented in the statements of financial position	Amounts subject to master netting arrangements	Net amount
<u>31 March 2025</u>					
Derivative assets	210.5	–	210.5	(80.7)	129.8
Trade debtors	1,031.8	(11.3)	1,020.5	–	1,020.5
Amounts owing by subsidiary companies	926.8	(811.3)	115.5	–	115.5
	2,169.1	(822.6)	1,346.5	(80.7)	1,265.8
Derivative liabilities	169.9	–	169.9	(80.7)	89.2
Trade and other creditors	3,429.2	(11.3)	3,417.9	–	3,417.9
Amounts owing to subsidiary companies	3,514.3	(811.3)	2,703.0	–	2,703.0
	7,113.4	(822.6)	6,290.8	(80.7)	6,210.1
<u>31 March 2024</u>					
Derivative assets	942.0	–	942.0	(464.4)	477.6
Trade debtors	1,194.5	(27.5)	1,167.0	–	1,167.0
Amounts owing by subsidiary companies	316.8	(304.0)	12.8	–	12.8
	2,453.3	(331.5)	2,121.8	(464.4)	1,657.4
Derivative liabilities	540.9	–	540.9	(464.4)	76.5
Trade and other creditors	3,263.7	(27.5)	3,236.2	–	3,236.2
Amounts owing to subsidiary companies	3,467.3	(304.0)	3,163.3	–	3,163.3
	7,271.9	(331.5)	6,940.4	(464.4)	6,476.0

42 Financial Risk Management Objectives and Policies (in \$ million)

The Group operates globally and generates revenue in various currencies. The Group's airline operations carry certain financial and commodity risks, including the effects of changes in jet fuel prices, foreign currency exchange rates, interest rates and the market value of its investments. The Group's overall risk management approach is to moderate the effects of such volatility on its financial performance through the use of derivatives to hedge specific exposures.

As derivatives are used for the purpose of risk management, they do not expose the Group to market risk because gains and losses on the derivatives offset losses and gains on the matching asset, liability, revenues or expenses being hedged. Moreover, counterparty credit risk is generally restricted to any hedging gain from time to time, and not the principal amount hedged. Therefore, the possibility of a material loss arising in the event of non-performance by a counterparty is considered to be unlikely.

Financial risk management policies are periodically reviewed and approved by the Board Executive Committee ("BEC").

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

Derivative financial instruments included in the statements of financial position are as follows:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
<u>Derivative assets</u>				
Current				
Currency hedging contracts	43.2	31.1	43.2	31.1
Fuel hedging contracts	6.3	162.1	6.3	162.1
Fuel derivative contracts	–	473.4	–	473.4
Cross currency swap contracts	23.1	26.6	23.1	26.6
Interest rate swap contracts	33.5	76.0	33.3	73.5
	106.1	769.2	105.9	766.7
Non-current				
Fuel hedging contracts	4.3	5.6	4.3	5.6
Cross currency swap contracts	33.3	36.5	33.3	36.5
Interest rate swap contracts	67.0	135.2	67.0	133.2
	104.6	177.3	104.6	175.3
	210.7	946.5	210.5	942.0
<u>Derivative liabilities</u>				
Current				
Currency hedging contracts	16.9	14.4	16.9	14.4
Fuel hedging contracts	74.1	1.6	74.1	1.6
Fuel derivative contracts	–	473.4	–	473.4
Interest rate swap contracts	–	0.1	–	0.1
	91.0	489.5	91.0	489.5
Non-current				
Fuel hedging contracts	7.4	0.3	7.4	0.3
Cross currency swap contracts	71.5	51.1	71.5	51.1
	78.9	51.4	78.9	51.4
	169.9	540.9	169.9	540.9

(a) Jet fuel price risk

The Group's earnings are affected by changes in the price of jet fuel. The Group's strategy for managing the risk on fuel price, as defined by the BEC, aims to provide the Group with protection against sudden and significant increases in jet fuel prices. In meeting these objectives, the fuel risk management programme allows for the judicious use of approved instruments such as swaps, options and collars with approved counterparties and within approved credit limits to hedge approved range of anticipated jet fuel purchases over a specified time frame.

Cash flow hedges

The Group manages this fuel price risk by using jet fuel swap, ICE Brent swap and Brent-MOPS crack swap contracts.

The Group has applied cash flow hedge accounting to the derivatives which are considered to be highly effective hedging instruments. A net fair value loss before tax of \$70.9 million (2024: gain before tax of \$166.0 million), with a related deferred tax credit of \$12.1 million (2024: deferred tax expense of \$28.2 million), was included in the fair value reserve in respect of these contracts.

Following the outbreak of the Covid-19 pandemic, there was a significant reduction in the Group's capacity and hence fuel consumption, compared to prior planned flight schedules. Where the occurrences of these forecasted jet fuel purchases are no longer highly probable, hedge accounting has been discontinued. All discontinued hedges have matured in FY2024/25 and no gain (2024: gain of \$57.3 million) previously recognised in profit or loss remained in the fair value reserve as at 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(a) Jet fuel price risk (continued)

The table below sets out the movements for fuel hedges:

	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	(181.8)	353.7	(181.8)	353.7
Change in fair value of hedged item	182.1	(354.4)	182.1	(354.4)

As at 31 March 2025, the Group had entered into Brent and MOPS hedges with maturities extending up to the fourth quarter of FY2029/30 that cover up to approximately 12.7% of the Group's projected annual fuel consumption, at an average price ranging from USD68 to USD91 per barrel. All the remaining sell swaps have matured in the fourth quarter of FY2024/25.

Jet fuel price sensitivity analysis

The jet fuel price risk sensitivity analysis is based on the assumption that all other factors, such as fuel surcharge and uplifted fuel volume, remain constant. Under this assumption, and excluding the effects of hedging, an increase in price of one USD per barrel of jet fuel affects the Group's and the Company's annual fuel costs by \$54.3 million and \$46.7 million (FY2023/24: \$50.1 million and \$42.6 million) respectively.

The fuel hedging sensitivity analysis is based on contracts that are outstanding as at the end of the reporting period and assumes that all jet fuel, Brent and crack hedges are highly effective. Under these assumptions, an increase or decrease in jet fuel prices, each by one USD per barrel, will have the before tax effects as set out in the table below.

Sensitivity analysis on outstanding fuel hedging contracts:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
	Effect on equity		Effect on equity	
Increase in one USD per barrel	37.1	15.8	31.2	13.4
Decrease in one USD per barrel	(37.1)	(15.8)	(31.2)	(13.4)

(b) Foreign currency risk

The Group is exposed to the effects of foreign exchange rate fluctuations because of its foreign currency denominated operating revenues and expenses. For the financial year ended 31 March 2025, these accounted for 67.6% of total revenue (FY2023/24: 66.8%) and 52.9% of total operating expenses (FY2023/24: 54.3%). The Group's largest exposures are from United States Dollar, Euro, UK Sterling Pound, Australian Dollar, New Zealand Dollar, Japanese Yen, Indian Rupee, Hong Kong Dollar, Chinese Yuan and Indonesian Rupiah. The Group generates a surplus in all of these currencies, with the exception of USD. The deficit in USD is attributable to capital expenditure, fuel costs and aircraft leasing costs – all conventionally denominated and payable in USD.

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for USD or SGD. The Group also uses foreign currency forward and option contracts to hedge a portion of its future foreign exchange exposure. Such contracts provide for the Group to sell currencies at predetermined forward rates, buying either USD or SGD depending on forecast requirements, with settlement dates up to 24 months. The Group uses cross currency swap contracts to hedge USD bond liability and its coupon payments into SGD. The Group uses these currency hedging contracts purely as a hedging tool. It does not take positions in currencies with a view to making speculative gains from currency movements. The Group also uses deposits in foreign currencies to hedge a portion of the forecast USD capital expenditure in the next 24 months.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Cash flow hedges

a) Net operating and other exposures

The Group held cash flow hedges to manage net operating exposures to foreign currencies. As at 31 March 2025, the carrying amounts of these hedges consisted of \$43.2 million (2024: \$31.1 million) derivative assets and \$16.9 million (2024: \$14.4 million) derivative liabilities for the Group and the Company. During the financial year, the amount reclassified from the cash flow hedge reserve to profit or loss (classified under "Other operating expenses") is a gain of \$14.6 million (2024: gain of \$12.7 million). As at 31 March 2025, a net fair value gain of \$2.3 million (2024: loss of \$4.3 million), with \$0.2 million deferred tax expense (2024: \$0.6 million deferred tax credit), was included in the fair value reserve with respect to these contracts.

	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	20.4	(2.0)	18.2	4.9
Change in fair value of hedged item	(20.4)	2.0	(18.2)	(4.9)

The Group also held cross currency swap contracts to hedge foreign currency risk of expected future JPY surpluses until November 2029. In the previous financial year, \$0.1 million of ineffectiveness gain was recognised in the profit or loss for the Group. As at 31 March 2025, a net fair value gain of \$44.1 million (2024: gain of \$47.3 million) was included in the fair value reserve with respect to these contracts.

	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	(3.2)	12.2	(3.2)	12.2
Change in fair value of hedged item	3.2	(12.1)	3.2	(12.1)

As at 31 March 2025, the Group held EUR and JPY secured loans amounting to \$1,413.6 million (2024: \$955.3 million) where the fixed repayments are hedged against the Group's EUR and JPY surpluses. During the financial year, the amount reclassified from the cash flow hedge reserve to profit or loss (classified under "Other operating expenses") is a gain of \$22.5 million (2024: gain of \$17.9 million). A fair value gain of \$69.0 million (2024: gain of \$81.5 million) was included in the fair value reserve in respect of the above cash flow hedges as at 31 March 2025.

	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	10.0	36.2	10.0	36.2
Change in fair value of hedged item	(10.0)	(36.2)	(10.0)	(36.2)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Cash flow hedges (continued)

b) Capital expenditure exposures

The Group and the Company designate cash flow hedges to manage the exposure to USD-denominated capital expenditure commitments and capital injections in an associated company.

As at 31 March 2025, the Group and the Company held USD2,068.7 million (2024: USD975.5 million) and USD2,020.0 million (2024: USD967.7 million) respectively, in deposits to hedge against foreign currency risk for a portion of the forecast USD capital expenditure and USD capital injections in an associated company.

As at 31 March 2025, a fair value gain of \$7.2 million (2024: gain of \$4.4 million) was included in the fair value reserve in respect of the above cash flow hedges.

The table below sets out the derivative positions and movements for these cash flow hedges:

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Hedged deposits	2,772.8	1,316.4	2,707.5	1,305.9
	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	(2.6)	5.6	(2.8)	6.2
Change in fair value of hedged item	2.6	(5.6)	2.8	(6.2)

For the financial year ended 31 March 2025 and 31 March 2024, there was no realised foreign currency hedging gain/(loss) reclassified to profit or loss as it had been capitalised in the carrying value of non-financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Fair value hedges

The Group enters into fair value hedges to manage the exposure to USD-denominated aircraft residual value. The residual values of aircraft are subject to foreign currency fluctuations and are remeasured to the prevailing exchange rates at the end of the reporting period. These underlying currency movements on aircraft are designated in a fair value hedge are included within "Property, plant and equipment" in the statements of financial position. The hedging instrument is included within "Lease liabilities". The effective portion of changes in the fair value of both the hedged item and hedging instrument are offset within "Other operating expenses" and no ineffectiveness arose on fair value hedges during the year.

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
USD aircraft residual values	1,870.2	1,718.8	1,634.6	1,504.4
USD lease liabilities	(1,870.2)	(1,718.8)	(1,634.6)	(1,504.4)
	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	9.7	(23.7)	8.1	(20.8)
Change in fair value of hedged item	(9.7)	23.7	(8.1)	20.8

Foreign currency sensitivity analysis

The foreign currency risk sensitivity analysis is based on the assumption that all cash flow hedges are highly effective; hence, there will be no impact on profit before taxation from cash flow hedges.

The following table details the sensitivity of a 1% strengthening of SGD against the respective foreign currencies. The sensitivity analysis includes only outstanding foreign currency hedging contracts and significant outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Sensitivity analysis:

	The Group 31 March			
	2025		2024	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
AUD	5.1	(0.1)	3.3	(0.6)
EUR	7.2	(0.6)	8.8	6.8
GBP	3.4	(0.8)	2.4	(0.4)
JPY	10.9	–	3.4	4.2
CNY	4.7	0.2	4.2	0.3
USD	(55.3)	30.1	(26.7)	(1.6)

	The Company 31 March			
	2025		2024	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
AUD	5.2	(0.2)	3.3	(0.7)
EUR	7.2	(0.7)	8.8	6.8
GBP	3.4	(0.8)	2.4	(0.4)
JPY	10.9	–	3.4	4.2
CNY	4.7	0.4	4.2	0.3
USD	(52.4)	17.0	(28.0)	(13.6)

^{R1} Sensitivity analysis on outstanding foreign currency hedging contracts and fuel hedging contracts denominated in foreign currency.

^{R2} Sensitivity analysis on significant outstanding foreign currency denominated monetary items and outstanding foreign currency and fuel derivative contracts denominated in foreign currency.

If the relevant foreign currency strengthens by 1% against SGD, equity and profit before taxation would change by the same amounts in the opposite direction.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(c) Interest rate risk

The Group's earnings are also affected by changes in interest rates due to the impact such changes have on interest income and expense from short-term deposits and other interest-bearing financial assets and liabilities. The Group enters into interest rate swap contracts to manage interest rate costs on its financial assets and liabilities, with the prior approval of the BEC or Boards of subsidiary companies.

Cash flow hedges

The Group enters into interest rate swap contracts to hedge the interest rate exposure on underlying loans. As at 31 March 2025, the total nominal amount of these cash flow hedges was \$2,755.1 million (2024: \$3,293.0 million) with a hedged rate range of 0.34% to 2.92% (2024: 0.34% to 2.92%) for the Group and \$2,599.1 million (2024: \$3,089.0 million) with a hedged rate range of 0.34% to 2.86% (2024: 0.34% to 2.86%) for the Company.

The terms of the interest rate swap contracts have been negotiated to match the terms of the loans and, accordingly, the fair value hedges are assessed to be highly effective. As at 31 March 2025, a net fair value gain of \$100.5 million (2024: gain of \$210.9 million) with related deferred tax expense of \$17.1 million (2024: deferred tax expense of \$35.7 million) was included in the fair value reserve in respect of these contracts.

	The Group		The Company	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Change in fair value of hedging instrument	(21.1)	37.3	(19.4)	35.4
Change in fair value of hedged item	21.1	(37.3)	19.4	(35.4)

Interest rate sensitivity analysis

The interest rate sensitivity analysis is based on the following assumptions:

- Changes in market interest rates affect the interest income or finance charges of variable interest financial instruments.
- Changes in market interest rates affect the fair value of derivative financial instruments designated as hedging instruments and all interest rate hedges are expected to be highly effective.
- Changes in the fair values of derivative financial instruments and other financial assets and liabilities are estimated by discounting the future cash flows to net present values using appropriate market rates prevailing at the end of the reporting period.

Under these assumptions, an increase or decrease in market interest rates of 10 basis points for all currencies in which the Group has derivative financial instruments and variable rate assets and liabilities at 31 March 2025 will have the effects as set out in the table below.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(c) Interest rate risk (continued)

Sensitivity analysis:

	The Group 31 March			
	2025		2024	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
Increase in 10 basis points in market interest rates	6.7	8.7	9.1	11.7
Decrease in 10 basis points in market interest rates	(6.7)	(8.7)	(9.1)	(11.7)

	The Company 31 March			
	2025		2024	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
Increase in 10 basis points in market interest rates	6.5	6.1	8.7	8.7
Decrease in 10 basis points in market interest rates	(6.5)	(6.1)	(8.7)	(8.7)

^{R1} Sensitivity analysis on derivative financial instruments.

^{R2} Sensitivity analysis on variable rate assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(d) Market rate risk

At 31 March 2025, the Group and the Company own investments of \$559.2 million (2024: \$558.6 million) and \$499.6 million (2024: \$500.7 million) respectively, out of which \$95.8 million (2024: \$94.1 million) and \$36.2 million (2024: \$36.2 million) are subject to market risk, being the potential loss resulting from a decrease in market prices.

Market price sensitivity analysis

If prices for these investments increase or decrease by 1% with all other variables being held constant, the before tax effects on equity and effects on profit before taxation are set out in the table below.

Sensitivity analysis on investments:

	The Group 31 March			
	2025		2024	
	Effect on equity	Effect on profit before taxation	Effect on equity	Effect on profit before taxation
Increase in 1% of quoted prices	–	0.9	–	0.9
Decrease in 1% of quoted prices	–	(0.9)	–	(0.9)

	The Company 31 March			
	2025		2024	
	Effect on equity	Effect on profit before taxation	Effect on equity	Effect on profit before taxation
Increase in 1% of quoted prices	–	0.3	–	0.3
Decrease in 1% of quoted prices	–	(0.3)	–	(0.3)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(e) Liquidity risk

At 31 March 2025, the Group had at its disposal, cash and short-term deposits amounting to \$8,257.1 million (2024: \$11,256.0 million). In addition, the Group had committed unsecured credit facilities of about \$3,340.4 million (2024: \$2,910.0 million) available for utilisation as at 31 March 2025. The Group also has a Medium Term Note Programme and Medium Term Bond Programme under which it may issue notes up to \$12,000.0 million (2024: \$12,000.0 million) and as of 31 March 2025, \$7,325.5 million (2024: \$7,010.9 million) remained unutilised. Under these uncommitted Programmes, notes issued by the Company may have varying maturities as contracted with the relevant financial institutions.

The Group's holdings of cash and short-term deposits are expected to be sufficient to cover the cost of all firm aircraft deliveries due in the next financial year. It is expected that any shortfall would be met by bank borrowings or public market funding. Due to the necessity to plan aircraft orders well in advance of delivery, it is not economical for the Group to have committed funding in place at present for all outstanding orders, many of which relate to aircraft which will not be delivered for several years. The Group's policies in this regard are in line with the funding policies of other major airlines.

The maturity profile of the financial liabilities of the Group and the Company is as follows. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is insignificant.

31 March 2025	Within 1 year	1 – 2 years	2 – 3 years	3 – 4 years	4 – 5 years	More than 5 years	Total
The Group							
Notes payable	852.6	1,432.1	791.3	884.5	53.2	1,330.4	5,344.1
Convertible bonds	863.6	–	–	–	–	–	863.6
Loans	729.9	714.0	713.5	621.2	428.0	1,025.3	4,231.9
Lease liabilities	769.0	544.0	453.4	436.2	419.3	1,534.5	4,156.4
Trade and other creditors	4,628.4	–	–	–	–	–	4,628.4
Derivative financial instruments:							
Currency hedging contracts	16.9	–	–	–	–	–	16.9
Fuel hedging contracts	75.9	7.3	0.3	0.2	0.1	–	83.8
Interest rate swap contracts (net-settled)	0.3	–	–	–	–	–	0.3
	7,936.6	2,697.4	1,958.5	1,942.1	900.6	3,890.2	19,325.4
The Company							
Notes payable	852.6	1,432.1	791.3	884.5	53.2	1,330.4	5,344.1
Convertible bonds	863.6	–	–	–	–	–	863.6
Loans	663.0	662.4	661.8	609.1	428.0	1,025.3	4,049.6
Lease liabilities	548.3	341.3	284.0	274.9	272.0	979.6	2,700.1
Trade and other creditors	3,417.9	–	–	–	–	–	3,417.9
Amounts owing to subsidiary companies	2,703.0	–	–	–	–	–	2,703.0
Derivative financial instruments:							
Currency hedging contracts	16.9	–	–	–	–	–	16.9
Fuel hedging contracts	75.9	7.3	0.3	0.2	0.1	–	83.8
	9,141.2	2,443.1	1,737.4	1,768.7	753.3	3,335.3	19,179.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(e) Liquidity risk (continued)

31 March 2024	Within 1 year	1 – 2 years	2 – 3 years	3 – 4 years	4 – 5 years	More than 5 years	Total
The Group							
Notes payable	469.7	853.2	1,437.2	791.7	890.5	1,389.4	5,831.7
Convertible bonds	13.8	863.6	–	–	–	–	877.4
Loans	675.5	663.4	656.0	653.1	563.3	856.0	4,067.3
Lease liabilities	850.6	743.9	496.1	419.1	407.6	1,836.0	4,753.3
Trade and other creditors	4,383.8	–	–	–	–	–	4,383.8
Derivative financial instruments:							
Currency hedging contracts	14.4	–	–	–	–	–	14.4
Fuel hedging contracts	1.1	0.2	–	–	–	–	1.3
Fuel derivative contracts	484.9	–	–	–	–	–	484.9
Cross currency swap contracts	–	–	3.1	–	37.4	79.2	119.7
Interest rate swap contracts (net-settled)	2.6	1.2	0.6	0.3	–	–	4.7
	6,896.4	3,125.5	2,593.0	1,864.2	1,898.8	4,160.6	20,538.5
The Company							
Notes payable	469.7	853.2	1,437.2	791.7	890.5	1,389.4	5,831.7
Convertible bonds	13.8	863.6	–	–	–	–	877.4
Loans	605.8	605.2	604.5	603.9	551.2	856.0	3,826.6
Lease liabilities	615.5	552.6	321.8	270.1	264.0	1,135.5	3,159.5
Trade and other creditors	3,236.2	–	–	–	–	–	3,236.2
Amounts owing to subsidiary companies	3,163.3	–	–	–	–	–	3,163.3
Derivative financial instruments:							
Currency hedging contracts	14.4	–	–	–	–	–	14.4
Fuel hedging contracts	1.1	0.2	–	–	–	–	1.3
Fuel derivative contracts	484.9	–	–	–	–	–	484.9
Cross currency swap contracts	–	–	3.1	–	37.4	79.2	119.7
Interest rate swap contracts (net-settled)	0.1	–	–	–	–	–	0.1
	8,604.8	2,874.8	2,366.6	1,665.7	1,743.1	3,460.1	20,715.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(f) Credit risk

The Group has an independent Group Debts Review Committee to review the follow up actions on outstanding receivables monthly. On a day-to-day basis, the respective Finance divisions have the primary responsibility for measuring and managing specific risk exposures.

The maximum exposure to credit risk for the Group and the Company is represented by the carrying amount of each financial asset in the statements of financial position.

There are no significant concentrations of credit risk other than from counterparties of cash and bank balances and derivative instruments, where transactions are limited to financial institutions possessing high credit quality and hence the risk of default is low.

The sale of passenger and cargo transportation is largely achieved through IATA accredited sales agents. The credit risk of such sales agents is relatively small owing to broad diversification. In specific instances, the contract may require special collateral.

Unless expressly stated otherwise in the contract, receivables and payables among airlines are settled either bilaterally or via the IATA Clearing House. Receivables and payables are generally netted and settled at weekly intervals, which lead to a clear reduction in the risk of default.

For all other service relationships, depending on the nature and scope of the services rendered, collateral is required, credit reports or references are obtained and use is made of historical data from previous business relations, especially with regard to payment behaviour, in order to avoid non-performance.

Collateral requested from debtors include bank guarantees, cash-in-lieu of deposit and security deposits.

The Group determines concentrations of credit risk by monitoring the industry, country and credit rating of its counterparties. The table below shows an analysis of credit risk exposures of balances that exceed 5% of the financial assets of the Group and the Company as at 31 March:

	The Group				The Company			
	Outstanding balance		Percentage of total financial assets		Outstanding balance		Percentage of total financial assets	
	2025	2024	2025	2024	2025	2024	2025	2024
Counterparty profiles								
<u>By industry:</u>								
Travel agencies	392.9	469.4	3.1%	3.0%	390.0	466.1	3.1%	3.0%
Airlines	123.0	154.5	1.0%	1.0%	689.4	27.6	5.6%	0.2%
Financial institutions	10,614.4	13,415.3	84.9%	85.7%	10,246.9	13,077.2	82.2%	84.5%
Others	137.8	370.8	1.1%	2.4%	128.1	320.1	1.0%	2.1%
	11,268.1	14,410.0	90.1%	92.1%	11,454.4	13,891.0	91.9%	89.8%
<u>By region:</u>								
East Asia	2,519.0	5,071.3	20.1%	32.4%	2,896.5	4,728.7	23.2%	30.6%
Europe	4,728.9	5,487.2	37.8%	35.1%	4,641.8	5,393.1	37.2%	34.9%
South West Pacific	1,791.0	1,990.5	14.3%	12.7%	1,765.6	1,969.3	14.2%	12.7%
Americas	258.3	721.9	2.1%	4.6%	226.6	692.4	1.8%	4.4%
West Asia and Africa	1,970.9	1,139.1	15.8%	7.3%	1,923.9	1,107.5	15.5%	7.2%
	11,268.1	14,410.0	90.1%	92.1%	11,454.4	13,891.0	91.9%	89.8%
<u>By Moody's credit ratings:</u>								
Investment grade (A to Aaa)	10,424.2	13,404.7	83.4%	85.7%	10,149.3	13,112.4	81.4%	84.7%
Investment grade (Baa)	29.6	66.9	0.2%	0.4%	8.0	58.2	0.1%	0.4%
Non-rated	814.3	938.4	6.5%	6.0%	1,297.1	720.4	10.4%	4.7%
	11,268.1	14,410.0	90.1%	92.1%	11,454.4	13,891.0	91.9%	89.8%

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

43 Reconciliation of Movements of Liabilities to Cash Flows Arising from Financing Activities (in \$ million)

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 April 2024	Proceeds	Repayments	Interest payments	Interest expense	Non-cash changes			31 March 2025
						Foreign exchange movement	Additions	Interest capitalised	
Notes payable	4,977.4	–	(300.0)	–	2.4	(14.6)	–	–	4,665.2
Convertible bonds	820.4	–	–	–	17.3	–	–	–	837.7
Loans	3,855.0	896.9	(736.4)	–	4.2	(11.9)	–	–	4,007.8
Lease liabilities	3,795.2	–	(697.4)	–	149.0	(26.0)	182.8	–	3,403.6
Accrued interest	57.6	–	–	(264.5)	222.6	–	–	34.4	50.1

	1 April 2023	Proceeds	Repayments	Interest payments	Interest expense	Non-cash changes			31 March 2024
						Foreign exchange movement	Additions	Interest capitalised	
Notes payable	5,632.1	668.7	(1,350.0)	–	2.5	24.1	–	–	4,977.4
Convertible bonds	803.8	–	–	–	16.8	–	–	–	820.4
Loans	4,725.5	416.8	(1,267.1)	–	4.0	(24.2)	–	–	3,855.0
Lease liabilities	4,177.9	–	(739.4)	–	164.3	52.6	139.8	–	3,795.2
Accrued interest	66.2	–	–	(285.3)	236.9	–	–	39.8	57.6

44 Capital Management (in \$ million)

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events, such as the Covid-19 pandemic, on cash flows.

The Directors regularly review the Company's capital structure and make adjustments to reflect economic conditions, business strategies and future commitments.

The Group monitors capital using a gearing ratio, which is total debt divided by total capital.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

During the financial year ended 31 March 2025, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

	The Group 31 March		The Company 31 March	
	2025	2024	2025	2024
Notes payable	4,665.2	4,977.4	4,665.2	4,977.4
Convertible bonds	837.7	820.4	837.7	820.4
Loans	4,007.8	3,855.0	3,834.9	3,631.4
Lease liabilities	3,403.6	3,795.2	2,210.7	2,522.5
Total debt	12,914.3	13,448.0	11,548.5	11,951.7
Share capital	7,180.9	7,180.4	7,180.9	7,180.4
Mandatory convertible bonds	–	1,547.5	–	1,547.5
Reserves	8,475.3	7,610.0	9,315.2	8,742.0
Total capital	15,656.2	16,337.9	16,496.1	17,469.9
Gearing ratio (times)	0.82	0.82	0.70	0.68

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

45 Related Party Transactions (in \$ million)

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Key Management Personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Group considers the Directors, Chief Executive Officer and Executive Vice Presidents of the Company to be Key Management Personnel of the Company.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions were carried out in the normal course of business during the financial year:

	The Group	
	FY2024/25	FY2023/24
Purchases of services from associated companies	129.3	180.8
Services rendered to associated companies	(42.2)	(12.8)
Purchases of services from joint venture companies	16.1	13.4
Services rendered to joint venture companies	(8.8)	(2.3)
Purchases of services from related parties	2,473.8	2,077.0
Services rendered to related parties	(35.0)	(25.0)
Professional fees paid to a firm of which a Director is a member	1.5	1.7

Key Management Personnel remuneration of the Group

	The Group	
	FY2024/25	FY2023/24
Directors		
Salary, bonuses, fee and other costs	7.2	6.3
CPF and other defined contributions	*	*
Share-based compensation expense	2.8	3.7
	10.0	10.0
Key executives (excluding executive Directors)		
Salary, bonuses, fee and other costs	6.1	4.2
CPF and other defined contributions	*	*
Share-based compensation expense	3.1	4.1
	9.2	8.3

* Amount less than \$0.1 million

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

45 Related Party Transactions (in \$ million) (continued)

Conditional awards granted to a Director and key executives of the Company pursuant to the Restricted Share Plan and the Performance Share Plan are as follows:

RSP Base Awards

Name of participant	Balance as at 1 April 2024/ Date of appointment	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2025	Aggregate Base Awards granted since commencement of RSP to end of financial year under review
Goh Choon Phong	73,856	74,589	73,856	74,589	779,237
Lee Lik Hsin	48,578	37,294	48,578	37,294	265,802
Tan Kai Ping	40,445	37,294	40,445	37,294	304,356
Leslie Thng Kan Chung ¹	27,403	41,586	27,403	41,586	141,838

RSP Final Awards (Pending Release)^{R1}

Name of participant	Balance as at 1 April 2024/ Date of appointment	Final Awards granted during the financial year ²	Final Awards released during the financial year	Balance as at 31 March 2025	Aggregate ordinary shares released to participant since commencement of RSP to end of financial year under review ³
Goh Choon Phong	112,232	78,290	104,669	85,853	629,075
Lee Lik Hsin	46,362	51,500	48,769	49,093	192,464
Tan Kai Ping	46,362	42,880	45,896	43,346	228,770
Leslie Thng Kan Chung ¹	41,642	29,050	38,836	31,856	84,654

PSP Base Awards^{R2}

Name of participant	Balance as at 1 April 2024/ Date of appointment	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2025	Aggregate Base Awards granted since commencement of PSP to end of financial year under review	Aggregate ordinary shares released to participant since commencement of PSP to end of financial year under review ³
Goh Choon Phong	405,302	111,883	154,276	362,909	1,151,077	630,870
Lee Lik Hsin	156,574	45,582	47,139	155,017	296,937	160,130
Tan Kai Ping	146,756	45,582	47,139	145,199	316,678	168,780
Leslie Thng Kan Chung ¹	82,024	34,186	31,222	84,988	116,210	62,450

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2025

45 Related Party Transactions (in \$ million) (continued)

SSA Base Awards

Name of participant	Balance as at 1 April 2024/ Date of appointment	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2025	Aggregate Base Awards granted since commencement of SSA to end of financial year under review
Goh Choon Phong	–	111,000	111,000	–	920,800
Lee Lik Hsin	–	45,100	45,100	–	322,000
Tan Kai Ping	–	45,100	45,100	–	337,000
Leslie Thng Kan Chung ¹	–	29,600	29,600	–	140,600

SSA Final Awards (Pending Release)^{R3}

Name of participant	Balance as at 1 April 2024/ Date of appointment	Final Awards granted during the financial year ²	Adjustment ⁴	Final Awards released during the financial year	Balance as at 31 March 2025	Aggregate ordinary shares released to participant since commencement of SSA to end of financial year under review ³
Goh Choon Phong	193,075	111,000	33,540	206,540	131,075	891,225
Lee Lik Hsin	77,975	45,100	13,220	83,020	53,275	299,525
Tan Kai Ping	77,975	45,100	13,220	83,020	53,275	317,525
Leslie Thng Kan Chung ¹	44,425	29,600	8,860	51,410	31,475	117,985

^{R1} The actual number of RSP Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards and is contingent on the Achievements against Targets over the one-year performance periods relating to the relevant awards.

^{R2} The actual number of PSP Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards and is contingent on the Achievements against Targets over the three-year performance periods relating to the relevant awards.

^{R3} The actual number of SSA Final Awards of fully paid ordinary shares is contingent on BCIRC's assessment of Covid-19 response.

¹ Leslie Thng Kan Chung was appointed to the Executive Vice President grade on 1 July 2024.

² Final Awards granted during the financial year is determined by applying the achievement factor to the Base Awards that have vested during the financial year.

³ During the financial year, 238,170, 559,570 and 423,990 treasury shares were issued to a Director and key executives of the Company pursuant to the RSP, PSP and SSA respectively.

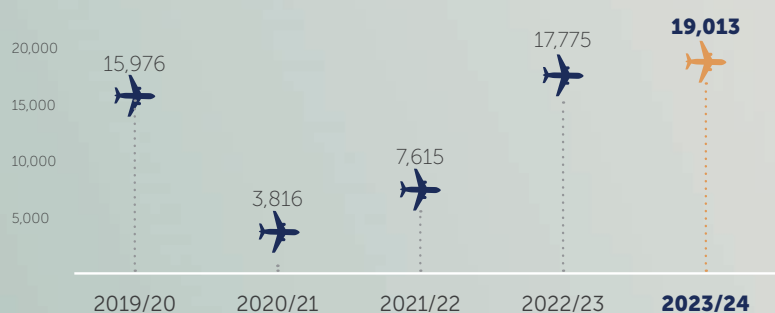
⁴ Adjustment at the end of the performance period relating to an additional equity kicker during the financial year.

FINANCIAL REVIEW

HIGHLIGHTS OF THE GROUP'S PERFORMANCE

REVENUE

(\$ million)

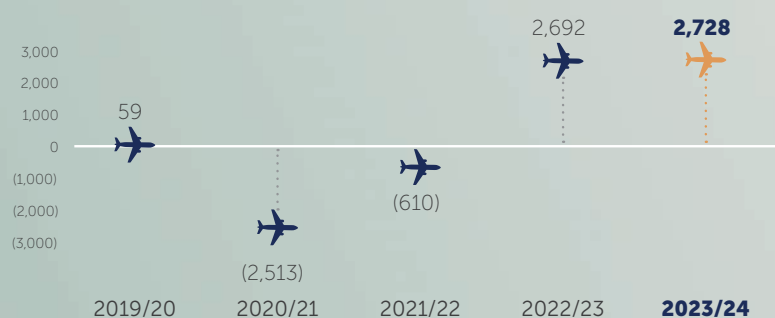


TOTAL REVENUE

\$19,013 million
(+\$1,238 million, +7.0%)

OPERATING PROFIT/(LOSS)

(\$ million)

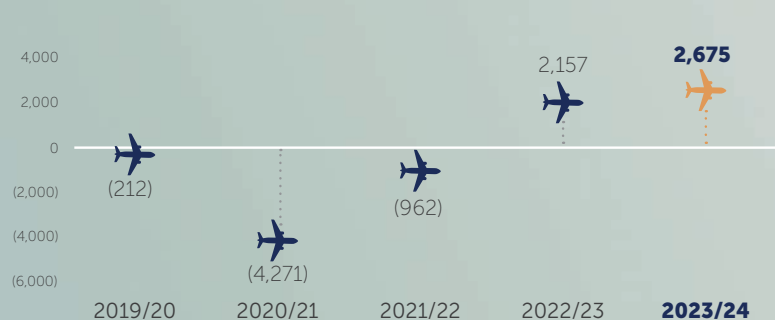


OPERATING PROFIT

\$2,728 million
(+\$36 million, +1.3%)

PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

(\$ million)



PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

\$2,675 million
(+\$518 million, +24.0%)

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE GROUP

KEY FINANCIAL HIGHLIGHTS

	2023/24	2022/23	% Change		
Profit for the Year (\$ million)					
Revenue	19,012.7	17,774.8	+	7.0	
Expenditure	16,285.2	15,082.7	+	8.0	
Operating profit	2,727.5	2,692.1	+	1.3	
Profit attributable to owners of the Company	2,674.8	2,156.8	+	24.0	
Per Share Data (cents)					
Profit per share – basic	63.3	35.6	+	77.8	
Ratios (%)					
Return on equity holders’ funds	14.8	10.2	+	4.6	points
Return on total assets	5.8	4.4	+	1.4	points

GROUP PROFIT

Group operating profit reached a record high \$2,728 million for the financial year, surpassing the previous year's record of \$2,692 million, as the demand for air travel remained buoyant throughout FY2023/24, boosted by a rebound in North Asia as China, Hong Kong SAR, Japan and Taiwan fully reopened their borders.

Group revenue rose \$1,238 million (+7.0%) year-on-year to a record \$19,013 million. Passenger flown revenue increased \$2,319 million on the back of a 26.6% growth in passenger traffic (measured in revenue-passenger kilometres), partially offset by a 7.6% decline in passenger yields. To meet the demand for air travel, the Group ramped up passenger capacity (measured in available seat-kilometres) by 22.9%. Supported by passenger traffic growth, Group passenger load factor ("PLF") improved 2.6% points to a record 88.0%.

Cargo flown revenue continued to trend downwards from its Covid peak, falling \$1,485 million (-41.2%) year-on-year. While cargo loads increased by 1.7% due to strong demand from the e-commerce segment, yields were 42.2% lower, albeit 29.8% above pre-pandemic levels.

	2023/24 \$ million	2022/23 \$ million	% Change	
Passenger flown revenue	15,684.7	13,365.7	+	17.4
Cargo flown revenue	2,118.6	3,603.8	-	41.2
Engineering services	449.1	311.2	+	44.3
Others	760.3	494.1	+	53.9
Total revenue	19,012.7	17,774.8	+	7.0

GROUP PROFIT (Continued)

Group expenditure increased \$1,202 million (+8.0%) year-on-year to \$16,285 million.

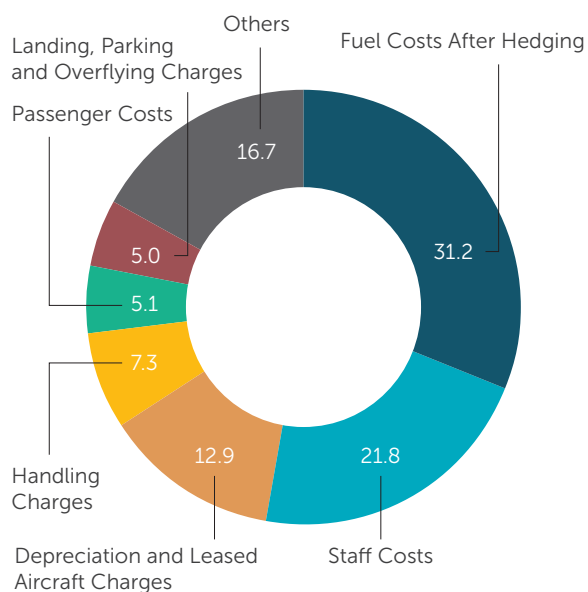
Fuel cost after hedging fell \$132 million (-2.5%) to \$5,077 million, largely from a 18.5% decrease in average jet fuel prices (-\$1,280 million) as well as a weaker US Dollar against the Singapore Dollar (-\$128 million). These were partially offset by the higher fuel volume uplifted due to higher capacity deployed (+\$918 million) and lower fuel hedging gains (+\$358 million).

Non-fuel expenditure increased \$1,334 million (+13.5%), mainly attributable to the expansion in operations and increase in rates.

The Group achieved a record net profit of \$2,675 million, an increase of \$518 million from last year. This was mainly due to the better operating performance (+\$36 million), a net interest income versus net finance charges last year (+\$215 million), lower tax expense (+\$132 million), and a share of profits against a share of losses of associated companies last year (+\$104 million).

GROUP EXPENDITURE

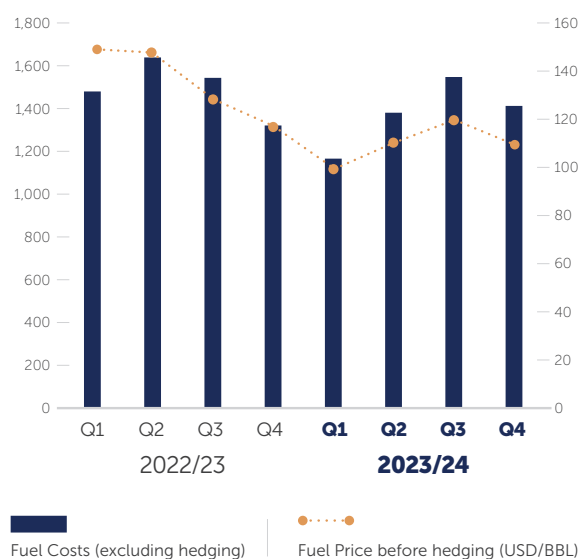
(%)



QUARTERLY TREND OF GROUP FUEL PRICE AND FUEL COSTS (EXCLUDING HEDGING)

\$ MILLION

USD/BBL



FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE GROUP

FINANCIAL POSITION

Equity attributable to owners of the parent fell by \$3,520 million (-17.7%) to \$16,338 million as at 31 March 2024, largely due to the redemption of mandatory convertible bonds ("MCBs") (-\$4,648 million), payment of dividends (-\$1,130 million) and recognition of accreted interest on redemption of MCBs (-\$416 million) during the year. MCBs were treated as equity. These were partially offset by the net profit for the financial year (+\$2,675 million).

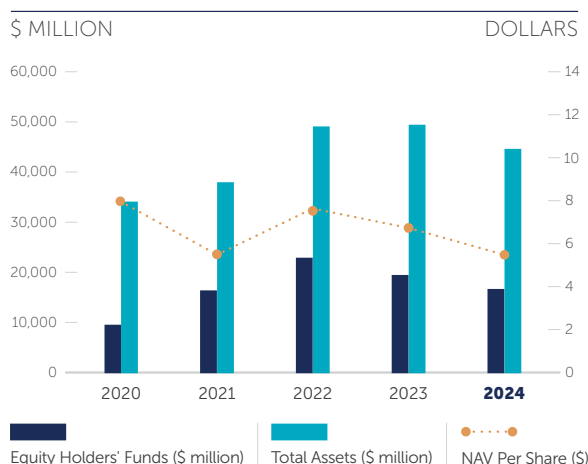
Total Group assets fell \$4,836 million (-9.9%) to \$44,265 million, mainly due to a decrease in cash and bank balances (-\$5,059 million), right-of-use ("ROU") assets (-\$484 million) and property, plant and equipment (-\$397 million). These were partially offset by an increase in other short-term assets (+\$820 million) and trade debtors (+\$196 million).

Cash and bank balances fell mainly due to the redemption of MCBs (-\$5,064 million), repayment of bonds (-\$1,350 million), capital expenditure (-\$1,231 million), dividend payment (-\$1,130 million), net repayment of borrowings (-\$849 million), placement of fixed deposits with original maturity of more than 12 months (-\$805 million), lease payments (-\$739 million) and interest payments (-\$285 million), partially offset by net cash generated from operations (+\$5,055 million), proceeds from issuance of bonds (+\$670 million) and interest received (+\$617 million).

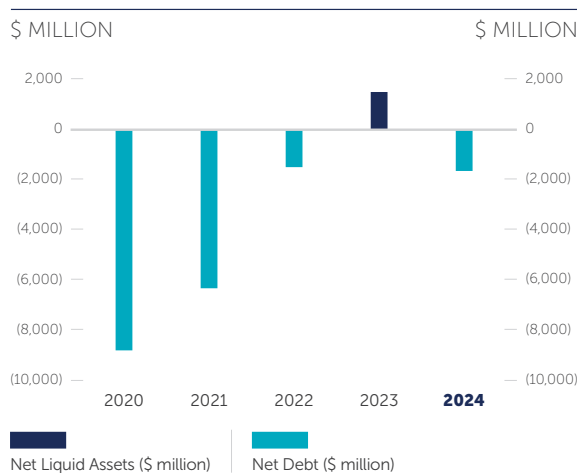
Total Group liabilities decreased by \$1,331 million (-4.6%) to \$27,520 million as at 31 March 2024, primarily arising from a decrease in borrowings (-\$1,508 million), lease liabilities (-\$383 million) and derivative liabilities (-\$182 million). These were partially offset by higher deferred taxation (+\$373 million) and trade and other creditors (+\$344 million).

The Group's net debt^{R7} was \$1,660 million as at 31 March 2024, a swing of \$3,052 million from the net liquid assets of \$1,392 million recorded in the prior year, attributable to lower cash and bank balances (-\$5,059 million), partially offset by lower borrowings (+\$1,508 million), lease liabilities (+\$383 million) and higher short-term investments (+\$116 million). Total debt to equity ratio increased from 0.77 times to 0.82 times as at 31 March 2024.

GROUP EQUITY HOLDERS' FUNDS, TOTAL ASSETS AND NET ASSET VALUE (NAV) PER SHARE



GROUP NET DEBT AND NET LIQUID ASSETS



^{R7} Net debt is defined as the sum of lease liabilities, loans and bonds issued, net of cash and bank balances and short-term investments.

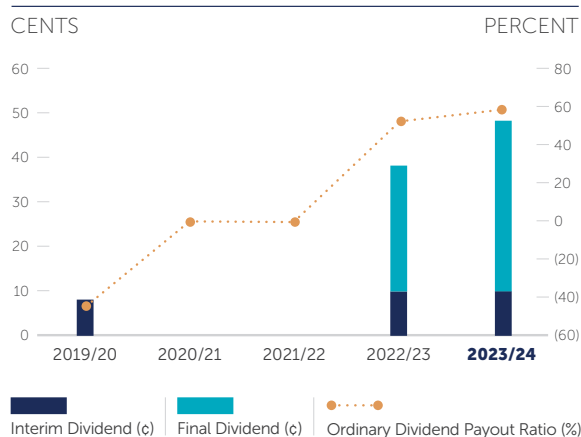
DIVIDENDS

For the financial year ended 31 March 2024, the Board recommends a final dividend of 38 cents per share. Including the interim dividend of 10 cents per share paid on 22 December 2023, the total dividend for the financial year will be 48 cents per share. This amounts to a payout of approximately \$1,428 million based on the number of issued shares as at 31 March 2024.

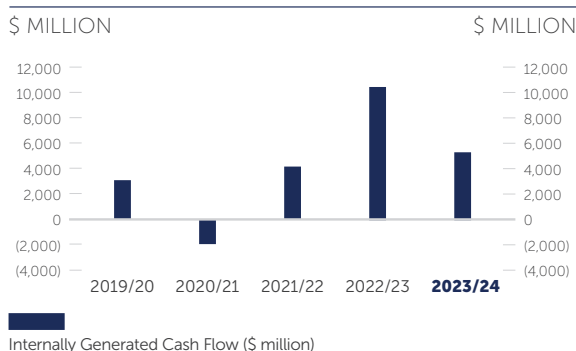
CAPITAL EXPENDITURE AND CASH FLOW OF THE GROUP

Capital expenditure was \$1,231 million, 23.1% lower than last year. Internally generated cash inflow was \$5,232 million, a decrease of 49.7% from last year and was 4.25 times of capital expenditure. The decrease in internally generated cash flow was mainly attributable to lower cash inflow from operations due to working capital changes, in particular, sales in advance of carriage, and the absence of proceeds from sale and leaseback transactions last year.

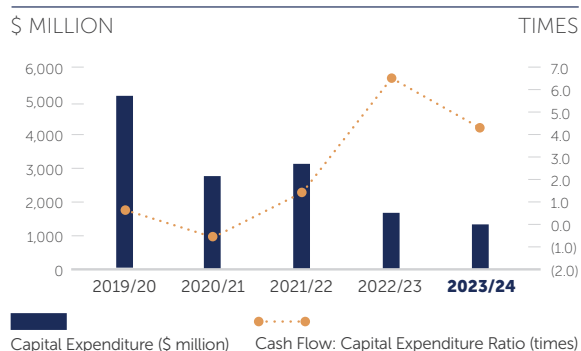
DIVIDEND PAYOUT



INTERNALLY GENERATED CASH FLOW



GROUP CAPITAL EXPENDITURE



GROUP STAFF STRENGTH AND PRODUCTIVITY

The Group's staff strength as at 31 March 2024 was as follows:

	31 March			% Change
	2024	2023		
Singapore Airlines	17,782	15,504	+	14.7
SIA Engineering	6,291	5,736	+	9.7
Scoot	2,656	2,550	+	4.2
Others	364	355	+	2.5
	27,093	24,145	+	12.2

Average staff productivity was as follows:

	2023/24	2022/23	% Change
Revenue per employee (\$)	742,133	778,947	- 4.7
Value added per employee (\$)	359,959	357,360	+ 0.7

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE GROUP

STATEMENTS OF VALUE ADDED AND ITS DISTRIBUTION

Value added is a measure of wealth created. The statement below shows the Group's value added and its distribution by way of payments to employees, government, and to those who have provided capital. It also indicates the portion retained in the business for future capital requirements.

	2023/24 \$ million	2022/23 \$ million
Total revenue	19,012.7	17,774.8
Less: Purchase of goods and services	(10,547.6)	(9,946.4)
	8,465.1	7,828.4
Add:		
Interest income	631.7	412.6
Surplus/(Loss) on disposal of aircraft, spares and spare engines	65.2	(7.3)
Dividends from long-term investments	-	4.0
Other non-operating items	(23.5)	(58.4)
Share of profits of joint venture companies	34.9	34.8
Share of profits/(losses) of associated companies	48.4	(59.5)
Total value added for distribution	9,221.8	8,154.6
Applied as follows:		
To employees:		
- Salaries and other staff costs	3,551.3	3,055.8
To government:		
- Corporation taxes	351.6	480.0
To suppliers of capital:		
- Interim and proposed dividends	1,427.5	1,128.9
- Finance charges	424.5	419.9
- Non-controlling interests	20.3	6.5
Retained for future capital requirements:		
- Depreciation, amortisation and impairment	2,199.3	2,035.6
- Retained profits	1,247.3	1,027.9
Total value added	9,221.8	8,154.6
Value added per \$ revenue (\$)	0.49	0.46
Value added per \$ employment cost (\$)	2.60	2.67
Value added per \$ investment in property, plant and equipment (\$)	0.26	0.24

PERFORMANCE OF THE FULL-SERVICE CARRIER

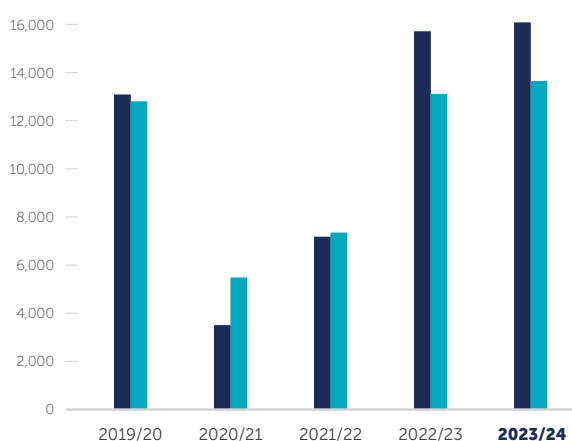
EARNINGS

	2023/24	2022/23		
	\$ million	\$ million	% Change	
Revenue	16,177.1	15,590.1	+	3.8
Expenditure	13,541.9	12,988.9	+	4.3
Operating profit	2,635.2	2,601.2	+	1.3
Finance charges	(466.9)	(398.3)	+	17.2
Interest income	651.4	515.2	+	26.4
Write-back of impairment of aircraft	13.8	57.2	-	75.9
Surplus/(Loss) on disposal of aircraft, spares and spare engines	54.6	(8.8)		n.m.
Dividends from subsidiary companies	96.6	8.0		n.m.
Dividends from long-term investments	-	4.0	-	100.0
Other non-operating items	(15.0)	(53.6)	-	72.0
Profit before taxation	2,969.7	2,724.9	+	9.0
Taxation	(398.9)	(506.0)	-	21.2
Profit after taxation	2,570.8	2,218.9	+	15.9

n.m. - not meaningful

FSC REVENUE
AND EXPENDITURE

\$ MILLION

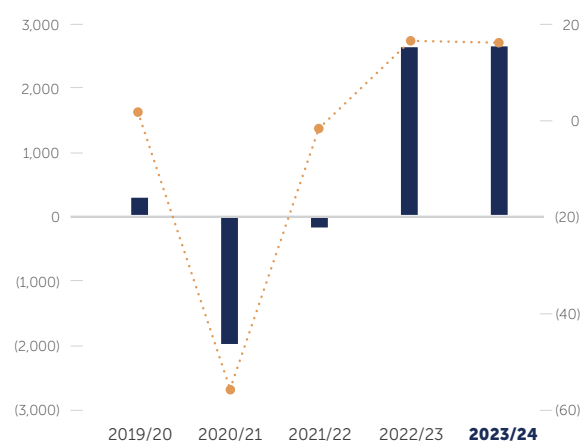


Revenue (\$ million) Expenditure (\$ million)

OPERATING PROFIT/(LOSS)
AND OPERATING MARGIN

\$ MILLION

%



Operating Profit/(Loss) (\$ million) Operating Profit/(Loss) Margin (%)

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER

REVENUE

	2023/24	2022/23		Change	
	\$ million	\$ million		\$ million	%
Passenger flown revenue	13,345.6	11,530.2	+	1,815.4	+ 15.7
Cargo and mail revenue	2,118.6	3,603.8	-	1,485.2	- 41.2
Others	712.9	456.1	+	256.8	+ 56.3
Total operating revenue	16,177.1	15,590.1	+	587.0	+ 3.8

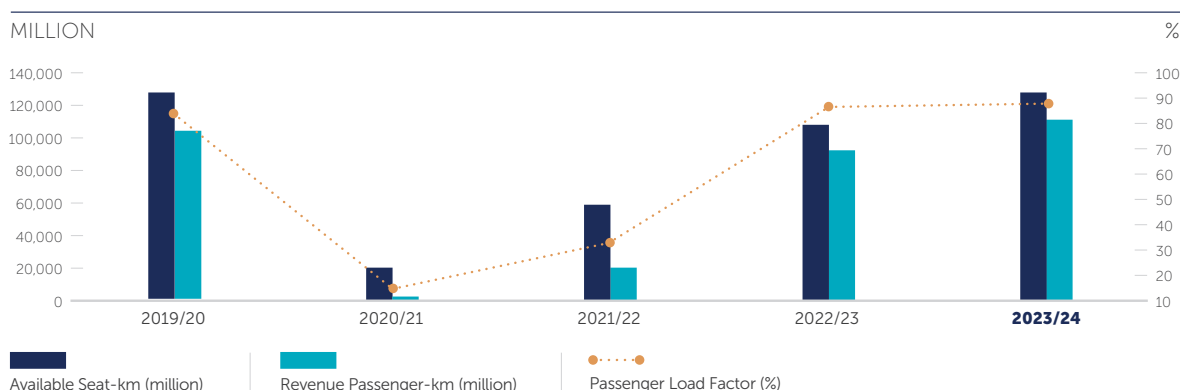
The FSC's revenue rose 3.8% to \$16,177 million, predominantly from higher passenger flown revenue as travel demand continued to be strong during the financial year. In addition, ticket breakage revenue contributed to the increase in other revenue. These were partially offset by lower cargo revenue primarily driven by weaker cargo yields amid the recovery in bellyhold cargo capacity across the industry.

OPERATING PERFORMANCE – PASSENGER SEGMENT

	2023/24	2022/23	% Change	
Passengers carried (thousand)	23,741	18,155	+	30.8
Revenue passenger-km (million)	109,942.9	91,025.2	+	20.8
Available seat-km (million)	126,240.5	106,099.3	+	19.0
Passenger load factor (%)	87.1	85.8	+	1.3 points
Passenger yield (¢/pkm)	12.1	12.7	-	4.7
Revenue per available seat-km (¢/ask)	10.6	10.9	-	2.8
Passenger unit cost (¢/ask)	9.0	9.8	-	8.2

Strong travel demand saw passenger traffic grow 20.8%, outstripping the 19.0% capacity injection, delivering a record high PLF of 87.1%. Passenger yield declined 4.7% due to increased competition as other carriers stepped up their capacity.

CAPACITY, PASSENGER TRAFFIC AND LOAD FACTOR



OPERATING PERFORMANCE – PASSENGER SEGMENT (Continued)

A review of the FSC's passenger segment operations by route region is as follows:

	By Route Region ^{R8} (2023/24 against 2022/23)					
		Passengers Carried Change (thousand)		Revenue Passenger-KM % Change		Available Seat-KM % Change
East Asia	+	4,924	+	90.4	+	74.8
Americas	-	182	-	9.7	-	13.1
Europe	+	137	+	11.2	+	14.1
South West Pacific	+	427	+	15.7	+	14.9
West Asia and Africa	+	280	+	11.5	+	11.3
Systemwide	+	5,586	+	20.8	+	19.0

Passenger load factor by route region was as follows:

	Passenger Load Factor (%)			% points Change
	2023/24	2022/23		
East Asia	84.3	77.5	+	6.8
Americas	88.3	85.0	+	3.3
Europe	86.8	89.1	-	2.3
South West Pacific	91.7	91.0	+	0.7
West Asia and Africa	84.5	84.4	+	0.1
Systemwide	87.1	85.8	+	1.3

The FSC's passenger flown revenue increased in 2023/24, as a result of:

	\$ million	\$ million
20.8% increase in passenger traffic	+	2,396.3
<u>4.7% decrease in passenger yield:</u>		
Foreign exchange	-	361.7
Change in passenger mix	-	183.8
Local currency yields	-	35.4
		580.9
Increase in passenger flown revenue	+	1,815.4

The sensitivity of passenger flown revenue to a one percentage point change in passenger load factor and a one percentage change in passenger yield is as follows:

	\$ million
1.0%-point change in passenger load factor, if yield and capacity remain constant	153.2
1.0% change in passenger yield, if passenger traffic remains constant	133.5

^{R8} Each route region comprises routes originating from Singapore to final destinations in countries and territories within the region concerned and vice versa. East Asia covers Brunei, Cambodia, Hong Kong SAR, Indonesia, Japan, Malaysia, Myanmar, the People's Republic of China, the Philippines, South Korea, Taiwan, Thailand and Vietnam. Americas denotes Canada and the USA. Europe consists of Denmark, England, France, Germany, Italy, the Netherlands, Spain, Switzerland and Turkey. South West Pacific covers Australia and New Zealand. West Asia and Africa are made up of Bangladesh, India, the Maldives, Nepal, South Africa, Sri Lanka and the United Arab Emirates.

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER

OPERATING PERFORMANCE – PASSENGER SEGMENT (Continued)

A breakdown of passenger revenue by route region and area of original sale is shown below:

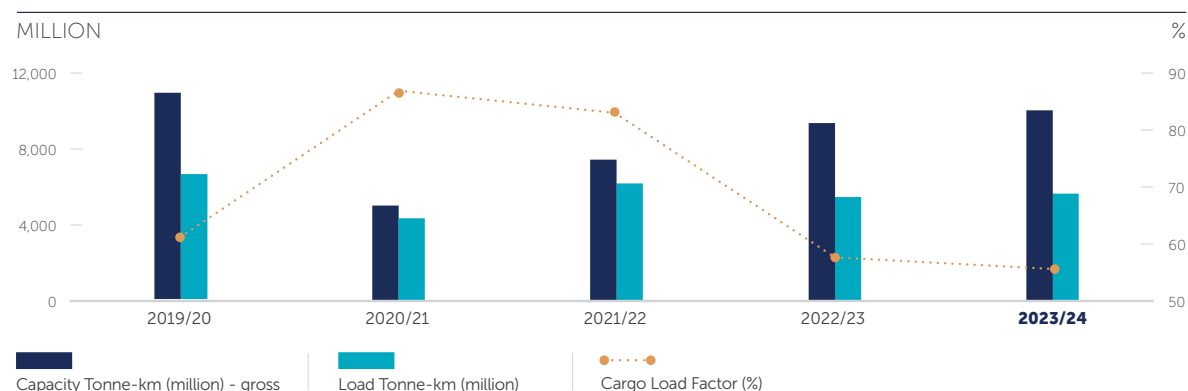
	By Route Region (\$ million)			By Area of Original Sale ^{R9} (\$ million)		
	2023/24	2022/23	% Change	2023/24	2022/23	% Change
East Asia	4,107.3	2,678.3	+ 53.4	6,353.8	5,163.8	+ 23.0
Americas	2,137.2	2,366.3	- 9.7	1,209.8	1,239.3	- 2.4
Europe	2,850.6	2,609.0	+ 9.3	2,089.0	1,903.5	+ 9.7
South West Pacific	2,751.3	2,422.6	+ 13.6	2,590.3	2,211.0	+ 17.2
West Asia and Africa	1,499.2	1,454.0	+ 3.1	1,102.7	1,012.6	+ 8.9
Systemwide	13,345.6	11,530.2	+ 15.7	13,345.6	11,530.2	+ 15.7

OPERATING PERFORMANCE – CARGO SEGMENT

	2023/24	2022/23	% Change
Cargo and mail carried (million kg)	952.4	923.0	+ 3.2
Cargo load tonne-km (million)	5,347.9	5,260.8	+ 1.7
Cargo capacity tonne-km (million) - gross	9,804.8	9,165.4	+ 7.0
Cargo load factor (%)	54.5	57.4	- 2.9 points
Cargo yield (¢/ltk)	39.6	68.5	- 42.2
Cargo unit cost (¢/ctk)	21.1	24.9	- 15.3

While cargo loads increased by 1.7% due to the strong demand from the e-commerce segment, yields were 42.2% lower year-on-year – albeit 29.8% above pre-pandemic levels. Against a 7.0% capacity increase, driven by the increase in bellyhold capacity with the ramp-up of passenger flights, cargo load factor fell by 2.9% points to 54.5%.

CAPACITY, LOADS CARRIED AND LOAD FACTOR



^{R9} Each area of original sale comprises countries and territories within a region from which the sale is made.

OPERATING PERFORMANCE – CARGO SEGMENT (Continued)

A review of the cargo segment's operating performance by route region is as follows:

	By Route Region (2023/24 against 2022/23)					
		Loads Carried KG Change (million)		Load Tonne-KM % Change		Capacity Tonne-KM % Change
East Asia	+	19.7	+	8.4	+	35.4
Americas	+	0.6	+	3.5	+	6.3
Europe	-	13.8	-	7.3	-	3.5
South West Pacific	+	0.3	-	0.1	-	8.3
West Asia and Africa	+	22.6	+	15.3	+	14.0
Systemwide	+	29.4	+	1.7	+	7.0

Cargo load factor^{R10} by route region was as follows:

	Cargo Load Factor (%)		
	2023/24	2022/23	% points Change
East Asia	47.6	59.5	- 11.9
Americas	55.1	56.6	- 1.5
Europe	62.5	65.0	- 2.5
South West Pacific	49.1	45.1	+ 4.0
West Asia and Africa	62.7	62.0	+ 0.7
Systemwide	54.5	57.4	- 2.9

The FSC's cargo and mail revenue decreased in 2023/24, as a result of:

	\$ million	\$ million
1.7% increase in loads carried:		+ 59.7
<u>42.2% decrease in cargo yield:</u>		
Local currency yields	- 1,483.2	
Foreign exchange	- 61.7	- 1,544.9
Decrease in cargo and mail revenue		- 1,485.2

The sensitivity of cargo and mail revenue to a one percentage point change in cargo load factor and a one percentage change in cargo yield is as follows:

	\$ million
1.0%-point change in cargo load factor, if yield and capacity remain constant	38.9
1.0% change in cargo yield, if loads carried remains constant	21.2

A breakdown of cargo and mail revenue by route region and area of original sale is shown below:

	By Route Region (\$ million)			By Area of Original Sale ^{R11} (\$ million)		
	2023/24	2022/23	% Change	2023/24	2022/23	% Change
East Asia	576.0	1,004.0	- 42.6	1,354.6	2,318.7	- 41.6
Americas	362.8	570.2	- 36.4	90.4	164.7	- 45.1
Europe	512.0	925.6	- 44.7	348.6	682.2	- 48.9
South West Pacific	431.3	773.7	- 44.3	160.6	224.3	- 28.4
West Asia and Africa	236.5	330.3	- 28.4	164.4	213.9	- 23.1
Systemwide	2,118.6	3,603.8	- 41.2	2,118.6	3,603.8	- 41.2

^{R10} Cargo capacity for passenger aircraft is based on the payload that is typically set aside for cargo carriage. However, when a passenger aircraft operates with low passenger loads or on a pure cargo mission, the cargo carried could be in excess of such capacity.

^{R11} Each area of original sale comprises countries and territories within a region from which the sale is made.

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER

EXPENDITURE

The FSC's expenditure rose 4.3% to \$13,541.9 million in 2023/24.

	2023/24		2022/23		% Change	
	\$ million	%	\$ million	%		
Fuel costs	4,325.4	31.9	4,629.4	35.6	-	6.6
Fuel hedging ineffectiveness	-	-	(0.9)	-	-	100.0
Staff costs	2,633.0	19.4	2,359.7	18.2	+	11.6
Depreciation	1,790.9	13.2	1,696.9	13.1	+	5.5
Handling charges	1,256.5	9.3	1,045.1	8.1	+	20.2
Aircraft maintenance and overhaul costs	567.0	4.2	434.5	3.3	+	30.5
In-flight meals and other passenger costs	794.3	5.9	549.6	4.2	+	44.5
Airport and overflying charges	662.3	4.9	560.4	4.3	+	18.2
Sales costs	687.2	5.1	725.9	5.6	-	5.3
Communications and information technology costs	133.6	1.0	122.9	0.9	+	8.7
Other costs	691.7	5.1	865.4	6.7	-	20.1
Total	13,541.9	100.0	12,988.9	100.0	+	4.3

A breakdown of fuel costs is shown below:

	2023/24	2022/23	Change	
	\$ million	\$ million		\$ million
Fuel costs (before hedging)	4,657.9	5,267.2	-	609.3
Fuel hedging gains	(332.5)	(637.8)	+	305.3
	4,325.4	4,629.4	-	304.0

Expenditure on fuel before hedging was \$609 million lower because of:

	\$ million
18.9% decrease in weighted average fuel price from 135.6 USD/BBL to 110.0 USD/BBL	- 1,114.5
Weaker USD against SGD	- 108.9
11.7% increase in volume uplifted from 28.3 million BBL to 31.6 million BBL	+ 614.1
	- 609.3

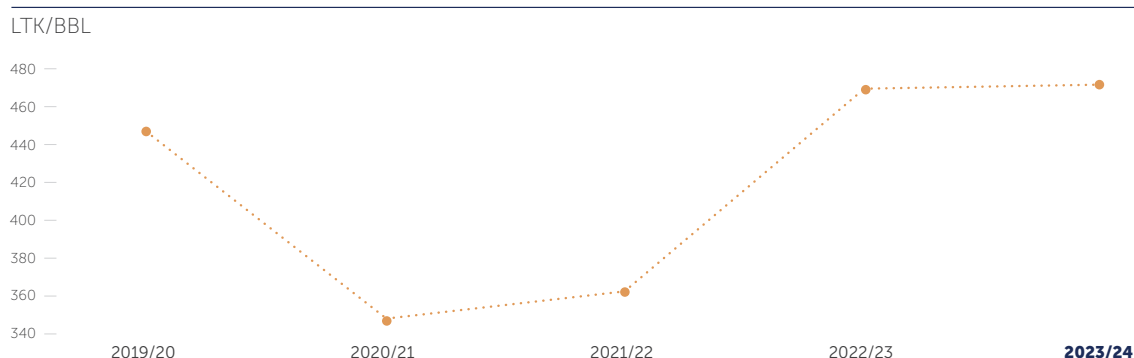
Staff costs increased \$273 million (+11.6%) largely due to higher pay and allowances with the absence of payroll-related government grants and increase in staff strength and average pay, as well as higher crew allowances from the increase in flying hours.

Most ex-fuel variable costs increased to support the network expansion and passenger traffic growth, including inflight meals & other passenger costs (+\$245 million, +44.5%), handling charges (+\$211 million, +20.2%), aircraft maintenance and overhaul costs (+\$133 million, +30.5%) and airport & overflying charges (+\$102 million, +18.2%). The higher than proportionate increase in inflight meals & other passenger costs were largely due to enhanced product offerings such as the introduction of free unlimited Wi-Fi to all Krisflyer members.

FUEL PRODUCTIVITY AND SENSITIVITY ANALYSIS

Fuel productivity of the passenger fleet, measured by load tonne-km per barrel (ltk/BBL), increased marginally by 0.4% from 469ltk/BBL to 471ltk/BBL, due to the increase in passenger load factor.

FUEL PRODUCTIVITY OF PASSENGER FLEET



A change in fuel productivity of 1.0% would have an impact on the FSC's annual fuel costs before hedging of about \$44 million, before accounting for changes in fuel price, USD exchange rate and flying operations.

A change in the price of fuel before hedging of one US dollar per barrel affects the FSC's annual fuel cost for passenger fleet by about \$39 million, before accounting for USD exchange rate movements, and changes in volume of fuel consumed.

NET INTEREST INCOME

Net interest income was \$185 million, \$68 million higher than last year, mainly due to higher interest income from the rolling over of existing SGD and USD fixed deposits and placements in offshore accounts at higher interest rates.

WRITE-BACK OF IMPAIRMENT OF AIRCRAFT

During the financial year, a write-back of \$37 million was recorded on previously impaired aircraft-related assets with updates in estimated provisions required. In addition, the FSC impaired one 777-300ER aircraft pursuant to a review of the Group's network and fleet requirements (-\$21 million) and wrote off certain progress payments related to aircraft which have been cancelled from the order book (-\$2 million).

DISPOSAL OF AIRCRAFT, SPARES AND SPARE ENGINES

The gain on disposal of \$55 million was primarily attributable to the sale of one Boeing 777-300ER, five classic 777s and three 777-300ER spare engines.

DIVIDENDS FROM SUBSIDIARY COMPANIES

Dividends from subsidiary companies were \$89 million higher than last year mainly due to higher dividends from SIA Engineering Company Limited, Ritz-Carlton Millenia Properties Private Limited and Tradewinds Tours & Travel Private Limited.

TAXATION

Tax expense decreased \$107 million from last year despite the improvement in profit before tax. This was largely due to the swing to non-taxable capital exchange gains this year from non-deductible capital exchange losses last year, higher reversal of deferred tax liabilities associated with foreign-sourced income used to pay dividends and increase in tax-exempt dividend income.

FINANCIAL REVIEW (Continued)

PERFORMANCE OF THE FULL-SERVICE CARRIER

STAFF STRENGTH AND PRODUCTIVITY

The FSC's staff strength as at 31 March 2024 was 17,782, an increase of 2,278 over the previous year. The distribution of employee strength by category and location is as follows:

	2024	31 March 2023		% Change
Category				
Senior staff (executives and higher-ranking officers)	2,360	2,143	+	10.1
Technical crew	2,660	2,437	+	9.2
Cabin crew	9,458	7,744	+	22.1
Other ground staff	3,304	3,180	+	3.9
	17,782	15,504	+	14.7
Location				
Singapore	15,399	13,211	+	16.6
East Asia	1,110	1,061	+	4.6
Europe	455	446	+	2.0
South West Pacific	325	311	+	4.5
West Asia and Africa	331	323	+	2.5
Americas	162	152	+	6.6
	17,782	15,504	+	14.7

The FSC's average staff productivity ratios^{R12} are shown below:

	2023/24	2022/23		% Change
Capacity per employee (tonne-km)	1,368,511	1,357,217	+	0.8
Revenue per employee (\$)	972,006	1,053,172	-	7.7
Value added per employee (\$)	471,471	481,159	-	2.0

PERFORMANCE OF THE SUBSIDIARY COMPANIES

The major subsidiary companies are SIA Engineering and Scoot. The following performance review includes intra-group transactions.

SIA ENGINEERING

	2023/24 \$ million	2022/23 \$ million		% Change
Total revenue	1,094.2	796.0	+	37.5
Total expenditure	1,091.9	822.3	+	32.8
Operating profit/(loss)	2.3	(26.3)		n.m.
Net profit	97.1	66.4	+	46.2

^{R12} The FSC's staff productivity ratios were computed based on average staff strength of 16,643 in FY2023/24 (FY2022/23: 14,803).

SIA ENGINEERING (Continued)

The SIAEC Group registered a revenue of \$1,094 million for the financial year ended 31 March 2024, an increase of \$298 million or 37.5% year-on-year as maintenance and overhaul demand continued to pick up in line with the ramp-up of flight activities in the aviation industry.

Expenditure rose \$270 million or 32.8% mainly due to higher staff costs (+\$150 million) and material costs (+86 million). The increase in staff costs was largely due to the increase in headcount, absence of payroll-related government grants and higher overtime costs. Material and subcontract services increased in line with higher work volume.

Consequently, SIAEC Group recorded an operating profit of \$2 million, improving \$28 million from last year's loss of \$26 million.

Net profit for the financial year improved to \$97 million (+\$31 million). This was mainly due to the improvement in operating performance (+\$28 million), higher share of profits of associated and joint venture companies (+\$23 million) and higher net interest income (+\$10 million). These were partially offset by the impairment on deferred engine programme (-\$25 million).

The share of profits from associated and joint venture companies was \$23 million higher (+29.8%) mainly due to an increase in work volume and jobs with higher margin work content.

Following SIAEC Group's exit from an aircraft engine development project, a full impairment loss of \$25 million was charged to profit or loss.

Basic earnings per share was 8.65 cents for the financial year.

SCOOT

	2023/24 \$ million	2022/23 \$ million		% Change
Total revenue	2,445.5	1,965.0	+	24.5
Total expenditure	2,327.4	1,816.9	+	28.1
Operating profit	118.1	148.1	-	20.3
Profit after taxation	182.4	43.5		n.m.

Scout achieved a revenue growth of \$481 million or 24.5% for the year, primarily due to the robust demand for air travel as passenger traffic grew 50.2% on the back of a 38.2% capacity expansion, albeit at 15.9% weaker yields. Scout's PLF increased 7.3% points to a record high of 91.2%.

Expenditure was up \$511 million, mainly due to higher fuel and other variable costs in line with the restoration of capacity. Furthermore, staff costs rose from the increase in staff strength and absence of payroll-related government grants.

As a result, Scout's operating profit was down \$30 million to \$118 million.

Scout's profit after tax was \$182 million, \$139 million better than last year, despite the weaker operating performance (-\$30 million), primarily due to lower interest expense following the conversion of shareholder's loan from the FSC to equity (+\$74 million), higher interest income (+\$54 million) from fixed deposits at higher interest rates and higher tax credit (+\$32 million). The tax credit recorded by Scout for the year was predominantly due to the recognition of previously unutilised tax losses following the finalisation of the SIA Group tax position.

FINANCIAL REPORT

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DIRECTORS' STATEMENT

The Directors are pleased to present this statement together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

In our opinion:

- (a) the financial statements set out on pages 111 to 209 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and financial position of the Company as at 31 March 2024, and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967, Singapore Financial Reporting Standards (International) and International Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

1 Directors of the Company

The Directors in office at the date of this statement are as follows:

Peter Seah Lim Huat	Chairman (Independent)
Goh Choon Phong	Chief Executive Officer
Gautam Banerjee	(Non-Independent)
Simon Cheong Sae Peng	(Independent)
David John Gledhill	(Independent)
Goh Swee Chen	(Independent)
Dominic Ho Chiu Fai	(Independent)
Lee Kim Shin	(Independent)
Jeanette Wong Kai Yuan	(Independent)
Yeoh Oon Jin	(Independent)

2 Arrangements to Enable Directors to Acquire Shares and Debentures

Except as disclosed under "Directors' Interests in Shares, Share Options and Debentures" and "Equity Compensation Plans of the Company" in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or share options in, or debentures of, the Company or any other body corporate.

3 Directors' Interests in Shares, Share Options and Debentures

The following Directors who held office at the end of the financial year had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, interests in the following shares, share options, awards and debentures of the Company, and of related corporations, etc..

Name of Director	Direct interest		Deemed interest	
	1 April 2023	31 March 2024	1 April 2023	31 March 2024
Interest in Singapore Airlines Limited				
Ordinary shares				
Peter Seah Lim Huat	186,200	210,300	—	—
Goh Choon Phong	3,806,779	4,300,975	—	—
Gautam Banerjee	52,550	58,450	—	—
Simon Cheong Sae Peng	46,875	52,475	—	—
David John Gledhill	32,700	40,100	—	—
Goh Swee Chen	31,750	37,050	—	—
Dominic Ho Chiu Fai	46,900	55,500	—	—

DIRECTORS' STATEMENT

3 Directors' Interests in Shares, Share Options and Debentures (continued)

Name of Director	Direct interest		Deemed interest	
	1 April 2023	31 March 2024	1 April 2023	31 March 2024
Interest in Singapore Airlines Limited (continued)				
<u>Ordinary shares (continued)</u>				
Lee Kim Shin	32,000	37,100	–	–
Jeanette Wong Kai Yuan	5,400	11,000	16,500 ⁺	16,500 ⁺
Yeoh Oon Jin	4,000	9,600	–	–
<u>Conditional award of restricted shares (note 1)</u>				
Goh Choon Phong – Base Awards	93,494	73,856	–	–
– Final Awards (Pending Release)	121,978	112,232	–	–
<u>Conditional award of performance shares (note 2)</u>				
Goh Choon Phong – Base Awards	429,517	405,302	–	–
<u>Conditional award of strategic restricted shares (note 3)</u>				
Goh Choon Phong – Final Awards (Pending Release)	122,125	193,075	–	–
<u>Singapore Airlines 2021 Mandatory Convertible Bond due 2030</u>				
Peter Seah Lim Huat	\$150,000	\$37,500	–	–
Goh Choon Phong	\$500,000	\$125,000	–	–
Simon Cheong Sae Peng	\$68,917	\$17,230	–	–
Goh Swee Chen	\$38,769	\$9,693	–	–
Lee Kim Shin	\$41,382	\$10,346	–	–
Jeanette Wong Kai Yuan	–	–	\$34,485 ⁺	\$8,622 ⁺
<u>Singapore Airlines \$630 million 3.13% Notes due 2026</u>				
Yeoh Oon Jin	\$250,000	\$250,000	–	–
Interest in CapitaLand Ascendas REIT				
<u>Units</u>				
Gautam Banerjee	20,000	20,000	–	–
David John Gledhill	39,000	39,000	–	–
Jeanette Wong Kai Yuan	–	–	150,000 ⁺	150,000 ⁺
Interest in CapitaLand China Trust				
<u>Units</u>				
Peter Seah Lim Huat	110,181	110,181	–	–
Simon Cheong Sae Peng	–	–	245,000 [#]	245,000 [#]
Jeanette Wong Kai Yuan	–	–	225,000 ⁺	225,000 ⁺
Interest in CapitaLand India Trust				
<u>Units</u>				
Gautam Banerjee	120,000	120,000	–	–
Interest in CapitaLand Integrated Commercial Trust				
<u>Units</u>				
Peter Seah Lim Huat	250,751	250,751	–	–
Goh Choon Phong	10,237	10,237	–	–
Gautam Banerjee	120,000	120,000	–	–
Goh Swee Chen	6,451	6,451	–	–

DIRECTORS' STATEMENT

3 Directors' Interests in Shares, Share Options and Debentures (continued)

Name of Director	Direct interest		Deemed interest	
	1 April 2023	31 March 2024	1 April 2023	31 March 2024
Interest in CapitaLand Investment Limited				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	392,928	392,928	–	–
Goh Choon Phong	35,000	35,000	–	–
Goh Swee Chen	41,709	41,709	–	–
Jeanette Wong Kai Yuan	–	–	15,000 ⁺	15,000 ⁺
<u>\$400 million 3.33% Fixed Rate Senior Notes due 2027</u>				
Goh Choon Phong	\$250,000	\$250,000	–	–
Interest in CapitaLand Treasury Limited				
<u>\$500 million 3.08% Notes due 2027</u>				
Yeoh Oon Jin	\$250,000	\$250,000	–	–
Interest in Olam Group Limited				
<u>\$600 million 4.00% Notes due 2026</u>				
Yeoh Oon Jin	\$250,000	\$250,000	–	–
Interest in Mapletree Industrial Trust				
<u>Units</u>				
Simon Cheong Sae Peng	–	–	93,941 [#]	93,941 [#]
Interest in Mapletree Global Student Accommodation Private Trust				
<u>Units in Class A (USD)</u>				
Goh Choon Phong	4,823	4,823	–	–
<u>Units in Class B (GBP)</u>				
Goh Choon Phong	4,823	4,823	–	–
Interest in Singapore Technologies Engineering Ltd				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	545,325	545,325	–	–
Goh Choon Phong	6,000	6,000	–	–
Interest in Singapore Telecommunications Limited				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	1,667	1,667	1,550 [*]	1,550 [*]
Goh Choon Phong	1,610	1,610	–	–
Goh Swee Chen	–	–	5,000 [*]	5,000 [*]
Lee Kim Shin	190	194	–	–
Jeanette Wong Kai Yuan	17,821	17,821	–	–
Interest in StarHub Ltd				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	308,992	308,992	300,000 [*]	300,000 [*]
Interest in Telechoice International Limited				
<u>Ordinary shares</u>				
Peter Seah Lim Huat	50,000	50,000	–	–

⁺ Director's deemed interests arise from joint holdings with spouse.

^{*} Directors' deemed interests arise from holdings held by their respective spouses.

[#] Director's deemed interests arise from holdings held by corporations in which the Director has a controlling interest.

DIRECTORS' STATEMENT

3 Directors' Interests in Shares, Share Options and Debentures (continued)

Notes:

1. The actual number of Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards and is contingent on the Achievements against Targets over the one-year performance periods relating to the relevant awards.
2. The actual number of Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards and is contingent on the Achievements against Targets over the three-year performance periods relating to the relevant awards.
3. The Awards of fully paid ordinary shares will vest over two years with 50% vesting immediately upon the date of the grant of the award, and the balance at 25% over the next two years. On the final vesting date, an additional equity kicker equivalent to 20% of the Final Award will be settled with the participants.

Except as disclosed in this statement, no other Director who held office at the end of the financial year had interests in shares, share options, awards or debentures of the Company, or of related corporations etc., either at the beginning of the financial year, or at the end of the financial year.

There were no changes in the above-mentioned interests between the end of the financial year and 21 April 2024.

4 Equity Compensation Plans of the Company

The Company has in place the SIA Restricted Share Plan ("RSP") and the SIA Performance Share Plan ("PSP").

At the date of this statement, the Board Compensation & Industrial Relations Committee ("BCIRC") which administers the RSP and PSP comprises the following Directors:

Peter Seah Lim Huat	Chairman (Independent)
Simon Cheong Sae Peng	(Independent)
Jeanette Wong Kai Yuan	(Independent)

RSP and PSP

Details of the RSP and PSP are disclosed in note 5 to the financial statements.

At the Extraordinary General Meeting held on 30 July 2014, shareholders approved the adoption of the RSP and PSP. The duration of the RSP and PSP is 10 years each, commencing 30 July 2014. At the Annual General Meeting held on 27 July 2018, shareholders approved alterations to the RSP to enable non-executive Directors of the Company and/or its subsidiaries to participate in the RSP (in addition to employees, including executive Directors of the Company and/or its subsidiaries).

Under the RSP, a base number of conditional share awards ("Base Award") was/is granted to eligible participants annually. Depending on the achievement of pre-determined targets over a one-year performance period for awards granted from 2016 onwards, the BCIRC will determine an achievement factor which will then be applied to the Base Award to determine the final number of RSP shares to be awarded at the end of the respective performance periods ("Final Award"). All RSP awards reported for the financial period under review were granted from 2016 onwards.

Under the PSP, a base number of conditional share awards ("Base Award") was/is granted to eligible participants annually. Depending on the achievement of pre-determined targets over a three-year performance period, the BCIRC will determine an achievement factor which will then be applied to the Base Award to determine the final number of PSP shares to be awarded at the end of the respective performance periods ("Final Award").

DIRECTORS' STATEMENT

4 Equity Compensation Plans of the Company (continued)

RSP and PSP (continued)

The achievement factor could range from 0% to 200% for both the RSP and PSP.

One-third of the RSP Final Awards of fully paid ordinary shares will be released to the participants upon vesting at the end of the one-year performance period. The balance will be released equally over the subsequent two years with fulfilment of service requirements.

For the strategic awards of restricted shares granted under the RSP, half of the Final Awards of fully paid ordinary shares was released to the participants on the date of grant. The balance will be released equally over the subsequent two years with fulfilment of service requirements. On the final vesting date, an additional equity kicker equivalent to 20% of the Final Award will be settled with the participant.

All the PSP Final Awards of fully paid ordinary shares will be released to the participants at the end of the three-year performance period. For the financial year under review, all RSP and PSP Final Awards released were satisfied by way of the transfer of treasury shares to the participants.

No awards have been granted to controlling shareholders or their associates, or parent group directors or employees, under the RSP and PSP.

No participant has received 5% or more of the total number of awards granted under the RSP and PSP.

Details of the shares awarded under the RSP and PSP to Directors of the Company are as follows:

1. RSP Share Awards Granted to Non-Executive Directors

During the financial year, an aggregate of 73,200 shares were delivered pursuant to awards granted under the RSP to certain Non-Executive Directors as part of their Directors' Fees for the period 1 April 2022 to 31 March 2023 in lieu of cash. The share awards consisted of the grant of fully paid shares outright with no performance or vesting conditions attached, but with a selling moratorium of one year. Details are set out below.

Names of Non-Executive Directors	Share awards granted and vested during the financial year	Balance as at 31 March 2024	Aggregate share awards granted since commencement of the RSP to end of financial year under review
Peter Seah Lim Huat	24,100	—	173,100
Gautam Banerjee	5,900	—	47,800
Simon Cheong Sae Peng	5,600	—	40,300
David John Gledhill	7,400	—	40,100
Goh Swee Chen	5,300	—	35,100
Dominic Ho Chiu Fai	8,600	—	55,500
Lee Kim Shin	5,100	—	37,100
Jeanette Wong Kai Yuan	5,600	—	11,000
Yeoh Oon Jin	5,600	—	9,600

DIRECTORS' STATEMENT

4 Equity Compensation Plans of the Company (continued)

2. RSP Base Awards

Name of participant	Balance as at 1 April 2023	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2024	Aggregate Base Awards granted since commencement of the RSP to end of financial year under review
Goh Choon Phong	93,494	73,856	93,494	73,856	704,648

3. RSP Final Awards (Pending Release) ^{R1}

Name of participant	Balance as at 1 April 2023	Final Awards granted during the financial year [#]	Final Awards released during the financial year	Balance as at 31 March 2024	Aggregate ordinary shares released to participant since commencement of the RSP to end of financial year under review
Goh Choon Phong	121,978	100,980	110,726	112,232	524,406

4. PSP Base Awards ^{R2}

Name of participant	Balance as at 1 April 2023	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2024	Aggregate Base Awards granted since commencement of the PSP to end of financial year under review	Aggregate ordinary shares released to participant since commencement of the PSP to end of financial year under review
Goh Choon Phong	429,517	110,785	135,000	405,302	1,039,194	322,310

DIRECTORS' STATEMENT

4 Equity Compensation Plans of the Company (continued)

5. Strategic RSP ("SSA")

Details of the strategic RSP awards of restricted shares are disclosed in note 5 to the financial statements. The grant of strategic RSP awards were made under the authority of the BCIRC.

Details of the shares awarded under the strategic RSP to a Director of the Company are as follows:

(a) SSA Base Awards

Name of participant	Balance as at 1 April 2023	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2024	Aggregate Base Awards granted since commencement of the SSA to end of financial year under review
Goh Choon Phong	–	302,300	302,300	–	809,800

(b) SSA Final Awards (Pending Release) ^{R3}

Name of participant	Balance as at 1 April 2023	Final Awards granted during the financial year [#]	Adjustment [*]	Final Awards released during the financial year	Balance as at 31 March 2024	Aggregate ordinary shares released to participant since commencement of the SSA to end of financial year under review
Goh Choon Phong	122,125	302,300	30,620	261,970	193,075	684,685

^{R1} The actual number of RSP Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards and is contingent on the Achievements against Targets over the one-year performance periods relating to the relevant awards.

^{R2} The actual number of PSP Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards and is contingent on the Achievements against Targets over the three-year performance periods relating to the relevant awards.

^{R3} The actual number of SSA Final Awards of fully paid ordinary shares is contingent on the BCIRC's assessment of Covid-19 response.

[#] Final Awards granted during the financial year is determined by applying the achievement factor to the Base Awards that have vested during the financial year.

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

5 Equity Compensation Plans of Subsidiary

The particulars of the equity compensation plans of a subsidiary of the Company are as follows:

SIA Engineering Company Limited ("SIAEC")

At the Extraordinary General Meeting of SIAEC held on 21 July 2014, shareholders of SIAEC approved the adoption of the SIAEC Restricted Share Plan 2014 ("SIAEC RSP 2014") and the SIAEC Performance Share Plan 2014 ("SIAEC PSP 2014").

Details and terms of the SIAEC RSP 2014 and SIAEC PSP 2014 have been disclosed in the Directors' Statement of SIAEC.

DIRECTORS' STATEMENT

6 Audit Committee

At the date of this statement, the Audit Committee comprises the following four independent Directors and one non-independent Director:

Yeoh Oon Jin	Independent (Chairman)
Gautam Banerjee	Non-Independent
Dominic Ho Chiu Fai	Independent
Goh Swee Chen	Independent
Jeanette Wong Kai Yuan	Independent

The Audit Committee performed its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, the SGX-ST Listing Manual and the Code of Corporate Governance, which include *inter alia* the review of the following:

- (i) financial statements and announcements relating to financial performance of the Group and the Company, and significant financial reporting issues and judgements contained in them, prior to their submissions to the Board of Directors for adoption;
- (ii) the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance, information technology controls) and risk management systems, and the Board's comments thereon, prior to determining whether it concurs with such comments; and consideration and recommendation of the necessary steps to take if material weaknesses are identified in the Group's internal controls;
- (iii) the assurance from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements;
- (iv) audit scopes, plans and reports (including Key Audit Matters) of the external and internal auditors;
- (v) adequacy and effectiveness of the internal audit function, and the effectiveness, independence and objectivity of the external auditors;
- (vi) interested person transactions (as defined in Chapter 9 of the SGX-ST Listing Manual);
- (vii) whistle-blowing programme instituted by the Company; and
- (viii) any material loss of funds, significant computer security incidents and legal cases.

The Audit Committee has held four meetings since the last Directors' Statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system. The Audit Committee also reviewed management's internal control adequacy representations that is based on the Control Self-Assessment System. In the review of the audited financial statements of the Group and the Company, the Audit Committee had discussed with management and the external auditors the accounting principles that were applied and their judgement on the items that might affect the financial statements. Based on the review and discussions with management and the external auditors, the Audit Committee is of the view that the financial statements are fairly presented in conformity with generally accepted accounting principles in all material aspects.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing the auditor of the Company and the subsidiaries, the Group has complied with Rules 712 and 715 of the SGX-ST Listing Manual.

DIRECTORS' STATEMENT

7 Auditors

The external auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board,

PETER SEAH LIM HUAT
Chairman

GOH CHOON PHONG
Chief Executive Officer

Dated this 15th day of May 2024

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Singapore Airlines Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, the consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 111 to 209.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2024 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Accuracy of passenger revenue

Refer to note 2(n) 'Revenue' for the relevant accounting policy.

The key audit matter	How the matter was addressed in our audit
Passenger sales are not recognised as revenue immediately but are deferred to be recorded later as revenue in the profit and loss account when the related transportation service is provided. Such deferred revenue is presented on the consolidated statement of financial position as sales in advance of carriage and is measured based on the sales price to the customer, net of discounts and rebates. Passenger revenue account for the largest share of the Group's business operation and are made up of a high volume of individually low value transactions. The amount of revenue to be recognised for each flight as it is flown relies on complex internal IT systems that handle large volumes of transaction data and includes the exchange of information with industry systems and partner airlines. As a result of the complexity, this is a key focus area in our audit.	We tested the relevant IT system controls, including the user access, program change controls and application controls over internal revenue systems. Our tests of these controls were designed to determine whether these relevant IT systems controls operated as they were designed, and whether they were protected from tampering of data or software logic that would result in inaccurate accounting information relating to passenger revenue. In addition, relevant IT system controls were tested relating to the completeness of transfers of data between systems, validation checks to identify data errors and the proration of prices to each flight. Relevant manual controls were also tested to assess the appropriateness of the treatment applied to exceptions and reconciliations of the Group's records with the outputs from shared industry systems and partner airlines. We obtained direct assistance from the Group's Internal Audit to test the effectiveness of relevant controls in the passenger revenue accounting process at selected overseas stations. Procedures we performed included planning the work to be performed by the Group's Internal Audit, identifying the controls to be tested, and reviewing the work of the Group's Internal Audit. We checked samples of passenger revenue transactions to underlying records including evidence of payment and flight records to assess the accuracy of the revenue recognised.

Findings

Our testing performed on relevant IT and manual controls over the passenger revenue systems, and the checking of selected revenue transactions to their underlying records, did not identify any significant exceptions.

Other Information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have obtained the Mission Statement, Financial Highlights, Statistical Highlights, Board of Directors, Further information on Board of Directors, Interested Person Transactions, Quarterly results of the Group, Five-Year Financial Summary, Ten-Year Statistical Record, Group Fleet Profile, Group Corporate Structure, Share Price and Turnover and Corporate Information (the "Reports") prior to the date of this auditors' report. The remaining other information contained in the annual report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

To The Members Of Singapore Airlines Limited

Auditors' responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ang Fung Fung.

KPMG LLP

Public Accountants and
Chartered Accountants

Dated this 15th day of May 2024
Singapore

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Financial Year ended 31 March 2024 (in \$ Million)

	Notes	The Group	
		FY2023/24	FY2022/23
REVENUE	4	19,012.7	17,774.8
EXPENDITURE			
Staff costs	5	3,551.3	3,055.8
Fuel costs		5,076.6	5,209.4
Fuel hedging ineffectiveness	42(a)	–	(0.5)
Depreciation	21, 22	2,109.6	2,004.9
Impairment of property, plant and equipment	21	0.5	–
Amortisation of intangible assets	23	76.2	75.6
Aircraft maintenance and overhaul costs		727.3	527.2
Commission and incentives		477.8	488.3
Landing, parking and overflying charges		811.5	657.2
Handling charges		1,195.3	951.5
Rentals on leased aircraft and engines		(3.9)	23.7
Inflight meals		616.4	423.9
Advertising and sales costs		331.2	326.1
Company accommodation and utilities		46.6	43.2
Other passenger costs		207.0	151.4
Crew expenses		138.2	100.2
Other operating expenses		923.6	1,044.8
		16,285.2	15,082.7
OPERATING PROFIT	6	2,727.5	2,692.1
Finance charges	7	(424.5)	(419.9)
Interest income	8	631.7	412.6
Write-back of impairment of aircraft	21	13.8	57.2
Write-back of impairment of base maintenance assets	21	–	1.7
Impairment of deferred engine programme	23	(25.1)	–
Impairment of goodwill	23	–	(14.0)
Surplus/(Loss) on disposal of aircraft, spares and spare engines		65.2	(7.3)
Dividends from long-term investments		–	4.0
Other non-operating items	9	(25.2)	(58.4)
Share of profits of joint venture companies		32.8	31.8
Share of profits/(losses) of associated companies		40.9	(63.0)
PROFIT BEFORE TAXATION		3,037.1	2,636.8
TAXATION	10	(342.0)	(473.5)
PROFIT FOR THE FINANCIAL YEAR		2,695.1	2,163.3
PROFIT ATTRIBUTABLE TO:			
OWNERS OF THE COMPANY		2,674.8	2,156.8
NON-CONTROLLING INTERESTS		20.3	6.5
		2,695.1	2,163.3
EARNINGS PER SHARE (CENTS)	11	63.3	35.6
DILUTED EARNINGS PER SHARE (CENTS)	11	61.4	35.1

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year ended 31 March 2024 (in \$ Million)

	The Group	
	FY2023/24	FY2022/23
PROFIT FOR THE FINANCIAL YEAR	2,695.1	2,163.3
OTHER COMPREHENSIVE INCOME:		
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Currency translation differences	11.4	(15.7)
Net fair value changes on cash flow hedges	(54.3)	(573.1)
Share of other comprehensive income of associated and joint venture companies	29.5	7.7
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Actuarial gain on revaluation of defined benefit plans	1.3	5.2
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR, NET OF TAX	(12.1)	(575.9)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	2,683.0	1,587.4
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	2,661.5	1,583.9
NON-CONTROLLING INTERESTS	21.5	3.5
	2,683.0	1,587.4

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2024 (in \$ Million)

		The Group 31 March		The Company 31 March	
	Notes	2024	2023	2024	2023
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	13	7,180.4	7,180.2	7,180.4	7,180.2
Mandatory convertible bonds	14	1,547.5	6,195.1	1,547.5	6,195.1
Treasury shares	15	(37.5)	(73.8)	(37.5)	(73.8)
Other reserves	16	7,647.5	6,556.8	8,779.5	7,808.2
		16,337.9	19,858.3	17,469.9	21,109.7
NON-CONTROLLING INTERESTS					
		406.7	391.5	—	—
TOTAL EQUITY		16,744.6	20,249.8	17,469.9	21,109.7
DEFERRED ACCOUNT					
		15.0	55.8	15.0	55.8
DEFERRED TAXATION	17	1,802.9	1,430.2	1,853.2	1,475.0
LONG-TERM LEASE LIABILITIES					
		3,182.2	3,560.6	2,096.1	2,363.7
BORROWINGS					
	18	8,737.4	8,613.7	8,578.0	8,408.0
OTHER LONG-TERM LIABILITIES					
	19	110.4	381.9	110.4	381.9
PROVISIONS					
	20	915.8	1,047.1	468.8	524.7
DEFINED BENEFIT PLANS					
		84.7	91.2	84.7	91.2
		31,593.0	35,430.3	30,676.1	34,410.0
Represented by:					
PROPERTY, PLANT AND EQUIPMENT					
	21	23,435.8	23,832.5	20,632.2	21,034.4
RIGHT-OF-USE ASSETS					
	22	3,371.0	3,854.5	2,132.9	2,413.5
INTANGIBLE ASSETS					
	23	304.5	297.5	254.7	235.4
SUBSIDIARY COMPANIES					
	24	—	—	5,649.6	5,582.0
ASSOCIATED COMPANIES					
	25	780.5	757.3	540.0	540.0
JOINT VENTURE COMPANIES					
	26	297.1	265.0	32.3	32.3
LONG-TERM INVESTMENTS					
	27	38.9	39.4	36.2	36.7
OTHER LONG-TERM ASSETS					
	28	395.2	755.7	341.0	674.2
CURRENT ASSETS					
Derivative assets	42	769.2	662.7	766.7	659.8
Inventories	29	268.0	227.0	196.5	171.9
Trade debtors	30	1,388.7	1,192.7	1,167.0	1,028.4
Amounts owing by subsidiary companies	30	—	—	12.8	0.1
Deposits and other debtors	31	382.2	284.0	232.5	226.5
Prepayments		153.9	105.0	115.9	68.3
Other short-term assets	32	890.7	70.5	890.7	68.3
Investments	33	519.7	403.9	464.5	351.7
Cash and bank balances	34	11,268.8	16,327.6	10,976.0	15,975.7
Assets held for sale	21	0.5	25.9	0.1	0.1
		15,641.7	19,299.3	14,822.7	18,550.8
Less: CURRENT LIABILITIES					
Borrowings	18	915.4	2,547.7	851.2	2,482.4
Lease liabilities		613.0	617.3	426.4	363.3
Current tax payable		68.2	128.1	39.3	38.9
Trade and other creditors	35	4,383.8	4,039.8	3,236.2	3,020.9
Amounts owing to subsidiary companies	35	—	—	3,163.3	3,009.3
Sales in advance of carriage	36	4,713.2	4,631.4	4,327.9	4,275.6
Deferred revenue	36	1,028.0	866.3	1,022.7	866.3
Deferred account		24.6	51.0	22.9	48.1
Derivative liabilities	42	489.5	399.0	489.5	399.0
Provisions	20	436.0	390.3	186.1	185.5
		12,671.7	13,670.9	13,765.5	14,689.3
NET CURRENT ASSETS		2,970.0	5,628.4	1,057.2	3,861.5
		31,593.0	35,430.3	30,676.1	34,410.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2024 (in \$ Million)

The Group

	Notes	Share capital	Mandatory convertible bonds	Treasury shares
Balance at 1 April 2023		7,180.2	6,195.1	(73.8)
Comprehensive income				
Currency translation differences	16(b)	–	–	–
Net fair value changes on cash flow hedges	16(d)	–	–	–
Actuarial gain on revaluation of defined benefit plans		–	–	–
Share of other comprehensive income of associated and joint venture companies		–	–	–
Other comprehensive income for the financial year, net of tax		–	–	–
Profit for the financial year		–	–	–
Total comprehensive income for the financial year		–	–	–
<u>Transactions with owners, recorded directly in equity</u>				
<u>Contributions by and distributions to owners</u>				
Redemption of mandatory convertible bonds	14	–	(4,647.6)	–
Purchase of treasury shares		–	–	(3.2)
Conversion of convertible bonds		0.2	–	–
Changes in ownership interest without loss of control		–	–	–
Share of other changes in equity of an associated company		–	–	–
Share-based compensation expense	5	–	–	–
Treasury shares reissued pursuant to equity compensation plans	15	–	–	39.5
Acquisition of a subsidiary company with non-controlling interests		–	–	–
Dividends	12	–	–	–
Total contributions by and distributions to owners		0.2	(4,647.6)	36.3
<u>Changes in ownership interests in subsidiary companies</u>				
Acquisition of non-controlling interests without change in control		–	–	–
Disposal of a subsidiary company with non-controlling interests		–	–	–
Total changes in ownership interests in subsidiary companies		–	–	–
Total transactions with owners		0.2	(4,647.6)	36.3
Balance at 31 March 2024		7,180.4	1,547.5	(37.5)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to owners of the Company							
Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
(116.0)	(32.4)	24.3	506.9	6,174.0	19,858.3	391.5	20,249.8
–	9.0	–	–	–	9.0	2.4	11.4
–	–	–	(54.3)	–	(54.3)	–	(54.3)
–	–	–	–	1.3	1.3	–	1.3
33.6	1.0	–	(3.9)	–	30.7	(1.2)	29.5
33.6	10.0	–	(58.2)	1.3	(13.3)	1.2	(12.1)
–	–	–	–	2,674.8	2,674.8	20.3	2,695.1
33.6	10.0	–	(58.2)	2,676.1	2,661.5	21.5	2,683.0
–	–	–	–	(416.6)	(5,064.2)	–	(5,064.2)
–	–	–	–	–	(3.2)	–	(3.2)
–	–	–	–	–	0.2	–	0.2
–	–	(5.0)	–	(0.4)	(5.4)	1.7	(3.7)
(2.8)	–	–	–	2.8	–	–	–
–	–	31.4	–	–	31.4	–	31.4
(20.5)	–	(18.5)	–	–	0.5	–	0.5
–	–	–	–	–	–	5.6	5.6
–	–	–	–	(1,130.2)	(1,130.2)	(20.7)	(1,150.9)
(23.3)	–	7.9	–	(1,544.4)	(6,170.9)	(13.4)	(6,184.3)
(11.0)	–	–	–	–	(11.0)	6.5	(4.5)
–	–	–	–	–	–	0.6	0.6
(11.0)	–	–	–	–	(11.0)	7.1	(3.9)
(34.3)	–	7.9	–	(1,544.4)	(6,181.9)	(6.3)	(6,188.2)
(116.7)	(22.4)	32.2	448.7	7,305.7	16,337.9	406.7	16,744.6

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2024 (in \$ Million)

The Group

	Notes	Share capital	Mandatory convertible bonds	Treasury shares
Balance at 1 April 2022		7,180.2	9,691.2	(106.5)
Comprehensive income				
Currency translation differences	16(b)	–	–	–
Net fair value changes on cash flow hedges	16(d)	–	–	–
Actuarial gain on revaluation of defined benefit plans		–	–	–
Share of other comprehensive income of associated and joint venture companies		–	–	–
Other comprehensive income for the financial year, net of tax		–	–	–
Profit for the financial year		–	–	–
Total comprehensive income for the financial year		–	–	–
<u>Transactions with owners, recorded directly in equity</u>				
<u>Contributions by and distributions to owners</u>				
Redemption of mandatory convertible bonds	14	–	(3,496.1)	–
Changes in ownership interest without loss of control		–	–	–
Share-based compensation expense	5	–	–	–
Treasury shares reissued pursuant to equity compensation plans	15	–	–	32.7
Acquisition of a subsidiary company with non-controlling interests		–	–	–
Dividends	12	–	–	–
Total transactions with owners		–	(3,496.1)	32.7
Balance at 31 March 2023		7,180.2	6,195.1	(73.8)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to owners of the Company							
Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
(107.3)	(16.2)	20.7	1,076.2	4,673.6	22,411.9	388.5	22,800.4
–	(11.7)	–	–	–	(11.7)	(4.0)	(15.7)
–	–	–	(573.1)	–	(573.1)	–	(573.1)
–	–	–	–	5.2	5.2	–	5.2
7.4	(4.5)	–	3.8	–	6.7	1.0	7.7
7.4	(16.2)	–	(569.3)	5.2	(572.9)	(3.0)	(575.9)
–	–	–	–	2,156.8	2,156.8	6.5	2,163.3
7.4	(16.2)	–	(569.3)	2,162.0	1,583.9	3.5	1,587.4
–	–	–	–	(363.9)	(3,860.0)	–	(3,860.0)
–	–	(3.8)	–	(0.6)	(4.4)	(0.1)	(4.5)
–	–	23.5	–	–	23.5	–	23.5
(16.1)	–	(16.1)	–	–	0.5	–	0.5
–	–	–	–	–	–	1.2	1.2
–	–	–	–	(297.1)	(297.1)	(1.6)	(298.7)
(16.1)	–	3.6	–	(661.6)	(4,137.5)	(0.5)	(4,138.0)
(116.0)	(32.4)	24.3	506.9	6,174.0	19,858.3	391.5	20,249.8

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2024 (in \$ Million)

The Company

	Notes	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2023		7,180.2	6,195.1	(73.8)	(897.7)	19.8	467.9	8,218.2	21,109.7
Effects of business transfer to Kris+ Pte. Ltd. ("Kris+")	16(a)	–	–	–	8.5	–	–	–	8.5
<u>Comprehensive income</u>									
Net fair value changes on cash flow hedges	16(d)	–	–	–	–	–	(48.1)	–	(48.1)
Actuarial gain on revaluation of defined benefit plans		–	–	–	–	–	–	0.8	0.8
Other comprehensive income for the financial year, net of tax		–	–	–	–	–	(48.1)	0.8	(47.3)
Profit for the financial year		–	–	–	–	–	–	2,570.8	2,570.8
Total comprehensive income for the financial year		–	–	–	–	–	(48.1)	2,571.6	2,523.5
<u>Transactions with owners, recorded directly in equity</u>									
<u>Contributions by and distributions to owners</u>									
Redemption of mandatory convertible bonds	14	–	(4,647.6)	–	–	–	–	(416.6)	(5,064.2)
Purchase of treasury shares		–	–	(3.2)	–	–	–	–	(3.2)
Conversion of convertible bonds		0.2	–	–	–	–	–	–	0.2
Share-based compensation expense		–	–	–	–	25.1	–	–	25.1
Treasury shares reissued pursuant to equity compensation plans	15	–	–	39.5	(20.5)	(18.5)	–	–	0.5
Dividends	12	–	–	–	–	–	–	(1,130.2)	(1,130.2)
Total transactions with owners		0.2	(4,647.6)	36.3	(20.5)	6.6	–	(1,546.8)	(6,171.8)
Balance at 31 March 2024		7,180.4	1,547.5	(37.5)	(909.7)	26.4	419.8	9,243.0	17,469.9

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year ended 31 March 2024 (in \$ Million)

The Company									
	Notes	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
Comprehensive income									
Net fair value changes on cash flow hedges	16(d)	–	–	–	–	–	(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	14	–	(3,496.1)	–	–	–	–	(363.9)	(3,860.0)
Share-based compensation expense		–	–	–	–	19.2	–	–	19.2
Treasury shares reissued pursuant to equity compensation plans	15	–	–	32.7	(16.1)	(16.1)	–	–	0.5
Dividends	12	–	–	–	–	–	–	(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

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 March 2024 (in \$ Million)

		The Group	
	Notes	FY2023/24	FY2022/23
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		3,037.1	2,636.8
Adjustments for:			
Depreciation	21, 22	2,109.6	2,004.9
Impairment of property, plant and equipment	21	0.5	–
Write-back of impairment of aircraft	21	(13.8)	(57.2)
Write-back of impairment of base maintenance assets	21	–	(1.7)
Impairment of deferred engine programme	23	25.1	–
Impairment of goodwill	23	–	14.0
Amortisation of intangible assets	23	76.2	75.6
Impairment/(Write-back of impairment) of trade debtors	6	10.5	(6.1)
Writedown of inventories	6	6.7	9.3
Income from short-term investments	6	(1.5)	(1.0)
Provisions		162.3	167.7
Share-based compensation expense	5	31.4	23.5
Exchange differences		(80.1)	134.5
Gain on lease remeasurement	6	(0.8)	(2.5)
Net (gain)/loss on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	6	(1.1)	1.2
Fuel hedging ineffectiveness		–	(0.5)
Foreign currency hedging ineffectiveness	6	(0.1)	–
Finance charges	7	424.5	419.9
Interest income	8	(631.7)	(412.6)
(Surplus)/Loss on disposal of aircraft, spares and spare engines		(65.2)	7.3
Dividends from long-term investments		–	(4.0)
Other non-operating items	9	25.2	58.4
Share of profits of joint venture companies		(32.8)	(31.8)
Share of (profits)/losses of associated companies		(40.9)	63.0
Operating cash flow before working capital changes		5,041.1	5,098.7
Increase in trade and other creditors		117.8	1,191.4
Increase in sales in advance of carriage		81.8	2,523.6
(Increase)/Decrease in trade debtors		(177.7)	422.1
(Increase)/Decrease in deposits and other debtors		(32.2)	16.8
Increase in prepayments		(53.7)	(11.8)
Increase in inventories		(47.8)	(46.1)
Increase/(Decrease) in deferred revenue		161.7	(59.4)
Cash generated from operations		5,091.0	9,135.3
Payment of competition-related settlements		(25.4)	–
Income taxes paid		(10.7)	(5.2)
NET CASH PROVIDED BY OPERATING ACTIVITIES		5,054.9	9,130.1

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 March 2024 (in \$ Million)

	Notes	The Group	
		FY2023/24	FY2022/23
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure	37	(1,231.3)	(1,601.8)
Purchase of intangible assets		(96.0)	(82.2)
Proceeds from/(Payments for) disposal of aircraft and other property, plant and equipment		12.6	(3.8)
Proceeds from disposal of assets held for sale		83.8	17.5
Proceeds from sale and leaseback transactions		—	1,210.3
Proceeds from disposal of long-term investments		22.3	21.6
Purchase of short-term investments		(154.1)	(134.5)
Proceeds from disposal of short-term investments		41.9	132.6
Dividends received from associated and joint venture companies		44.1	36.7
Dividends received from investments		—	4.0
Interest received from investments and deposits		617.0	315.4
Proceeds from finance leases		2.2	9.2
Investments in an associated company		(3.0)	(54.8)
Acquisition of a subsidiary company, net of cash acquired		15.6	(4.2)
Proceeds from disposal of a subsidiary company, net of cash disposed		0.1	—
Proceeds from liquidation of an associated company		13.8	—
Placement of fixed deposits with original maturity of more than 12 months		(805.2)	—
NET CASH USED IN INVESTING ACTIVITIES		(1,436.2)	(134.0)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid	12	(1,130.2)	(297.1)
Dividends paid by subsidiary companies to non-controlling interests	12	(20.7)	(1.6)
Interest paid		(285.3)	(332.6)
Redemption of mandatory convertible bonds		(5,064.2)	(3,860.0)
Proceeds from borrowings		417.8	6.2
Repayment of borrowings		(1,267.1)	(988.0)
Repayment of lease liabilities		(739.4)	(740.3)
Repayment of bonds		(1,350.0)	—
Proceeds from issuance of bonds		670.1	—
Payment of transaction costs from issuance of bonds		(1.4)	—
Payment of transaction costs related to borrowings		(1.0)	—
Purchase of treasury shares		(3.2)	—
Acquisition of non-controlling interests without a change in control		(4.5)	—
NET CASH USED IN FINANCING ACTIVITIES		(8,779.1)	(6,213.4)
NET CASH (OUTFLOW)/INFLOW		(5,160.4)	2,782.7
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		16,327.6	13,762.7
Effect of exchange rate changes		101.6	(217.8)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		11,268.8	16,327.6
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Fixed deposits	34	8,264.6	12,400.0
Cash and bank balances	34	3,004.2	3,927.6
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		11,268.8	16,327.6

Significant non-cash transactions

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

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

1 General

Singapore Airlines Limited ("the Company") is a limited liability company incorporated and domiciled in the Republic of Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and is a subsidiary company of Temasek Holdings (Private) Limited ("Temasek"), incorporated in the Republic of Singapore.

The registered office of the Company is at Airline House, 25 Airline Road, Singapore 819829.

The financial statements of the Group as at and for the year ended 31 March 2024 comprise the Company and its subsidiary companies (together referred to as "the Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

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

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 15 May 2024.

2 Material Accounting Policies

The accounting policies applied by the Group and the Company are consistent with all periods presented in these financial statements, except as explained in note 2(b), which addresses changes in accounting policies.

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD"), which is the Company's functional currency and all values in the tables are rounded to the nearest million, unless otherwise stated.

(b) Changes in accounting policies

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

On 1 April 2023, 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 2023. 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, other than below.

(i) Global minimum top-up tax

The Amendments to IAS 12: *International Tax Reform – Pillar Two Model Rules* provide a temporary mandatory exception from deferred tax accounting for the top-up tax that may arise from the jurisdiction adoption of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD"), and require new disclosures about the Pillar Two exposure. The mandatory exception is effective immediately and applies retrospectively.

(ii) Material accounting policy information

The Group adopted Amendments to IAS 1 and IFRS Practice Statement 2: *Disclosure of Accounting Policies* for the first time in FY2023/24. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(b) Changes in accounting policies (continued)

(ii) Material accounting policy information (continued)

The amendments require the disclosure of 'material', rather than 'significant', accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 2 Material Accounting Policies (FY2022/23: Summary of Significant Accounting Policies) in certain instances in line with the amendments.

(c) Standards issued but not yet effective

Certain new standards and amendments to standards that are effective from the Group's financial year ending 31 March 2025 onwards, but are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position are as follows:

Description	Effective from
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 April 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 April 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 April 2024
Lack of Exchangeability (Amendments to IAS 21)	1 April 2024

(d) Intangible assets

Amortisation

Amortisation of computer software is recognised in the profit and loss account on a straight-line basis over their estimated useful lives of 3 to 10 years.

For deferred engine development cost which is made in connection with its participation in aircraft engine development projects with other companies, amortisation begins when the aircraft engines are available for sale. These deferred engine development costs are amortised on a straight-line basis over the period of expected sales of the aircraft engines, which is estimated to be over a period of 39 years.

Advance and progress payments are not amortised. Amortisation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted if appropriate.

(e) Foreign currencies

Foreign currency transactions

Foreign currency transactions are translated into SGD at the rates prevailing at the dates of those transactions.

All foreign currency monetary assets and liabilities are translated into SGD at rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(e) Foreign currencies (continued)

Foreign currency transactions (continued)

The foreign currency gain or loss on monetary assets and liabilities is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency re-translated at the exchange rate at the end of the year.

Foreign currency differences are recognised in the profit and loss account, except for qualifying cash flow hedges which are deferred to equity.

(f) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When parts of a property, plant and equipment have different useful lives, they are accounted for as separate components. Cost includes expenditure that is directly attributable to the acquisition of the asset, including capitalised borrowing cost.

Leasehold hotel properties held by an associated company are carried at fair value, less accumulated depreciation and accumulated impairment losses. Fair values of leasehold hotel properties are determined by independent professional valuers on an annual basis. The Group's share of the revaluation gain or loss is reflected under the share of post-acquisition capital reserve.

(ii) Depreciation of property, plant and equipment

Depreciation is based on the cost of an asset less its residual value. Operational lives, residual values and depreciation methods are reviewed annually, and adjusted prospectively, if appropriate. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is recognised from the date the property, plant and equipment is installed and ready for use.

Freehold land, advance and progress payments are not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(f) Property, plant and equipment (continued)

(ii) Depreciation of property, plant and equipment (continued)

The estimated useful lives and residual values are as follows:

Property, plant and equipment type	Useful lives	Residual values
<u>Aircraft, spares and spare engines</u>		
Passenger aircraft	12 – 20 years	0% to 10% of cost
Freighter aircraft	20 – 25 years	Nil
Aircraft spares and spare engines	4 – 25 years	0% to 10% of cost
Embedded engine overhaul costs	4 – 8 years	Nil
Major inspection costs relating to landing gear overhauls and heavy maintenance visits	4 – 12 years	Nil
Training aircraft	17 years	20% of cost
Flight simulators	10 years	Nil
<u>Leasehold land and buildings</u>		
Office premises	Shorter of lease period or 30 years	Nil
Household premises	Shorter of lease period or 30 years	Nil
Other premises	Shorter of lease period or 30 years	Nil
Leasehold hotel properties held by an associated company	Lease period of 99 years, up to 2081	Nil
<u>Others</u>		
Plant and equipment, office and computer equipment	1 – 15 years	0% to 10% of cost

The residual values of certain aircraft are subject to foreign currency fluctuations and are remeasured to the prevailing exchange rates at the end of the reporting period.

(g) Leases

At the inception of the contract, the Group assesses if the contract contains a lease.

(i) As a lessee

The Group recognises a right-of-use ("ROU") asset and lease liability at the lease commencement date.

ROU asset

ROU asset is initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimated cost to restore the underlying asset, less any lease incentive received.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(g) Leases (continued)

(i) As a lessee (continued)

ROU asset (continued)

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, except for embedded engine overhaul cost. The embedded engine overhaul cost is depreciated over the useful life on the same basis as those of property, plant and equipment disclosed in note 2(f). In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

Major improvements and modifications to leased aircraft due to operational requirements are capitalised and depreciated over their expected useful lives (estimated to be 4 to 12 years).

Short-term leases and leases of low value assets

The Group has elected not to recognise ROU assets and lease liabilities for leases of low value and short term aircraft and engine leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventories is determined on a weighted average basis and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(i) Financial instruments

(i) Recognition and initial measurement

A financial asset or financial liability (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, in the case of a financial asset or liability not carried at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income ("FVOCI") or FVTPL.

For equity investments that are not held for trading, the Group may irrevocably elect, on initial recognition, to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

In addition, on initial recognition, the Group may irrevocably designate a financial asset, that otherwise meets the requirements to be measured at amortised cost or at FVOCI, to be measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to Management.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(i) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Assessment of whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers contingent events, leverage features, modifications of the time value of money and other limiting terms in the contractual terms of the instrument, which could change the timing or amount of contractual cash flows such that the cash flows of the instrument would not be reflective of solely payments of principal and interest.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e., the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies on accounting for modifications to the additional changes.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(i) Financial instruments (continued)

(v) Impairment

Expected credit loss ("ECL")

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- Non-equity financial instruments that are determined to have a low credit risk at the reporting date; and
- Other non-equity financial instruments (other than trade debtors) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for trade debtors are always measured at an amount equal to lifetime ECL.

The Group considers a non-equity financial instrument to have a low credit risk when its credit quality is rated to be of an investment grade by credit rating agencies.

(vi) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts, foreign currency option contracts, fixed deposit contracts, cross currency swap contracts, interest rate swap contracts, jet fuel option contracts, jet fuel and Brent and crack swap contracts to hedge its risks associated with foreign currency, interest rate and jet fuel price fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into; any attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivative financial instruments are remeasured at their fair values. The Group also utilises financial liabilities to hedge its risks associated with foreign currency risks embedded within the residual values of owned aircraft.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken directly to the profit and loss account.

Designation of hedges

The Group designates certain derivatives as well as non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objective and strategy in undertaking the hedge, the economic relationship between the hedge instrument and the hedged item, the effects of credit risk on the hedge, the hedge ratio and the hedge type (cash flow or fair value).

At the inception of the hedge relationship, the Group makes an assessment of whether the hedging instrument is expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged item during the period for which the hedge is designated. For a cash flow hedge of a forecast transaction, the Group also assesses whether the forecast transaction is highly probable to occur and if it presents an exposure to variations in cash flows that could ultimately affect profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, hedge accounting is discontinued. The cumulative gain or loss previously recognised in the fair value reserve remains there until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(i) Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting (continued)

Hedges directly affected by interest rate benchmark reform – Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform

For this purpose, the hedge designation is amended only to make one or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by interest rate benchmark reform by using an approach other than changing the basis for determining the contractual cash flows of the hedging instrument;
- the chosen approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Group also amends the formal hedge documentation by the end of the reporting period during which a change required by interest rate benchmark reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by interest rate benchmark reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interest rate benchmark reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in other comprehensive income for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

(j) Loans, notes payable and borrowings

Loans, notes payable and other borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans, notes and borrowings are subsequently measured at amortised cost using the effective interest method.

(k) Provisions

Provisions for return costs to meet contractual minimum conditions for the return of aircraft, at the end of the lease terms for aircraft under operating leases, are recorded over the lease terms.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(l) Mandatory convertible bonds ("MCBs")

The test on the classification of MCBs as equity or as liability is based on the substance of the contractual arrangement. If there is no obligation on the Group to pay cash to the holders or to settle the MCBs with a variable number of the Company's ordinary shares, they are classified as equity. In all other cases, the instrument is accounted for as a liability. Upon issuance, the MCBs are measured at the transaction price including qualifying issuance costs. MCBs accounted for as equity instruments are subsequently not remeasured. Liabilities are subsequently accounted for at amortised cost using the effective interest rate. Upon settlement of equity classified MCBs by issuance of ordinary shares upon conversion or by early redemption at the option of the Company, all amounts are also directly recognised in equity.

The MCBs issued by the Company are convertible at maturity only into a fixed number of ordinary shares of the Company. The holders have no right to demand repayment of the MCBs from the Company. The Company has the right to redeem the MCBs at its sole discretion for cash amounts stipulated in the contractual terms for each redemption date that includes an imputed return on investment. The MCBs are denominated in SGD.

The net proceeds of the MCBs issued (including any directly attributable transaction costs) are classified entirely as an equity component.

When the MCBs are redeemed before its maturity date, the difference between any redemption consideration and the carrying amount of the MCBs are directly recognised in equity at the date of transaction.

(m) Taxation

(i) Current income tax

Tax recoverable and tax liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to, respectively, the tax authorities using tax rates enacted or substantively enacted at balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income taxes are recognised in the profit or loss account except to the extent that the tax relates to a business combination, or items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are not recognised for:

- Temporary differences on the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- Temporary differences associated with investments in subsidiary, associated and joint venture companies, where the timing of the reversal of the temporary differences can be controlled and it is probable that they will not reverse in the foreseeable future.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(m) Taxation (continued)

(ii) Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, can be utilised.

Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

(iii) Global minimum top-up tax

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

(n) Revenue

Revenue is principally earned from the carriage of passengers, cargo and mail, engineering services, tour activities and sale of merchandise, amongst others. Revenue for the Group excludes dividends from subsidiary companies and intra-group transactions.

(i) Passenger, cargo and mail

Passenger, cargo and mail sales are recognised as operating revenue when the transportation is provided. The value of unutilised tickets and airway bills is included in current liabilities as sales in advance of carriage. Breakage revenue (tickets sold and not uplifted at flight date) is recognised at flight date by estimating a percentage of tickets that will never be utilised, based on historical trends and experience. Where historical trends and experience are not appropriate, the value of unutilised tickets one year after expiry is recognised as revenue. The value of airway bills is recognised as revenue if unused after one year.

The Group sells certain tickets with connecting flights with one or more segments operated by its other airline partners. For segments operated by its other airline partners, the Group has determined that it is acting as an agent on behalf of other airlines as they are responsible for their portion of the contract (i.e., transportation of the passenger). The Group, as the agent, recognises revenue at the time of the travel for the net amount representing commission to be retained by the Group for any segments flown by other airlines.

The Group has applied the practical expedient and recognised the costs of selling airline travel tickets as an expense when it is incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(n) Revenue (continued)

(ii) Engineering services

Revenue from repair and maintenance of aircraft, and engine and component overhaul is recognised based on the percentage of completion of the projects. The percentage of completion of the projects is determined based on the number of man-hours incurred to date against the estimated man-hours needed to complete the projects.

(iii) KrisFlyer

The Company operates a frequent flyer programme called "KrisFlyer" that provides travel awards to programme members based on accumulated mileage. A portion of passenger revenue attributable to the award of frequent flyer benefits is deferred until they are utilised.

In addition, the Company sells miles to programme partners for issuance to their programme members. For miles purchased by programme partners, revenue is deferred until awards are utilised.

The deferment of the revenue is estimated based on historical trends of breakage, which is then used to project the expected utilisation of these benefits.

(iv) Others

Revenue from tour activities is recognised upon commencement of the tours.

The Group operates a payments and lifestyle rewards app called "Kris+" that provides rewards to programme members based on in-app spending. In addition, the Group sells miles to programme partners and merchants for issuance to their programme members and revenue is deferred until awards are utilised. The deferment of the revenue is estimated based on historical trends of breakage, which is then used to project the expected utilisation of these benefits.

Revenue from sale of merchandise is recognised when the product is delivered and received by the customer.

Rental income from the lease of aircraft is recognised on a straight-line basis over the lease term.

(o) Aircraft maintenance and overhaul costs

The Group recognises aircraft maintenance and overhaul expenses (except heavy maintenance visits, engine overhaul and landing gear overhaul expenses) on an incurred basis. For engine overhaul costs covered by power-by-hour third-party maintenance agreements, a portion of the cost is expensed at a fixed rate per hour during the terms of the agreements. The remaining payments made are recorded as an advance payment, to the extent that it is to be utilised in the future. Upon completion of an overhaul, these amounts are transferred to property, plant and equipment and depreciated over their useful lives.

(p) Borrowing costs

Borrowing costs incurred to finance advance and progress payments for aircraft are capitalised as part of advance and progress payments until the aircraft are commissioned for operation or the projects are completed. All other borrowing costs are recognised as finance charges in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

2 Material Accounting Policies (continued)

(q) Segment reporting

(i) Business segment

For management purposes, the Group is organised into operating segments based on the nature of the services provided which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to corporate management who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

(ii) Geographical segment

The analysis of revenue by area of original sale from airline operations is derived by allocating revenue to the area in which the sale was made. Revenue from other operations, which consist principally of engineering services, is derived in East Asia and is therefore, not shown.

Assets, which consist principally of flight and ground equipment, support the entire worldwide transportation system, and are mainly located in Singapore. An analysis of assets and capital expenditure of the Group by geographical distribution has therefore not been included.

(r) Changes in accounting estimates

The Company reviewed the historical trends of breakage for its frequent flyer programme "KrisFlyer" and revised the estimated breakage rate for the deferred revenue. The effect of the change is a decrease in revenue of approximately \$71.6 million for the financial year ended 31 March 2024.

The Group revised the estimated useful lives and residual values of certain of its aircraft and spare engines. The effect of the changes is a decrease in depreciation expense of approximately \$34.9 million for the financial year ended 31 March 2024.

3 Significant Accounting Estimates and Critical Judgements

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income, expenses, and disclosures made. Actual results may differ from these estimates. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Provision for lease return costs

Prior to the return of aircraft leased by the Group entities to the lessor, the Group entities are required to fulfil certain lease return conditions which may include the completion of certain maintenance activities to the airframe and engines and the reconfiguration of seats within the aircraft. The provision for lease return costs for these leased aircraft is determined based on the best estimate of the costs that will be incurred to fulfil the stipulated lease return conditions. The carrying amount of the provision for the Group and the Company at 31 March 2024 was \$1,186.2 million (2023: \$1,278.9 million) and \$491.0 million (2023: \$553.5 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

4 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, payments and lifestyle reward app, 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 FY2023/24 or FY2022/23.

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

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

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 financial years ended 31 March 2024 and 2023 and certain assets and liabilities information of the business segments as at those dates.

FY2023/24	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	16,120.6	2,359.5	449.1	83.5	19,012.7	–	19,012.7
Inter-segment revenue	56.5	86.0	645.1	57.0	844.6	(844.6)	–
	<u>16,177.1</u>	<u>2,445.5</u>	<u>1,094.2</u>	<u>140.5</u>	<u>19,857.3</u>	<u>(844.6)</u>	<u>19,012.7</u>
RESULTS							
Segment result	2,635.2	118.1	2.3	(28.0)	2,727.6	(0.1)	2,727.5
Finance charges	(466.9)	(86.4)	(4.4)	(1.4)	(559.1)	134.6	(424.5)
Interest income	651.4	72.8	24.4	15.4	764.0	(132.3)	631.7
Write-back of impairment of aircraft	13.8	–	–	–	13.8	–	13.8
Impairment of deferred engine programme	–	–	(25.1)	–	(25.1)	–	(25.1)
Surplus on disposal of aircraft, spares and spare engines	54.6	10.6	–	–	65.2	–	65.2
Other non-operating items	(26.3)	–	1.1	–	(25.2)	–	(25.2)
Share of profits of joint venture companies	2.5	–	30.3	–	32.8	–	32.8
Share of (losses)/profits of associated companies	(29.8)	–	70.7	–	40.9	–	40.9
Taxation	(398.9)	67.3	(2.2)	(8.2)	(342.0)	–	(342.0)
Profit/(Loss) for the financial year	<u>2,435.6</u>	<u>182.4</u>	<u>97.1</u>	<u>(22.2)</u>	<u>2,692.9</u>	<u>2.2</u>	<u>2,695.1</u>
Attributable to:							
Owners of the Company							2,674.8
Non-controlling interests							<u>20.3</u>
							<u>2,695.1</u>

* Relates to inter-segment transactions eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

4 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)	–
	15,590.1	1,965.0	796.0	131.6	18,482.7	(707.9)	17,774.8
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	2,094.6	43.5	66.5	(42.2)	2,162.4	0.9	2,163.3
Attributable to:							
Owners of the Company							2,156.8
Non-controlling interests							6.5
							2,163.3

* Relates to inter-segment transactions eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Business segments (continued)

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 31 MARCH 2024							
Segment assets	38,183.5	6,055.9	1,321.5	715.5	46,276.4	(3,128.2)	43,148.2
Investments in associated and joint venture companies	328.6	–	749.0	–	1,077.6	–	1,077.6
Long-term investments	36.2	–	–	2.7	38.9	–	38.9
Total assets	38,548.3	6,055.9	2,070.5	718.2	47,392.9	(3,128.2)	44,264.7
Segment liabilities	12,277.5	1,095.7	264.8	129.8	13,767.8	(3,113.7)	10,654.1
Lease liabilities	2,522.5	1,205.9	105.3	10.6	3,844.3	(49.1)	3,795.2
Long-term liabilities	110.4	–	–	–	110.4	–	110.4
Provisions	654.9	695.1	1.8	–	1,351.8	–	1,351.8
Defined benefit plans	84.7	–	–	–	84.7	–	84.7
Borrowings	9,429.2	202.7	5.1	15.8	9,652.8	–	9,652.8
Tax liabilities	1,892.5	(32.2)	(9.8)	20.6	1,871.1	–	1,871.1
Total liabilities	26,971.7	3,167.2	367.2	176.8	30,682.9	(3,162.8)	27,520.1
Capital expenditure	1,082.3	109.0	39.2	0.8	1,231.3	–	1,231.3
Purchase of intangible assets	77.7	5.1	9.5	3.7	96.0	–	96.0
Depreciation	1,732.0	333.8	57.6	2.8	2,126.2	(16.6)	2,109.6
Write-back of impairment of aircraft	(13.8)	–	–	–	(13.8)	–	(13.8)
Impairment of property, plant and equipment	0.5	–	–	–	0.5	–	0.5
Impairment of deferred engine programme	–	–	25.1	–	25.1	–	25.1
Amortisation of intangible assets	58.4	3.8	5.5	8.5	76.2	–	76.2
Non-cash items other than depreciation, impairment of property, plant and equipment and amortisation of intangible assets	(53.7)	10.0	11.3	(0.2)	(32.6)	–	(32.6)

* Relates to inter-segment transactions eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

4 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Geographical segments

The following table presents revenue information on airline operations by geographical areas for the financial years ended 31 March 2024 and 2023.

	By area of original sale	
	FY2023/24	FY2022/23
East Asia	9,522.8	8,764.6
Europe	2,518.9	2,684.2
South West Pacific	3,038.7	2,715.3
Americas	1,314.4	1,419.8
West Asia and Africa	1,408.2	1,379.7
Systemwide	17,803.0	16,963.6
Non-scheduled services and incidental revenue	819.6	591.5
	18,622.6	17,555.1

No single customer contributed to more than 10% of the Group's revenue during the financial years ended 31 March 2024 and 2023.

5 Staff Costs (in \$ million)

	The Group	
	FY2023/24	FY2022/23
Salary, bonuses and other costs	3,290.5	2,821.8
CPF, other defined contributions and defined benefit expense	229.4	210.5
Share-based compensation expense	31.4	23.5
	3,551.3	3,055.8

The Group contributes to several post-employment defined benefit plans for employees at several overseas locations. Employees may contribute in some of these plans and these contributions are matched in varying amounts by the Group. Defined benefit expense for the Group was \$7.0 million for FY2023/24 (FY2022/23: \$4.0 million). As this is not material to the total staff costs of the Group for FY2023/24 and FY2022/23, additional disclosures of the defined benefit plans are not shown.

Included in staff costs for FY2022/23 was wage support of \$108.2 million from the Singapore Government.

Share-based compensation arrangements

As at 31 March 2024, the Group has the following share-based compensation arrangements:

(a) Share-based incentive plans (equity-settled)

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

5 Staff Costs (in \$ million) (continued)

Share-based compensation arrangements (continued)

(a) Share-based incentive plans (equity-settled) (continued)

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

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

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

Key terms and conditions related to the grants made during FY2023/24 under these programmes are as follows:

Plans	Vesting Conditions	Performance conditions [^]	Payout
RSP	- Based on meeting stated performance conditions over a one-year performance period, one-third of award vests. - Balance vests equally over the subsequent two years with fulfilment of service requirements.	Company Operational Performance Scorecard ("COPS") with operational focus	0% - 150%*
PSP	Based on meeting stated performance conditions over a three-year performance period.	- Absolute Total Shareholder Return ("TSR") outperform Cost of Equity - Relative TSR against selected airline peer index companies	0% - 200%*
SSA	- The award was based on BCIRC assessment of Covid-19 response 50% of the award vests upon grant - Balance vests equally over the subsequent two years with fulfilment of service requirements. - Additional 20% equity kicker of final award upon final vesting.	No further conditions	100%

[^] For non-market conditions, achievement factors are determined based on inputs from the BCIRC for the purpose of accrual for the share-based incentive plans until the achievement of the targets can be accurately ascertained.

* The payout depends on the achievement of pre-set performance targets over the performance period.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

5 Staff Costs (in \$ million) (continued)

Share-based compensation arrangements (continued)

(a) Share-based incentive plans (equity-settled) (continued)

Movement of share awards during the financial year

	Number of Share Awards					
Date of grant	Balance at 1 April 2023	Granted	Adjustment	Cancelled	Vested	Balance at 31 March 2024
RSP						
16.07.2020	432,848	–	–	–	(432,848)	–
15.07.2021	1,359,380	–	–	(4,990)	(699,894)	654,496
14.07.2022	1,856,506	–	117,704 [#]	(9,726)	(694,021)	1,270,463
18.07.2023	–	1,549,361	–	(38,071)	–	1,511,290
	3,648,734	1,549,361	117,704	(52,787)	(1,826,763)	3,436,249
PSP						
16.07.2020	605,600	–	(82,780) [#]	–	(522,820)	–
15.07.2021	717,293	–	–	–	–	717,293
14.07.2022	666,516	–	–	–	–	666,516
18.07.2023	–	519,796	–	(22,420)	–	497,376
	1,989,409	519,796	(82,780)	(22,420)	(522,820)	1,881,185
SSA						
05.02.2021	9,825	–	–	–	(9,825)	–
15.07.2021	205,075	–	171,920 [^]	–	(376,995)	–
14.07.2022	482,450	–	–	–	(241,225)	241,225
23.12.2022	36,300	–	–	–	(18,150)	18,150
18.07.2023	–	1,324,200	–	(33,350)	(662,100)	628,750
31.07.2023	–	22,700	–	–	–	22,700
	733,650	1,346,900	171,920	(33,350)	(1,308,295)	910,825

[#] 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.

Since the commencement of the RSP and PSP plans in July 2014, 20,442,120 awards have been granted.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

5 Staff Costs (in \$ million) (continued)

Share-based compensation arrangements (continued)

(b) Measurement of fair values

The methods and inputs used in the measurement of fair values at grant date of the equity-settled share-based incentive plans were as follows:

	FY2023/24		
	RSP	PSP	SSA
Valuation Method	Monte Carlo Simulation Management's forecast in line with dividend policy		
Expected dividend paid yield (%)			
Expected volatility (%)	18.30 - 24.27	24.27	18.30 - 19.41
Risk-free interest rate (%)	3.32 - 3.70	3.32	3.46 - 3.70
Expected term (years)	0.96 - 2.96	2.96	0.96 - 1.96
Share price at date of grant (\$)	7.46	7.46	7.46
Estimated fair value (\$)	6.79 - 7.13	11.01	6.92 - 7.46
	FY2022/23		
	RSP	PSP	SSA
Valuation Method	Monte Carlo Simulation Management's forecast in line with dividend policy		
Expected dividend paid yield (%)			
Expected volatility (%)	20.47 - 30.05	30.05	20.47 - 26.86
Risk-free interest rate (%)	2.71 - 2.74	2.71	2.73 - 2.74
Expected term (years)	0.96 - 2.96	2.96	0.96 - 1.96
Share price at date of grant (\$)	5.22	5.22	5.22
Estimated fair value (\$)	4.92 - 5.11	6.95	5.02 - 5.22

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period that is commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

6 Operating Profit (in \$ million)

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

	The Group	
	FY2023/24	FY2022/23
Interest income from short-term investments	(1.3)	(0.8)
Dividend income from short-term investments	(0.2)	(0.2)
(Surplus)/Loss on disposal of short-term investments	(0.3)	0.4
Remuneration for auditors of the Company		
Audit fees	2.0	1.7
Audit-related fees	0.5	0.5
Non-audit fees	0.1	0.1
Bad debts written off	0.4	1.0
Impairment/(Write-back of impairment) of trade debtors	10.5	(6.1)
Writedown of inventories	6.7	9.3
Exchange (gain)/loss, net	(24.4)	212.8
Currency hedging gain	(12.7)	(9.9)
Foreign currency hedging ineffectiveness	(0.1)	–
Fuel hedging gain recognised in “Fuel costs”	(390.9)	(748.9)
Gain on lease remeasurement	(0.8)	(2.5)
Net (gain)/loss on financial assets mandatorily measured at FVTPL	(1.1)	1.2
Expenses relating to short-term leases	(4.2)	3.2
Expenses relating to low value leases	4.5	4.0

7 Finance Charges (in \$ million)

	The Group	
	FY2023/24	FY2022/23
Notes payable	187.1	190.8
Bank loans	83.2	131.8
Lease liabilities	164.3	158.1
Amortisation of transaction costs related to borrowings	23.3	27.5
Commitment fees	6.4	3.7
Interest paid and capitalised on qualifying assets	(39.8)	(92.0)
	424.5	419.9

Borrowing costs on qualifying assets are capitalised using an average interest rate of 2.5% (FY2022/23: 2.5%) per annum.

8 Interest Income (in \$ million)

	The Group	
	FY2023/24	FY2022/23
Interest income from fixed deposits and investments	624.5	409.4
Interest income from sub-leasing of ROU assets	7.2	3.2
	631.7	412.6

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

	The Group	
	FY2023/24	FY2022/23
Provision for onerous contracts	(5.1)	(72.7)
Write-back of impairment/(Impairment) of long term investments	0.1	(3.2)
Write-back of provision for ECL on investments and loans	2.3	1.1
Write-back of provision for ECL on other debtors	1.3	3.4
Write-back of impairment of investment in an associated company	–	2.0
Refleeting and restructuring costs	0.1	(0.3)
Headcount rationalisation costs	0.5	1.3
Competition-related settlements	(25.4)	–
Impairment of assets held for sale	(1.0)	–
Impairment of property, plant and equipment and intangible assets	(0.7)	–
Gain on disposal of an associated company	2.1	–
Gain on liquidation of an associated company	0.2	–
Gain on disposal of subsidiary companies	0.4	–
Loss on disposal of other property, plant and equipment	–	(0.4)
Write-back of provision for competition-related fine	–	0.2
Gain on sale and leaseback transactions	–	10.2
	(25.2)	(58.4)

10 Taxation (in \$ million)

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2024 and 2023 are:

	The Group	
	FY2023/24	FY2022/23
Current taxation		
Provision for the year	18.4	10.7
Prior years' unrecognised tax benefits utilised at Group	(70.5)	(29.2)
Under/(Over) provision in respect of prior years	2.7	(1.2)
	(49.4)	(19.7)
Deferred taxation (refer to note 17)		
Movement in temporary differences	484.4	499.1
Over provision in respect of prior years	(93.0)	(5.9)
	391.4	493.2
	342.0	473.5

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

10 Taxation (in \$ million) (continued)

Deferred taxation related to other comprehensive income:

	The Group	
	FY2023/24	FY2022/23
Cash flow hedges	(18.9)	(128.4)
Actuarial gain on revaluation of defined benefit plans	0.2	1.1
	(18.7)	(127.3)

The Group has tax losses and deductible temporary differences (for which no deferred tax asset has been recognised) of approximately \$308.9 million (2023: \$550.3 million) and \$4.7 million (2023: \$4.7 million) respectively that are available for offset against future taxable profits of the companies. Deferred tax assets have not been recognised in respect of these items because it is uncertain that future taxable profits will be available against which the Group can utilise the benefits therefrom. The use of tax losses is subject to agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Out of these tax losses, \$13.8 million (2023: \$11.2 million) will expire between 2028 – 2034 (2023: 2028 – 2033). In Singapore, these tax losses do not expire under current tax legislation.

A reconciliation between taxation expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 March is as follows:

	The Group	
	FY2023/24	FY2022/23
Profit before taxation	3,037.1	2,636.8
(Less)/Add: Share of results of associated and joint venture companies	(73.7)	31.2
	2,963.4	2,668.0
Taxation at statutory corporate tax rate of 17.0%	503.8	453.6
Adjustments for:		
Income not subject to tax	(41.7)	(13.2)
Expenses not deductible for tax purposes	39.4	86.5
Higher effective tax rates of other countries	11.1	7.4
Over provision in respect of prior years, net	(160.8)	(36.3)
Tax benefits not recognised	12.4	6.7
Previously unrecognised tax benefits	(20.3)	(19.4)
Others	(1.9)	(11.8)
Taxation	342.0	473.5

Global minimum top-up tax

The Group is within the scope of the Global Anti-Base Erosion ("GloBE") rules introduced by the OECD under the new global minimum top-up tax framework ("Pillar Two"). Singapore plans to enact Pillar Two legislation which will come into effect from 1 January 2025, while some of the other countries that the Group operates in have enacted/ substantively enacted Pillar Two legislation.

The Group is in scope of the enacted or substantively enacted legislation in these countries. However, the legislation was enacted close to the reporting date. Therefore, the Group is still in the process of assessing the exposure to the Pillar Two income taxes as at 31 March 2024. The potential exposure, if any, to Pillar Two income taxes is currently not known nor can be reasonably estimated. The Group continues to assess the impact of the Pillar Two legislation on its financials, and is running an analysis to assess the Group's exposure to the effects of Pillar Two in the financial year ending 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

11 Earnings Per Share

	The Group			
	FY2023/24		FY2022/23	
	Basic	Diluted	Basic	Diluted
Profit attributable to owners of the Company (in \$ million)	2,674.8	2,674.8	2,156.8	2,156.8
Adjustment for interest expense on convertible bonds, net of tax (in \$ million)	–	25.4	–	24.8
Adjustment for the potential dilution from share-based incentive plans of a subsidiary company (in \$ million)	–	(0.3)	–	(0.2)
Adjusted net profit attributable to owners of the Company (in \$ million)	2,674.8	2,699.9	2,156.8	2,181.4
Weighted average number of ordinary shares in issue (in million)	4,228.4	4,228.4	6,053.7	6,053.7
Adjustment for dilutive potential ordinary shares (in million)	–	166.1	–	158.6
Weighted average number of ordinary shares in issue used for computing earnings per share (in million)	4,228.4	4,394.5	6,053.7	6,212.3
Earnings per share (cents)	63.3	61.4	35.6	35.1

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year, and assuming the conversion of all MCBs.

For purposes of calculating diluted earnings per share, the profit attributable to owners of the Company is adjusted to take into account the potential dilution from interest on convertible bonds, net of tax, and share-based incentive plans of a subsidiary company. The weighted average number of ordinary shares of the Company in issue is also adjusted to take into account effects of dilutive convertible bonds and share-based incentive plans of the Company.

The average market value of the Company's shares for purposes of calculating the potential dilution from share-based incentive plans was based on quoted market prices for the period.

12 Dividends Paid and Proposed (in \$ million)

	The Group and the Company	
	FY2023/24	FY2022/23
The following tax exempt (one-tier) dividends were declared and paid by the Group and Company to the owners of the Company:		
Final dividend of 28.0 cents per share in respect of FY2022/23	832.8	–
Interim dividend of 10.0 cents per share in respect of FY2023/24 (FY2022/23: 10.0 cents per share in respect of FY2022/23)	297.4	297.1
	1,130.2	297.1

The Directors propose that a final tax exempt (one-tier) dividend of 38.0 cents amounting to \$1,130.1 million be paid for the financial year ended 31 March 2024.

During the financial year, total dividends of \$20.7 million (FY2022/23: \$1.6 million) were paid to non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

13 Share Capital (in \$ million)

	The Group and the Company			
	Number of shares		Amount	
	2024	2023	2024	2023
Issued and fully paid share capital				
Ordinary shares				
Balance at 1 April	2,977,543,504	2,977,543,504	7,180.2	7,180.2
Shares issued pursuant to conversion of convertible bonds	46,624	–	0.2	–
Balance at 31 March	2,977,590,128	2,977,543,504	7,180.4	7,180.2
Special share				
Balance at 1 April and 31 March	1	1	#	#

The value is \$0.50

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

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

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

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

46,624 shares (FY2022/23: nil) were issued pursuant to conversion of convertible bonds during the year.

No shares were issued (FY2022/23: nil) upon vesting of share-based incentive plans during the year.

14 Mandatory Convertible Bonds (in \$ million)

	The Group and the Company	
	2024	2023
Balance as at 1 April	6,195.1	9,691.2
Redeemed during the year	(4,647.6)	(3,496.1)
Balance as at 31 March	1,547.5	6,195.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

14 Mandatory Convertible Bonds (in \$ million) (continued)

In June 2020 and June 2021, as part of the Company's efforts in proactively building liquidity and strengthening its balance sheet during the period of uncertainty, the Company issued the MCBs which are classified as equity. The Group's intent was to not burden the balance sheet with additional debt which may restrict the Group's ability to raise financing in the future. MCBs have been elected as the most appropriate instrument due to their financial flexibility, as it allows the Group to repay MCB holders in the future when the Group's situation improves and to avoid dilution of existing shareholders while being able to immediately strengthen the capital stock.

The MCBs will mandatorily convert into ordinary shares of the Company on 8 June 2030. The MCBs shall be convertible on the conversion date only. The MCBs may be redeemable at the option of the Company in whole or in part on every six-month anniversary of the issue date at fixed amounts.

The Company redeemed the following Mandatory Convertible Bonds that were issued in June 2021 ("2021 MCBs") and June 2020 ("2020 MCBs") in FY2023/24 and FY2022/23.

Redemption date	Amount	Accreted yield	Accreted principal	Amount recognised in general reserve
2021 MCBs				
26 June 2023	3,098.4	108.243%	3,353.8	255.4
26 December 2023	1,549.2	110.408%	1,710.4	161.2
	<u>4,647.6</u>		<u>5,064.2</u>	<u>416.6</u>
2020 MCBs				
8 December 2022	<u>3,496.1</u>	110.408%	<u>3,860.0</u>	<u>363.9</u>

Following the declaration of dividends, the Company adjusted the conversion price of the MCBs in accordance with the terms and conditions set out in the Trust Deed, as follows:

Dividends declared	Conversion price per share		Effective date
	Before adjustment	After adjustment	
FY2023/24 interim dividend of 10.0 cents per share	4.5186	4.4448	8 December 2023
FY2022/23 final dividend of 28.0 cents per share	4.7453	4.5186	3 August 2023
FY2022/23 interim dividend of 10.0 cents per share	4.8400	4.7453	13 December 2022

The total number of ordinary shares to be issued on 8 June 2030 is 591,814,935 (2023: 2,217,345,476).

15 Treasury Shares (in \$ million)

	The Group and the Company	
	2024	2023
Balance at 1 April	(73.8)	(106.5)
Treasury shares transferred on vesting of share-based incentive plans	38.7	31.8
Treasury shares transferred on payment of Directors' remuneration	0.8	0.9
Purchase of treasury shares	(3.2)	—
Balance at 31 March	<u>(37.5)</u>	<u>(73.8)</u>

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

During the financial year, the Company purchased 500,000 treasury shares (FY2022/23: nil).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

15 Treasury Shares (in \$ million) (continued)

The Company reissued 3,657,878 (FY2022/23: 2,995,838) treasury shares pursuant to share-based incentive plans and 73,200 (FY2022/23: 85,900) treasury shares on payment of Directors' remuneration. The number of treasury shares as at 31 March 2024 was 3,736,000 (2023: 6,967,078).

16 Other Reserves (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Capital reserve	(116.7)	(116.0)	(909.7)	(897.7)
Foreign currency translation reserve	(22.4)	(32.4)	–	–
Share-based compensation reserve	32.2	24.3	26.4	19.8
Fair value reserve	448.7	506.9	419.8	467.9
General reserve	7,305.7	6,174.0	9,243.0	8,218.2
	7,647.5	6,556.8	8,779.5	7,808.2

(a) Capital reserve

Capital reserve for the Group mainly arose from the loss on the acquisition of non-controlling interests in a subsidiary company, revaluation of land and buildings owned by Ritz-Carlton, Millenia Singapore Properties Private Limited ("RCMS"), an associated company, gains or losses on the reissuance of treasury shares and the equity component on convertible bonds.

Capital reserve for the Company mainly arose from the re-integration of Singapore Airlines Cargo Pte Ltd ("SIA Cargo") in FY2018/19, transfer of Kris+ payments and lifestyle rewards business to its subsidiary company, Kris+ in FY2023/24, gains or losses on the reissuance of treasury shares and the equity component on convertible bonds.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(c) Share-based compensation reserve

Share-based compensation reserve consists of equity-settled share options and awards granted to employees, that is made up of the cumulative value of services received from employees recorded on grant of equity-settled share awards.

(d) Fair value reserve

Fair value reserve records the cumulative fair value changes of financial assets measured at FVOCI and the portion of the fair value changes (net of tax) on derivative financial instruments designated as hedging instruments in cash flow hedges that are determined to be effective hedges.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

16 Other Reserves (in \$ million) (continued)

(d) Fair value reserve (continued)

Breakdown of the fair value reserve is as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Derivative financial instruments designated as hedging instruments	448.7	506.9	419.8	467.9

Fair value changes of derivative financial instruments designated as hedging instruments in cash flow hedges:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Gain on fair value changes	370.2	90.8	327.2	99.7
Recognised in the carrying values of non-financial assets on occurrence of capital expenditure commitments	0.2	(0.7)	0.2	(0.7)
Recognised in the profit and loss account on occurrence of:				
Fuel hedging contracts recognised in "Fuel costs"	(324.5)	(621.6)	(276.0)	(529.4)
Foreign currency contracts recognised in "Other operating expenses"	(28.5)	(26.4)	(30.6)	(26.4)
Interest rate swap contracts recognised in "Finance Charges"	(71.6)	(15.2)	(68.8)	(14.8)
Ineffective foreign currency hedges reclassified to profit or loss, recognised in "Other operating expenses"	(0.1)	—	(0.1)	—
	(54.3)	(573.1)	(48.1)	(471.6)

(e) General reserve

General reserve comprises mainly retained earnings of the Group and the Company. Movements in the Group's and the Company's general reserves are set out in the Statements of Changes in Equity respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

17 Deferred Taxation (in \$ million)

	The Group				The Company	
	Statement of financial position		Profit and loss		Statement of financial position	
	31 March				31 March	
	2024	2023	FY2023/24	FY2022/23	2024	2023
The deferred taxation arises as a result of:						
Deferred tax liabilities						
Differences in depreciation	2,474.9	2,284.0	190.9	626.2	2,157.2	1,910.9
Revaluation to fair value						
- fuel hedging contracts	28.5	131.5	–	–	24.2	124.5
- currency hedging contracts	2.0	3.0	–	–	2.1	2.8
- interest rate swap contracts	35.7	46.6	–	–	35.0	44.8
Other temporary differences	73.9	53.9	20.0	21.2	71.3	49.4
Gross deferred tax liabilities	2,615.0	2,519.0	210.9	647.4	2,289.8	2,132.4
Deferred tax assets						
Unabsorbed capital allowances and tax losses	(54.7)	(161.5)	106.8	(97.5)	–	(75.2)
Lease liabilities	(605.9)	(676.0)	70.1	(53.8)	(399.1)	(449.1)
Revaluation to fair value						
- fuel hedging contracts	(0.3)	(96.9)	–	–	(0.3)	(95.0)
- currency hedging contracts	(2.6)	(1.1)	–	–	(2.4)	(1.1)
- interest rate swap contracts	–	(0.9)	–	–	–	–
Other temporary differences	(148.6)	(152.4)	3.6	(2.9)	(34.8)	(37.0)
Gross deferred tax assets	(812.1)	(1,088.8)	180.5	(154.2)	(436.6)	(657.4)
Net deferred tax liabilities	1,802.9	1,430.2			1,853.2	1,475.0
Deferred tax charged to profit and loss			391.4	493.2		
Deferred tax credited to equity	(18.7)	(127.3)			(17.2)	(106.7)

Except for deferred tax liabilities recorded on unremitted earnings for certain group entities, the Group has determined the undistributed earnings of the remaining overseas subsidiaries will not be distributed in the foreseeable future. As at 31 March 2024, the unremitted earnings aggregated to \$15.5 million (2023: \$15.4 million). The deferred tax liability is estimated to be \$4.6 million (2023: \$4.6 million).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

18 Borrowings (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
<u>Current Liabilities - Borrowings</u>				
Notes payable	300.0	1,349.4	300.0	1,349.4
Loans	615.4	1,198.3	551.2	1,133.0
	915.4	2,547.7	851.2	2,482.4
<u>Non-current Liabilities - Borrowings</u>				
Notes payable	4,677.4	4,282.7	4,677.4	4,282.7
Loans	3,239.6	3,527.2	3,080.2	3,321.5
Convertible bonds	820.4	803.8	820.4	803.8
	8,737.4	8,613.7	8,578.0	8,408.0

Notes payable

Notes payable as at 31 March 2024 comprised unsecured notes issued by the Company. The details are set out below.

				31 March 2024		31 March 2023	
Series	Currency	Fixed interest rate per annum	Year of maturity	Face value	Carrying value	Face value	Carrying value
SGD10 Billion Multicurrency Medium Term Note Programme							
003	SGD	3.75%	2024	300.0	300.0	300.0	300.0
004	SGD	3.13%	2026	630.0*	630.9	630.0*	631.2
005	SGD	3.035%	2025	700.0	699.8	700.0	699.6
006	SGD	3.13%	2027	700.0	699.5	700.0	699.3
007	SGD	3.16%	2023	—	—	600.0	599.9
008	SGD	3.50%	2030	500.0	499.3	500.0	499.2
009	USD	3.00%	2026	674.7	672.9	664.7	662.1
010	USD	3.375%	2029	809.7	804.1	797.7	791.3
011	USD	5.250%	2034	674.7	670.9	—	—
SGD2 Billion Medium Term Bond Programme							
001	SGD	3.03%	2024	—	—	750.0	749.5
				4,989.1	4,977.4	5,642.4	5,632.1

* Comprised \$430.0 million in aggregate principal amount issued on 17 November 2016 and \$200.0 million in aggregate principal amount issued on 17 October 2017 that was consolidated into Series 004.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

18 Borrowings (in \$ million) (continued)

Loans

The Group

				31 March 2024		31 March 2023	
Type	Currency	Interest rate per annum	Year of maturity	Face value	Carrying value	Face value	Carrying value
Fixed Rate							
Secured bank loan	SGD	2.86%	2028	436.7	436.2	526.4	525.6
Secured bank loan	SGD	2.92%	2028	204.0	202.7	252.0	250.3
Secured bank loan	SGD	2.62%	2029	479.3	478.6	567.8	566.9
Secured bank loan	SGD	0.34%	2029	86.3	86.1	101.3	101.1
Secured bank loan	SGD	0.35%	2029	90.2	90.1	104.7	104.6
Secured bank loan	SGD	2.10%	2030	240.0	238.7	270.0	268.3
Secured bank loan	SGD	2.19%	2030	211.8	210.9	241.9	240.6
Secured bank loan	SGD	2.15%	2032	222.4	221.0	246.0	244.3
Secured bank loan	SGD	2.14%	2030	105.9	105.2	120.9	120.0
Secured bank loan	SGD	2.15%	2032	195.6	194.0	225.2	223.3
Secured bank loan	SGD	1.92%	2030	201.5	199.9	230.3	228.3
Secured bank loan	SGD	1.98%	2030	105.6	105.1	120.7	120.0
Secured bank loan	SGD	2.07%	2030	113.3	112.9	128.2	127.6
Secured bank loan	SGD	2.24%	2031	113.6	113.0	128.4	127.7
Secured bank loan	EUR	0.46%	2029	84.6	84.5	98.4	98.3
Secured bank loan	EUR	0.65% - 0.68%	2029 - 2030	520.8	519.9	603.1	602.1
Secured bank loan	JPY	0.41%	2029	118.9	118.7	156.0	155.7
Third-party financing	SGD	4.90%	2023	—	—	600.1	600.1
Aircraft leasing loans	JPY	0.93% - 1.08%	2033	233.8	232.2	—	—
Aircraft leasing loans	USD	1.69% - 1.70%	2029	84.4	84.4	—	—
Floating rate							
Revolving credit facility	USD	6.70%	2024	0.9	0.9	—	—
Revolving credit facility	USD	6.72%	2024	1.8	1.8	—	—
Revolving credit facility	USD	6.07%	2023	—	—	0.7	0.7
Revolving credit facility	USD	6.35%	2023	—	—	1.3	1.3
Term loan drawdown	USD	7.42%	2028	2.5	2.5	—	—
Term loan drawdown	USD	6.96%	2023	—	—	0.5	0.5
Revolving credit facility	SGD	5.66%	2024	3.0	3.0	—	—
Revolving credit facility	SGD	5.69%	2024	8.0	8.0	—	—
Revolving credit facility	SGD	5.61%	2023	—	—	3.0	3.0
Revolving credit facility	SGD	5.64%	2023	—	—	8.0	8.0
Trust receipt	SGD	3.75%	2024	2.4	2.4	—	—
Trust receipt	SGD	4.93%	2023	—	—	4.2	4.2
Fellow shareholders' loan	SGD	4.46%	2025	1.5	1.5	3.0	3.0
Fellow shareholders' loan	SGD	5.12%	2025	0.8	0.8	—	—
				3,869.6	3,855.0	4,742.1	4,725.5

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

18 Borrowings (in \$ million) (continued)

Loans (continued)

The Company

				31 March 2024		31 March 2023	
Type	Currency	Interest rate per annum	Year of maturity	Face value	Carrying value	Face value	Carrying value
Fixed Rate (Post interest rate and cross currency swaps)							
Secured bank loan	SGD	2.86%	2028	436.7	436.2	526.4	525.6
Secured bank loan	SGD	2.62%	2029	479.3	478.6	567.8	566.9
Secured bank loan	SGD	0.34%	2029	86.3	86.1	101.3	101.1
Secured bank loan	SGD	0.35%	2029	90.2	90.1	104.7	104.6
Secured bank loan	SGD	2.10%	2030	240.0	238.7	270.0	268.3
Secured bank loan	SGD	2.19%	2030	211.8	210.9	241.9	240.6
Secured bank loan	SGD	2.15%	2032	222.4	221.0	246.0	244.3
Secured bank loan	SGD	2.14%	2030	105.9	105.2	120.9	120.0
Secured bank loan	SGD	2.15%	2032	195.6	194.0	225.2	223.3
Secured bank loan	SGD	1.92%	2030	201.5	199.9	230.3	228.3
Secured bank loan	SGD	1.98%	2030	105.6	105.1	120.7	120.0
Secured bank loan	SGD	2.07%	2030	113.3	112.9	128.2	127.6
Secured bank loan	SGD	2.24%	2031	113.6	113.0	128.4	127.7
Fixed rate							
Secured bank loan	EUR	0.46%	2029	84.6	84.5	98.4	98.3
Secured bank loan	EUR	0.65% - 0.68%	2029 - 2030	520.8	519.9	603.1	602.1
Secured bank loan	JPY	0.41%	2029	118.9	118.7	156.0	155.7
Third-party financing	SGD	4.90%	2023	—	—	600.1	600.1
Aircraft leasing loans	JPY	0.93% - 1.08%	2033	233.8	232.2	—	—
Aircraft leasing loans	USD	1.69% - 1.70%	2029	84.4	84.4	—	—
				3,644.7	3,631.4	4,469.4	4,454.5

The Group uses interest rate swaps to hedge the variability of future interest payments on a floating rate loan attributable to movements in the relevant benchmark interest rates. As at 31 March 2024, the Group and Company had floating rate loans with nominal amounts of \$3,293.0 million (2023: \$3,840.5 million) and \$3,089.0 million (2023: \$3,588.5 million) which are hedged with interest rate swaps (refer to note 42(c)).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

18 Borrowings (in \$ million) (continued)

Convertible bonds

	The Group and the Company	
	2024	2023
Balance at 1 April	803.8	783.1
Amortised bond principal	15.1	19.1
Amortised transaction costs	1.7	1.6
Conversion of convertible bonds	(0.2)	–
Balance at 31 March	820.4	803.8

The Company held \$849.8 million in principal amount of convertible bonds due in 2025. These convertible bonds bear interest at 1.625% per annum, payable semi-annually in arrears.

The bonds are convertible at the option of the holder, at the prevailing conversion price from 13 January 2021 to 24 November 2025 (both dates inclusive).

Following the declaration of dividends, the Company adjusted the conversion price of the convertible bonds in accordance with the terms and conditions set out in the Trust Deed, as follows:

Dividends declared	Conversion price per share		Effective date
	Before adjustment	After adjustment	
FY2023/24 interim dividend of 10.0 cents per share	5.3620	5.2744	8 December 2023
FY2022/23 final dividend of 28.0 cents per share	5.6309	5.3620	3 August 2023
FY2022/23 interim dividend of 10.0 cents per share	5.7430	5.6309	13 December 2022

The convertible bonds are convertible to 161,108,372 (2023: 150,952,778) ordinary shares upon conversion.

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

19 Other Long-Term Liabilities (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Amount payable to engine manufacturer	59.0	58.1	59.0	58.1
Derivative liabilities (refer to note 42)	51.4	323.8	51.4	323.8
	110.4	381.9	110.4	381.9

20 Provisions (in \$ million)

Included are provisions for return costs for leased aircraft and other provisions. It is expected that the return costs will be incurred by the end of the lease terms.

Other provisions include provisions for onerous contracts, crew gratuity and warranty claims. Provision for warranty claims is made for engine overhauls, repairs and maintenance of aircraft (excluding line maintenance), based on past experience of repairs.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

20 Provisions (in \$ million) (continued)

An analysis of the provisions is as follows:

	The Group		
	Return costs for leased aircraft	Others	Total
Balance at 1 April 2022	1,220.4	107.4	1,327.8
Provision during the year	142.7	96.1	238.8
Provision written back during the year	(16.7)	–	(16.7)
Provision utilised during the year	(67.5)	(45.0)	(112.5)
Balance at 31 March 2023	1,278.9	158.5	1,437.4
Current	287.1	103.2	390.3
Non-current	991.8	55.3	1,047.1
	1,278.9	158.5	1,437.4
Balance at 1 April 2023	1,278.9	158.5	1,437.4
Provision during the year	178.8	24.4	203.2
Provision written back during the year	(73.2)	–	(73.2)
Provision utilised during the year	(198.3)	(17.3)	(215.6)
Balance at 31 March 2024	1,186.2	165.6	1,351.8
Current	335.6	100.4	436.0
Non-current	850.6	65.2	915.8
	1,186.2	165.6	1,351.8

	The Company		
	Return costs for leased aircraft	Others	Total
Balance at 1 April 2022	535.7	104.4	640.1
Provision during the year	68.4	96.5	164.9
Provision written back during the year	(16.7)	–	(16.7)
Provision utilised during the year	(33.9)	(44.2)	(78.1)
Balance at 31 March 2023	553.5	156.7	710.2
Current	84.1	101.4	185.5
Non-current	469.4	55.3	524.7
	553.5	156.7	710.2
Balance at 1 April 2023	553.5	156.7	710.2
Provision during the year	67.7	23.1	90.8
Provision written back during the year	(70.7)	–	(70.7)
Provision utilised during the year	(59.5)	(15.9)	(75.4)
Balance at 31 March 2024	491.0	163.9	654.9
Current	87.4	98.7	186.1
Non-current	403.6	65.2	468.8
	491.0	163.9	654.9

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

The Group

	Aircraft	Aircraft spares	Aircraft spare engines
Cost			
At 1 April 2022	22,714.9	561.7	292.8
Additions	193.7	63.7	13.5
Transfers	1,512.4	0.1	(24.6)
Acquisition of a subsidiary company	–	–	–
Disposals	(1,779.3)	(11.3)	–
Exchange differences	(28.0)	(0.1)	–
At 31 March 2023	22,613.7	614.1	281.7
Additions	287.4	39.7	–
Transfers	2,705.4	3.8	98.7
Transfer from assets held for sale	–	18.3	–
Acquisition of a subsidiary company	–	–	–
Disposal of a subsidiary company	–	–	–
Disposals	(347.3)	(1.6)	–
Exchange differences	23.7	0.1	–
At 31 March 2024	25,282.9	674.4	380.4
Accumulated depreciation and impairment losses			
At 1 April 2022	7,002.1	366.9	171.1
Depreciation	1,370.8	21.0	18.8
Transfers	16.1	–	(16.1)
Acquisition of a subsidiary company	–	–	–
Disposals	(579.9)	(4.8)	–
Exchange differences	–	(0.1)	–
At 31 March 2023	7,809.1	383.0	173.8
Depreciation	1,444.1	22.4	21.2
Impairment losses	21.2	0.5	–
Transfer from assets held for sale	–	18.3	–
Acquisition of a subsidiary company	–	–	–
Disposal of a subsidiary company	–	–	–
Disposals	(323.8)	(1.1)	–
Exchange differences	–	0.1	–
At 31 March 2024	8,950.6	423.2	195.0
Net book value			
At 31 March 2023	14,804.6	231.1	107.9
At 31 March 2024	16,332.3	251.2	185.4

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

	Freehold land	Freehold buildings	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Advance and progress payments	Total
	15.7	135.4	635.2	763.4	366.6	8,611.5	34,097.2
	–	–	1.0	8.6	4.0	1,710.3	1,994.8
	–	–	–	0.5	9.4	(1,497.8)	–
	–	–	–	6.2	0.4	–	6.6
	–	–	–	(48.5)	(10.8)	(7.5)	(1,857.4)
	–	–	(0.8)	(1.0)	(0.1)	–	(30.0)
	15.7	135.4	635.4	729.2	369.5	8,816.5	34,211.2
	–	–	0.2	15.0	3.0	853.4	1,198.7
	–	–	0.1	8.5	38.3	(2,854.8)	–
	–	–	–	–	–	–	18.3
	–	–	–	0.1	0.8	–	0.9
	–	–	–	(1.0)	(0.3)	–	(1.3)
	–	–	(12.8)	(60.0)	(34.4)	(7.8)	(463.9)
	–	–	0.7	0.9	–	(0.1)	25.3
	15.7	135.4	623.6	692.7	376.9	6,807.2	34,989.2
	–	133.2	541.5	606.1	317.5	388.2	9,526.6
	–	2.0	9.9	49.5	18.8	–	1,490.8
	–	–	–	–	–	–	–
	–	–	–	5.8	0.3	–	6.1
	–	–	–	(48.5)	(10.3)	–	(643.5)
	–	–	(0.3)	(0.8)	(0.1)	–	(1.3)
	–	135.2	551.1	612.1	326.2	388.2	10,378.7
	–	0.1	9.6	45.2	20.2	–	1,562.8
	–	–	–	0.7	–	2.4	24.8
	–	–	–	–	–	–	18.3
	–	–	–	0.1	0.7	–	0.8
	–	–	–	(1.0)	(0.3)	–	(1.3)
	–	–	(12.7)	(60.0)	(34.4)	–	(432.0)
	–	–	0.3	0.9	–	–	1.3
	–	135.3	548.3	598.0	312.4	390.6	11,553.4
	15.7	0.2	84.3	117.1	43.3	8,428.3	23,832.5
	15.7	0.1	75.3	94.7	64.5	6,416.6	23,435.8

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

21 Property, Plant and Equipment (in \$ million) (continued)

The Company

	Aircraft	Aircraft spares	Aircraft spare engines
Cost			
At 1 April 2022	19,150.4	442.3	169.5
Additions	193.7	23.2	13.5
Transfers	1,421.5	–	(24.6)
Disposals	(733.0)	(11.2)	–
Exchange differences	(24.6)	–	–
At 31 March 2023	20,008.0	454.3	158.4
Additions	283.3	15.9	–
Transfers	2,437.7	–	14.3
Disposals	(304.2)	(1.3)	–
Exchange differences	20.8	–	–
At 31 March 2024	22,445.6	468.9	172.7
Accumulated depreciation and impairment losses			
At 1 April 2022	5,856.2	274.6	96.1
Depreciation	1,219.3	14.6	14.5
Transfers	16.1	–	(16.1)
Disposals	(361.1)	(4.7)	–
At 31 March 2023	6,730.5	284.5	94.5
Depreciation	1,311.5	14.9	11.9
Impairment losses	21.2	0.5	–
Disposals	(302.6)	(0.9)	–
At 31 March 2024	7,760.6	299.0	106.4
Net book value			
At 31 March 2023	13,277.5	169.8	63.9
At 31 March 2024	14,685.0	169.9	66.3

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

	Freehold land	Freehold buildings	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Advance and progress payments	Total
	15.7	135.4	330.1	427.9	274.6	7,309.7	28,255.6
	–	–	–	4.0	2.9	1,859.6	2,096.9
	–	–	–	–	3.2	(1,400.1)	–
	–	–	–	(46.0)	(9.3)	–	(799.5)
	–	–	–	–	–	–	(24.6)
	15.7	135.4	330.1	385.9	271.4	7,769.2	29,528.4
	–	–	–	6.3	1.6	792.2	1,099.3
	–	–	–	1.8	34.2	(2,488.0)	–
	–	–	(12.5)	(54.5)	(31.9)	(108.6)	(513.0)
	–	–	–	–	–	–	20.8
	15.7	135.4	317.6	339.5	275.3	5,964.8	30,135.5
	–	133.2	323.2	303.1	238.3	388.2	7,612.9
	–	2.0	1.5	37.5	12.4	–	1,301.8
	–	–	–	–	–	–	–
	–	–	–	(46.1)	(8.8)	–	(420.7)
	–	135.2	324.7	294.5	241.9	388.2	8,494.0
	–	0.1	1.2	34.7	13.3	–	1,387.6
	–	–	–	–	–	2.4	24.1
	–	–	(12.5)	(54.5)	(31.9)	–	(402.4)
	–	135.3	313.4	274.7	223.3	390.6	9,503.3
	15.7	0.2	5.4	91.4	29.5	7,381.0	21,034.4
	15.7	0.1	4.2	64.8	52.0	5,574.2	20,632.2

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

21 Property, Plant and Equipment (in \$ million) (continued)

Assets held as security

The Company's aircraft with carrying amount of \$4,993.5 million (2023: \$4,907.4 million) are pledged as security to the banks.

Scoot Pte. Ltd.'s aircraft with carrying amount of \$352.8 million (2023: \$383.4 million) are pledged as security to the banks.

Write-back of impairment/Impairment of aircraft

During the financial year, the Group recorded an impairment loss of \$2.4 million to write-off certain progress payments related to aircraft which have been cancelled from the order book. There was a further impairment of \$21.2 million of one 777-300ER aircraft pursuant to a review of the Group's network and fleet requirements. In addition, a write-back of \$37.4 million was recorded on aircraft related assets for provisions that are no longer required.

During the previous financial year, a write-back of \$57.2 million was recorded on previously impaired aircraft and aircraft related assets with updates in previous estimates and developments in circumstances.

Write-back of impairment of base maintenance assets

During the previous financial year, the Group recognised a write-back of impairment of base maintenance assets of \$1.7 million that were classified as "assets held for sale", following sale confirmation from a third-party bidder. The committed sale is expected to occur in tranches and be fully realised in the next financial year.

Assets held for sale

Following the review of the Group's fleet plan and cessation of certain inventory management contracts, certain aircraft and aircraft spares were classified as held for sale as the Group had decided to sell the aircraft and aircraft spares. During the financial year, all the aircraft held for sale were disposed. The sale of the spares is expected to be completed within the next financial year.

	The Group	The Company
Balance as at 1 April 2022	37.1	4.4
Write-back of impairment losses	1.7	–
Disposal during the year	(13.0)	(4.3)
Exchange differences	0.1	–
Balance as at 31 March 2023	25.9	0.1
Addition during the year	5.3	5.3
Impairment losses	(1.0)	–
Disposal during the year	(29.6)	(5.3)
Exchange differences	(0.1)	–
Balance as at 31 March 2024	0.5	0.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

21 Property, Plant and Equipment (in \$ million) (continued)

Impairment test

Management's annual impairment assessment covers the following cash-generating units ("CGUs"):

FSC CGU

With the strong operating performance and positive developments in its business environment after Singapore fully reopened its borders in April 2022, and as restrictions on international air travel eased globally, Management did not identify any impairment indicators for the FSC CGU for FY2023/24 and FY2022/23.

LCC CGU

For FY2023/24, Management did not identify any impairment indicators for the LCC CGU as the actual results are tracking the previous set of financial projections.

For FY2022/23, despite the strong operating performance and positive developments in its business environment, Management had identified impairment indicators for the LCC CGU. As the value-in-use of the LCC CGU mainly came from the terminal year, with which a higher level of estimation uncertainty existed and the increasing interest rate environment was expected to impact the discount rate used, the value-in-use assessment was performed.

The financial forecasts which were approved included Management's planned recovery from Covid-19 related global travel restrictions and border controls covering a five-year period. The pre-tax discount rate applied to cash flow projections was 8.0% and the forecast long-term growth rate used to extrapolate the cash flow projections beyond the five-year period was 5.0%.

The calculations of value-in-use for the LCC CGU were most sensitive to the following assumptions:

Yield and load factor: The forecast yield and load factor are set with regards to the CGU's historical performance, operation plans and expected economic and market conditions. The forecast yield does not exceed historical yield achieved.

Growth rate: The forecast long-term growth rate is based on published industry research and does not exceed the long-term average growth rate for the industry.

Discount rate: The discount rate used reflects the current market assessments of the time value of money and risks specific to the CGU.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

The Group

	Aircraft	Aircraft spare engines	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Total
At 1 April 2022	2,904.5	246.2	137.0	1.5	0.9	3,290.1
Additions	977.3	–	98.2	0.9	–	1,076.4
Reassessment and modifications	(0.8)	–	2.9	–	–	2.1
Depreciation	(431.0)	(27.5)	(54.2)	(1.1)	(0.3)	(514.1)
At 31 March 2023	3,450.0	218.7	183.9	1.3	0.6	3,854.5
Additions	–	–	16.1	2.2	0.6	18.9
Reassessment and modifications	35.4	0.1	8.9	–	–	44.4
Depreciation	(460.4)	(27.6)	(57.3)	(1.1)	(0.4)	(546.8)
At 31 March 2024	3,025.0	191.2	151.6	2.4	0.8	3,371.0

The Company

	Aircraft	Aircraft spare engines	Leasehold land and buildings	Plant and equipment	Office and computer equipment	Total
At 1 April 2022	2,129.4	246.2	81.4	0.6	0.9	2,458.5
Additions	264.5	–	21.5	0.3	–	286.3
Reassessment and modifications	(0.2)	–	3.5	–	–	3.3
Depreciation	(267.6)	(27.5)	(38.9)	(0.4)	(0.2)	(334.6)
At 31 March 2023	2,126.1	218.7	67.5	0.5	0.7	2,413.5
Additions	–	–	53.7	0.5	–	54.2
Reassessment and modifications	–	0.1	9.5	–	–	9.6
Depreciation	(274.1)	(27.6)	(42.1)	(0.4)	(0.2)	(344.4)
At 31 March 2024	1,852.0	191.2	88.6	0.6	0.5	2,132.9

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

23 Intangible Assets (in \$ million)

The Group

	Goodwill	Trademarks	Computer software and others	Deferred engine development cost	Advance and progress payments	Total
Cost						
At 1 April 2022	184.4	25.0	864.5	45.1	49.6	1,168.6
Additions	–	–	2.9	–	79.3	82.2
Disposals	–	–	(1.3)	–	–	(1.3)
Transfers	–	–	64.8	–	(64.8)	–
Acquisition of a subsidiary company	1.6	–	–	–	0.4	2.0
Exchange differences	–	–	(0.1)	(0.5)	–	(0.6)
At 31 March 2023	186.0	25.0	930.8	44.6	64.5	1,250.9
Additions	–	–	4.0	–	92.1	96.1
Disposals	–	–	(55.1)	(11.7)	–	(66.8)
Transfers	–	–	72.7	–	(72.7)	–
Acquisition of a subsidiary company	4.7	–	–	–	–	4.7
Exchange differences	–	–	(0.2)	0.7	(0.1)	0.4
At 31 March 2024	190.7	25.0	952.2	33.6	83.8	1,285.3
Accumulated amortisation and impairment losses						
At 1 April 2022	170.4	25.0	645.2	24.8	–	865.4
Amortisation	–	–	74.1	1.5	–	75.6
Disposals	–	–	(1.3)	–	–	(1.3)
Impairment losses	14.0	–	–	–	–	14.0
Exchange differences	–	–	–	(0.3)	–	(0.3)
At 31 March 2023	184.4	25.0	718.0	26.0	–	953.4
Amortisation	–	–	74.8	1.4	–	76.2
Disposals	–	–	(55.0)	(11.7)	–	(66.7)
Impairment losses	–	–	–	17.6	–	17.6
Exchange differences	–	–	–	0.3	–	0.3
At 31 March 2024	184.4	25.0	737.8	33.6	–	980.8
Net book value						
At 31 March 2023	1.6	–	212.8	18.6	64.5	297.5
At 31 March 2024	6.3	–	214.4	–	83.8	304.5

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

23 Intangible Assets (in \$ million) (continued)

The Company

	Computer software and others	Advance and progress payments	Total
Cost			
At 1 April 2022	734.1	41.2	775.3
Additions	–	64.9	64.9
Transfers	54.4	(54.4)	–
Disposals	(0.3)	–	(0.3)
At 31 March 2023	788.2	51.7	839.9
Additions	–	77.7	77.7
Transfers	55.4	(55.4)	–
Disposals	(51.3)	–	(51.3)
At 31 March 2024	792.3	74.0	866.3
Accumulated amortisation			
At 1 April 2022	544.3	–	544.3
Amortisation	60.5	–	60.5
Disposals	(0.3)	–	(0.3)
At 31 March 2023	604.5	–	604.5
Amortisation	58.4	–	58.4
Disposals	(51.3)	–	(51.3)
At 31 March 2024	611.6	–	611.6
Net book value			
At 31 March 2023	183.7	51.7	235.4
At 31 March 2024	180.7	74.0	254.7

Impairment of deferred engine development cost

This relates to the Group's share of engine programme assets including development costs made in connection with its participation in aircraft engine development projects together with other companies.

During the year, following the exit in the aircraft engine development project, a full impairment loss of \$25.1 million, based on the net assets value associated with the engine programme, was charged to profit or loss, which included impairment losses of the engine development costs and net debts of \$17.6 million and \$7.5 million respectively.

Impairment of goodwill

During the previous financial year, the Group recorded an impairment loss of \$14.0 million on goodwill. In FY2018/19, the Company, through its subsidiary company, KrisShop, entered into a business transfer agreement with DFASS SATS Pte. Ltd. to acquire the business of providing services and merchandise to the Group and \$14.0 million of goodwill was recognised. Even though air travel has rebounded strongly, KrisShop's travel retail performance has not recovered to pre-Covid levels. KrisShop plans to recover and grow via a new business model, hence, the goodwill is impaired as there is inherent uncertainty in the long-term cash flow projections with the transition.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

24 Subsidiary Companies (in \$ million)

	The Company 31 March	
	2024	2023
Investment in subsidiary companies	6,526.2	3,465.2
Accumulated impairment losses	(52.7)	(52.7)
Effects of integration of SIA Cargo	(1,405.0)	(1,405.0)
	5,068.5	2,007.5
Long-term loans to subsidiary companies	582.5	3,587.2
Accumulated impairment loss	(1.4)	(12.7)
	5,649.6	5,582.0

During the financial year:

1. The Company capitalised \$3,000.0 million of shareholder loans to Scoot into equity. There is no change to the Group's shareholdings in Scoot.
2. The Company injected \$15.0 million and converted \$10.5 million of its shareholder loan into equity in KrisShop Pte. Ltd. ("KrisShop"). As a result, the Group's shareholdings in KrisShop increased from 70.0% to 89.5%.

Subsequently, the Company acquired an additional interest in KrisShop of 5.3% for \$4.5 million from the non-controlling interests and the Group's shareholdings in KrisShop increased to 94.8%.
3. The Company transferred its lifestyle rewards business to its subsidiary company, Kris+ on 1 August 2023.
4. The Company injected \$6.0 million in Kris+.
5. The Company injected \$25.0 million in Encounters Pte. Ltd.
6. SIA Engineering Company Limited ("SIAEC") incorporated a wholly-owned subsidiary company, Base Maintenance Malaysia Sdn. Bhd.
7. SIAEC acquired an additional 10.0% of the shares and voting interests in JADE Engineering Pte. Ltd. ("JADE") on 20 October 2023. As a result, SIAEC's equity interest in JADE increased from 45.0% to 55.0%, granting it control of JADE.
8. SIAEC disposed its entire interest of 60.0% of the shares in Additive Flight Solutions Pte. Ltd. ("AFS") for a cash consideration of approximately \$0.1 million. AFS ceased to be a subsidiary of the Group from 8 February 2024, upon completion of the divestment with a gain of \$1.0 million recognised in profit or loss.
9. NexGen Network (1) Holding Pte. Ltd ("NGN1") was deemed dissolved following the registration for its dissolution in February 2024 and a loss on disposal of \$0.6 million is recognised. The liquidation procedure will be completed in May 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

24 Subsidiary Companies (in \$ million) (continued)

(a) Composition of the Group

The subsidiary companies are:

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
			2024	2023
SIA Engineering Company Limited⁽¹⁾ and its subsidiaries	Engineering services	Singapore	77.5	77.5
NexGen Network (2) Holding Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	77.5	77.5
SIAEC Global Private Limited ⁽¹⁾	Investment holding	Singapore	77.5	77.5
SIA Engineering (USA), Inc. ⁽⁴⁾	Provide aircraft maintenance services, including technical and non-technical handling at the airport	United States of America	77.5	77.5
SIA Engineering Japan Corporation ⁽⁴⁾	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Japan	77.5	77.5
Singapore Aero Support Services Pte. Ltd. ⁽¹⁾	Maintenance, repair and overhaul of aircraft and cabin components/systems	Singapore	77.5	77.5
Heavy Maintenance Singapore Services Pte. Ltd. ⁽¹⁾	Inactive	Singapore	77.5	77.5
SIA Engineering (Philippines) Corporation ⁽²⁾	Provide airframe maintenance component overhaul services	Philippines	77.5	77.5
Base Maintenance Malaysia Sdn. Bhd. ⁽²⁾	Provide aircraft maintenance, repair and overhaul	Malaysia	77.5	–
Asia Pacific Aircraft Component Services Sdn. Bhd. ⁽²⁾	Provide airframe maintenance component overhaul services	Malaysia	58.1	58.1
JADE Engineering Pte. Ltd. (Previously known as JAMCO Aero Design & Engineering Private Limited) ^{(1)*}	Provide turnkey solutions for aircraft interior modifications	Singapore	42.6	See note 25
Aerospace Component Engineering Services Pte. Limited ^{(1)*}	Repair and overhaul of hydro-mechanical equipment for Boeing and Airbus aircraft	Singapore	39.5	39.5
Additive Flight Solutions Pte. Ltd.	Additive manufacturing of aircraft cabin parts and tooling for the aerospace industry	Singapore	–	46.5
NexGen Network (1) Holding Pte. Ltd.	Investment holding	Singapore	–	77.5

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

24 Subsidiary Companies (in \$ million) (continued)

(a) Composition of the Group (continued)

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group	
			31 March 2024	2023
Scoot Holdings Pte. Ltd. (Previously known as Tiger Airways Holdings Pte. Ltd.) ⁽¹⁾ and its subsidiaries	Investment holding	Singapore	100.0	100.0
Scoot Pte. Ltd. ⁽¹⁾	Air transportation	Singapore	100.0	100.0
Roar Aviation Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Cargo Community Network Pte Ltd⁽¹⁾ and its subsidiary	Providing and marketing of cargo community system	Singapore	51.0	51.0
Cargo Community (Shanghai) Co. Ltd. ⁽³⁾⁺	Marketing and support of portal services for the air cargo industry	People's Republic of China	51.0	51.0
Budget Aviation Holdings Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Encounters Pte. Ltd. ⁽¹⁾	Travel booking and related services through an online portal	Singapore	100.0	100.0
Kris+ Pte. Ltd. ⁽¹⁾	Marketing, payment and related services	Singapore	100.0	100.0
SilkAir (Singapore) Private Limited ⁽¹⁾	Inactive	Singapore	100.0	100.0
Singapore Airlines Cargo Pte Ltd ⁽¹⁾	Inactive	Singapore	100.0	100.0
Singapore Aviation and General Insurance Company (Pte) Limited ⁽¹⁾	Aviation insurance	Singapore	100.0	100.0
Singapore Flying College Pte Ltd ⁽¹⁾	Training of pilots	Singapore	100.0	100.0
Sing-Bi Funds Private Limited ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Tradewinds Tours & Travel Private Limited ⁽¹⁾	Inactive	Singapore	100.0	100.0
KrisShop Pte. Ltd. ⁽¹⁾	Travel-related retail operations	Singapore	94.8	70.0

⁽¹⁾ Audited by KPMG LLP, Singapore⁽²⁾ Audited by member firms of KPMG International in the respective countries⁽³⁾ Audited by Shanghai HDDY Certified Public Accountants Co., Ltd⁽⁴⁾ Not required to be audited under the law in country of incorporation

* The company is considered a subsidiary of the Group by virtue of the management control over financial and operating policies of the company

+ Financial year end 31 December

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For the Financial Year ended 31 March 2024

24 Subsidiary Companies (in \$ million) (continued)

(a) Composition of the Group (continued)

Special purpose entities ("SPEs")

Details of the operating SPEs controlled and consolidated by the Group at the end of financial year are as follows:

Name of entity	Purpose of special purpose entity	Country of incorporation
Winnie Aircraft Limited	Financing of aircraft	Mauritius
Falcon Aircraft Limited	Financing of aircraft	Mauritius

The SPEs are held by Scoot Holdings Pte. Ltd. and are audited by Ernst & Young LLP, Mauritius.

Although the Group does not hold shares in these companies, they are considered subsidiary companies as the activities of the SPEs are being conducted on behalf of the Group according to its specific business needs and the Group retains the majority of the residual or ownership risks related to the assets held by these SPEs. These SPEs were incorporated for the sole purpose of financing of the Group's aircraft.

(b) Interest in subsidiary company with material non-controlling interests ("NCI")

The Group has the following subsidiary company that has NCI that are material to the Group:

	SIA Engineering Company Group of Companies 31 March	
	2024	2023
Proportion of ownership interest held by NCI	22.5%	22.5%
Profit allocated to NCI during the reporting period	21.9	15.1
Accumulated NCI at the end of reporting period	395.7	384.8
Dividends paid to NCI	19.6	1.1

(c) Summarised financial information about subsidiary company with material NCI

Summarised financial information before intercompany eliminations of the subsidiary company with material non-controlling interests are as follows:

Summarised statement of financial position

	SIA Engineering Company Group of Companies 31 March	
	2024	2023
<u>Current</u>		
Assets	1,000.9	952.2
Liabilities	(301.9)	(215.5)
Net current assets	699.0	736.7
<u>Non-current</u>		
Assets	1,087.5	1,031.1
Liabilities	(83.2)	(91.1)
Net non-current assets	1,004.3	940.0
Net assets	1,703.3	1,676.7

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

24 Subsidiary Companies (in \$ million) (continued)

(c) Summarised financial information about subsidiary company with material NCI (continued)

Summarised statement of comprehensive income

	SIA Engineering Company Group of Companies	
	FY2023/24	FY2022/23
Revenue	1,094.2	796.0
Profit before tax	99.3	65.5
Taxation	(2.2)	1.0
Profit after tax	97.1	66.5
Other comprehensive income	5.8	(10.7)
Total comprehensive income	102.9	55.8

Other summarised information

	SIA Engineering Company Group of Companies	
	FY2023/24	FY2022/23
Net cash flow from operations	100.4	64.6
Acquisition of significant property, plant and equipment	(39.2)	(48.6)

(d) Acquisition of NCI without a change in control - KrisShop

FY2023/24

The Company injected \$15.0 million and converted \$10.5 million of its shareholder loan into equity in KrisShop. As a result, the Group's shareholdings in KrisShop increased from 70.0% to 89.5%.

Subsequently, the Company acquired an additional interest in KrisShop of 5.3% for \$4.5 million and the Group's shareholdings in KrisShop increased to 94.8%.

The following summarises the effect of the changes in the Group's ownership interests in KrisShop on the equity attributable to owners of the Company:

	As at date of acquisition
Consideration paid for acquisition of NCI	4.5
Increase in equity attributable to NCI	6.5
Decrease in equity attributable to owners of the Company	<u>11.0</u>

(e) Acquisition of a subsidiary company - JADE

FY2023/24

On 20 October 2023, SIAEC acquired an additional 10.0% of the shares and voting interests in JADE. As a result, SIAEC's equity interest in JADE increased from 45.0% to 55.0%, granting it control of JADE.

The change in control is accounted for using the acquisition method, and the Group's previously held equity interest is re-measured to fair value and a gain of \$2.1 million on deemed disposal was recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

24. Subsidiary Companies (in \$ million) (continued)

(e) Acquisition of a subsidiary company - JADE (continued)

Goodwill

Goodwill of \$4.7 million is recognised resulting from the difference between the fair value of the Group's interest in JADE and the fair value of the net assets acquired.

	As at date of acquisition
Total consideration transferred	1.3
NCI	5.6
Fair value of previously held equity interest	5.6
Fair value of identifiable net assets	(7.8)
Goodwill	4.7

(f) Disposal of a subsidiary company – AFS

FY2023/24

SIAEC disposed its entire interest of 60.0% of the shares in AFS for a cash consideration of \$0.1 million. Upon completion of the divestment, and a gain on disposal of \$1.0 million was recognised in profit or loss:

	As at date of disposal
Cash received	0.1
Net liabilities disposed	1.5
NCI at disposal	(0.6)
Gain on disposal	1.0

(g) Acquisition of a subsidiary company – Asia Pacific Aircraft Component Services Sdn. Bhd. ("APACS")

FY2022/23

On 31 May 2022, SIAEC acquired 75.0% of the shares and voting interests in APACS. As a result, APACS became a subsidiary company of the Group.

Goodwill

Goodwill arising from the acquisition, attributable to the capabilities, future growth opportunities as well as the potential synergies expected to arise from the acquisition, has been recognised as follows:

	As at date of acquisition
Total consideration transferred	5.1
NCI	1.2
Fair value of identifiable net assets	(4.7)
Goodwill	1.6

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

25 Associated Companies (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Investment in associated companies	789.9	767.0	981.2	981.2
Accumulated impairment losses	(9.4)	(9.7)	(441.2)	(441.2)
	780.5	757.3	540.0	540.0

During the financial year:

1. RCMS recorded a revaluation gain of \$168.1 million from its annual revaluation exercise of its land and building. The Group's share of the revaluation gain of \$33.6 million as at 31 March 2024 is included under the share of post-acquisition capital reserve.
2. SIAEC acquired 49% of the share capital of POS Aviation Engineering Services Sdn Bhd ("PAES") for approximately \$1.2 million cash consideration. As a result, PAES became an associated company of the Group. Subsequently, SIAEC further invested approximately \$1.8 million in PAES.
3. Boeing Asia Pacific Aviation Services Pte. Ltd ("BAPAS") has been officially liquidated. Upon the liquidation of BAPAS, the Group recognised a gain on liquidation of \$0.2 million.
4. Value Alliance Travel System Pte. Ltd. was disposed for \$1.00.
5. SIAEC gained control of JADE after increasing its equity interest from 45.0% to 55.0% (see note 24).
6. The Group did not recognise share of losses totalling \$6.9 million in relation to its interest in TATA SIA Airlines Limited ("TATA-SIA") because the Group has fully depleted its cost of investment.
7. The Company, TATA-SIA, Tata Sons Private Limited and Air India Limited entered into an implementation agreement dated 29 November 2022 in connection with the proposed merger of TATA-SIA and Air India.

The proposed merger is subject to and conditional upon the satisfaction and/or waiver of various conditions precedent, including, inter alia, anti-trust and merger control approvals in India, Singapore and other relevant jurisdictions, the approval of the Indian civil aviation authority, as well as other governmental and regulatory approvals. On completion of the proposed merger, the Company will hold approximately 25.1% of the enlarged Air India. The Company's consideration for its 25.1% stake of the enlarged Air India comprises its 49.0% interest in TATA-SIA and an amount in cash of INR20,585 million (approximately USD250 million). The terms and conditions of the implementation agreement were disclosed in the Company's announcement to the Singapore Stock Exchange dated 29 November 2022.

On 1 September 2023, the Competition Commission of India approved the merger, subject to compliance with voluntary commitments made by the carriers. On 5 March 2024, the proposed merger was conditionally approved by the Competition and Consumer Commission of Singapore. It is pending foreign direct investment and other regulatory approvals.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

25 Associated Companies (in \$ million) (continued)

The associated companies are:

		Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
	Principal activities		2024	2023
<u>Held by the Company</u>				
TATA SIA Airlines Limited ⁽¹⁰⁾	Domestic and international full service scheduled passenger airlines services	India	49.0	49.0
Airbus Asia Training Centre Pte. Ltd. ^{(5)(b)}	Flight training services	Singapore	45.0	45.0
Ritz-Calton, Millenia Singapore Properties Private Limited ^{(5)(b)}	Hotel ownership and management	Singapore	20.0	20.0
<u>Held by SIAEC</u>				
Eagle Services Asia Private Limited ^{(2)(b)}	Repair and overhaul of aircraft engines	Singapore	38.0	38.0
Fuel Accessory Service Technologies Pte Ltd ^{(2)(a)}	Repair and overhaul of engine fuel components and accessories	Singapore	38.0	38.0
GE Aviation, Overhaul Services – Singapore Pte. Ltd ^{(11)(b)}	Repair and servicing of aircraft and spacecraft (including aircraft engines and other parts)	Singapore	38.0	38.0
Moog Aircraft Services Asia Pte. Ltd. ⁽³⁾	Repair and overhaul services for flight control systems	Singapore	38.0	38.0
PT Jas Aero-Engineering Services ^{(8)(b)}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Indonesia	38.0	38.0
Southern Airports Aircraft Maintenance Services Company Limited ^{(4)(b)}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Vietnam	38.0	38.0
POS Aviation Engineering Services Sdn. Bhd. ^{(6)(b)}	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Malaysia	38.0	–
Component Aerospace Singapore Pte. Ltd. ^{(2)(a)}	Repair and overhaul of aircraft engine combustion chambers, guides, fuel nozzles and related parts	Singapore	36.0	36.0
Panasonic Avionics Services Singapore Pte. Ltd. ⁽¹⁾	Provide line maintenance and repair services of in-flight entertainment systems	Singapore	32.9	32.9
Goodrich Aerostructures Service Center-Asia Pte. Ltd. ^{(2)(b)}	Repair and overhaul of aircraft nacelles, thrust reversers and pylons	Singapore	31.0	31.0
Pan Asia Pacific Aviation Services Limited ⁽⁷⁾	Provide aircraft maintenance services, including technical and non-technical handling at the airport	Hong Kong	31.0	31.0
Safran Electronics & Defense Services Asia Pte. Ltd. ^{(9)(b)}	Provide avionics maintenance, repair and overhaul services	Singapore	31.0	31.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

25 Associated Companies (in \$ million) (continued)

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group 31 March	
			2024	2023
Safran Landing Systems Services Singapore Pte. Ltd. ^{(9)(b)}	Repair and overhaul of Boeing and Airbus series landing gears	Singapore	31.0	31.0
Turbine Coating Services Pte Ltd ^{(2)(a)*}	Repair and overhaul of aircraft engine turbine airfoils	Singapore	19.0	19.0
Boeing Asia Pacific Aviation Services Pte. Ltd.	Provide engineering, material management and fleet support solutions	Singapore	–	38.0
JADE Engineering Pte. Ltd (previously known as JAMCO Aero Design & Engineering Private Limited)	Providing turnkey solutions for aircraft interior modifications	Singapore	See note 24	34.9
<u>Held by Scoot</u>				
Value Alliance Travel System Pte. Ltd.	Provision of support services to air transportation	Singapore	–	13.0

⁽¹⁾ Audited by KPMG LLP, Singapore⁽²⁾ Audited by PricewaterhouseCoopers LLP, Singapore⁽³⁾ Audited by Cypress Singapore Public Accounting Corporation⁽⁴⁾ Audited by member firms of Deloitte & Touche⁽⁵⁾ Audited by Ernst & Young LLP, Singapore⁽⁶⁾ Audited by KPMG LLP, Malaysia⁽⁷⁾ Audited by Chan Li Law CPA Ltd⁽⁸⁾ Audited by Ernst & Young LLP, Indonesia⁽⁹⁾ Audited by Mazars LLP, Singapore⁽¹⁰⁾ Audited by PKF Sridhar & Santhanam LLP and T.P. Ostwal & Associates⁽¹¹⁾ Not required to be audited under the law in country of incorporation^(a) Financial year end 30 November^(b) Financial year end 31 December

* The Group has significant influence in these entities through its holdings in SIAEC

The carrying amounts of the investment in associated companies are as follows:

	The Group 31 March	
	2024	2023
TATA-SIA	–	39.8
Eagle Services Asia Private Limited ("ESA")	291.0	265.5
Other associated companies	489.5	452.0
	780.5	757.3

The activities of the associated companies are strategic to the Group's activities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

25 Associated Companies (in \$ million) (continued)

The Group has two (2023: two) associated companies that are material and a number of associated companies that are individually immaterial to the Group. The following summarises the financial information of each of the Group's material associated companies based on their respective (consolidated) financial statements prepared in accordance with IFRS.

Summarised statement of financial position

	TATA-SIA 31 March		ESA 31 March	
	2024	2023	2024	2023
Current assets	1,036.4	713.0	925.7	912.1
Non-current assets	3,520.5	2,914.7	118.0	119.7
Total assets	4,556.9	3,627.7	1,043.7	1,031.8
Current liabilities	(1,058.5)	(816.4)	(439.7)	(474.9)
Non-current liabilities	(3,512.6)	(2,730.0)	(10.1)	(15.1)
Total liabilities	(4,571.1)	(3,546.4)	(449.8)	(490.0)
Net (liabilities)/assets	(14.2)	81.3	593.9	541.8
Share of net (liabilities)/assets	(6.9)	39.8	291.0	265.5

Summarised statement of comprehensive income

	TATA-SIA		ESA	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
(Loss)/Profit after tax	(96.1)	(248.9)	44.0	34.5
Other comprehensive income	0.3	(2.6)	–	–
Total comprehensive income	(95.8)	(251.5)	44.0	34.5

No dividends (FY2022/23: nil) were received from TATA-SIA and ESA during the financial year.

Aggregate information about the Group's share of the results of the associated companies that are not individually material is as follows:

Summarised statement of comprehensive income

	Immaterial associates	
	FY2023/24	FY2022/23
Profit after tax	59.5	42.1
Other comprehensive income	31.0	6.0
Total comprehensive income	90.5	48.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

26 Joint Venture Companies (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Investment in joint venture companies	297.1	265.0	32.3	32.3

During the financial year, Singapore CAE Flight Training Pte. Ltd. ("SCFT") incorporated a wholly-owned subsidiary company, SCFT Malaysia Sdn. Bhd.

The joint venture companies are:

				Percentage of equity held by the Group 31 March	
	Principal activities	Country of incorporation and place of business		2024	2023
<u>Held by SIAEC</u>					
Singapore Aero Engine Services Private Limited ⁽¹⁾	Repair and overhaul of aircraft engines	Singapore		38.8	38.8
<u>Held by Scoot</u>					
NokScoot Airlines Co., Ltd. ⁽²⁾	Air transportation	Thailand		49.0	49.0
<u>Held by the Company</u>					
Singapore CAE Flight Training Pte. Ltd.⁽³⁾ and its subsidiary	Flight training services	Singapore		50.0	50.0
SCFT Malaysia Sdn. Bhd. ⁽⁴⁾	Supporting services to air transport and providing simulation training for pilots	Malaysia		50.0	–

⁽¹⁾ Audited by KPMG LLP, Singapore, and financial year end of 31 December.

⁽²⁾ Not required to be audited, and financial year end of 31 December. Entered into liquidation on 26 June 2020.

⁽³⁾ Audited by PricewaterhouseCoopers LLP, Singapore.

⁽⁴⁾ Audited by SCS Global & Co PLT.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

26 Joint Venture Companies (in \$ million) (continued)

The Group jointly controls all the joint venture companies with other partners under contractual agreements that require unanimous consent for all major decisions over the relevant activities; they are all equity accounted.

The carrying amounts of the investments are as follows:

	The Group 31 March	
	2024	2023
Singapore Aero Engine Services Pte Ltd ("SAESL")	261.6	232.6
Other joint venture companies	35.5	32.4
	297.1	265.0

The activities of SAESL are strategic to the Group's activities.

No dividends (FY2022/23: nil) were received from SAESL during the financial year.

Summarised financial information in respect of SAESL, which is material to the Group, is as follows:

Summarised statement of financial position

	SAESL 31 March	
	2024	2023
Cash and short-term deposits	140.7	314.7
Other current assets	1,575.8	1,648.9
Total current assets	1,716.5	1,963.6
Non-current assets	216.6	238.4
Total assets	1,933.1	2,202.0
Current liabilities	(1,396.9)	(1,736.9)
Non-current liabilities	(12.9)	–
Total liabilities	(1,409.8)	(1,736.9)
Net assets	523.3	465.1

Summarised statement of comprehensive income

	SAESL	
	FY2023/24	FY2022/23
Revenue	4,032.1	3,742.7
Depreciation and amortisation	(33.0)	(35.9)
Interest income	11.3	4.5
Interest expense	(2.1)	(5.2)
Profit before tax	64.9	64.4
Taxation	(4.3)	(5.9)
Profit after tax	60.6	58.5
Other comprehensive income	(9.9)	10.0
Total comprehensive income	50.7	68.5

The summarised financial information presented is extracted from the financial statements of SAESL prepared in accordance with IFRS.

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For the Financial Year ended 31 March 2024

26 Joint Venture Companies (in \$ million) (continued)

Aggregate information about the Group's investment in the other joint venture companies that are not individually material is as follows:

The Group's share of the assets and liabilities comprises:

	The Group 31 March	
	2024	2023
Current assets	4.3	6.9
Non-current assets	63.6	43.9
Total assets	67.9	50.8
Current liabilities	(9.2)	(3.1)
Non-current liabilities	(23.2)	(15.3)
Total liabilities	(32.4)	(18.4)
Net assets	35.5	32.4

The Group's share of the results is as follows:

	The Group	
	FY2023/24	FY2022/23
Profit after tax	2.5	2.5
Other comprehensive income	0.5	(0.7)
Total comprehensive income	3.0	1.8

27 Long-Term Investments (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
<u>Quoted</u>				
Non-equity investments	—	0.5	—	0.5
<u>Unquoted</u>				
Equity investments	38.9	38.9	36.2	36.2
	38.9	39.4	36.2	36.7

The Group's non-equity investments comprised investments in corporate bonds.

The interest rate for quoted non-equity investments for FY2022/23 was 3.22% per annum.

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For the Financial Year ended 31 March 2024

28 Other Long-Term Assets (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Deposits	52.3	78.3	0.1	–
Fixed deposits	34.0	–	34.0	–
Other receivables	131.6	142.8	131.6	142.8
Derivative assets (refer to note 42)	177.3	534.6	175.3	531.4
	395.2	755.7	341.0	674.2

The Group's fixed deposits are denominated in USD and are held to hedge against foreign currency risk for a portion of the forecast USD capital expenditure and USD capital injections in an associated company (see note 42(b)).

The Group's other receivables are stated at amortised cost and are expected to be received over a period of two years (2023: two to three years).

29 Inventories (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Technical stocks and stores	220.6	164.0	163.7	126.2
Catering and general stocks	47.4	63.0	32.8	45.7
Total inventories at lower of cost and net realisable value	268.0	227.0	196.5	171.9

The cost of inventories recognised as an expense amounted to \$224.9 million (FY2022/23: \$73.5 million).

30 Trade Debtors (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Trade debtors	1,309.5	1,125.7	1,166.6	1,028.4
Contract assets	76.4	64.2	–	–
Amounts owing by:				
- associated companies	1.9	1.0	0.4	–
- joint venture companies	0.9	1.8	–	–
	1,388.7	1,192.7	1,167.0	1,028.4
Amounts owing by:				
- subsidiary companies	–	–	12.8	0.1
	1,388.7	1,192.7	1,179.8	1,028.5

Trade debtors are non-interest bearing. The carrying amount of trade debtors impaired by credit losses is reduced through the use of an allowance account unless the Group writes off the amount ascertained to be uncollectible. In subsequent periods when a trade debtor is ascertained to be uncollectible, it is written off against the allowance account.

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For the Financial Year ended 31 March 2024

30 Trade Debtors (in \$ million) (continued)

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days ageing of debtor balances) are considered indicators that the trade debtor is impaired. Individual trade debtor is written off when Management deems the amount not to be collectible.

Contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade debtors when the rights become unconditional. This usually occurs when the Group invoices the customers.

Amounts owing by subsidiary, associated and joint venture companies are unsecured, trade-related, non-interest bearing and repayable on demand. The amounts are stated at net of accumulated impairment losses.

The table below is an analysis of trade debtors as at 31 March:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Not past due and not impaired	1,125.6	976.9	954.7	832.3
Past due but not impaired	250.1	197.1	212.1	177.5
	1,375.7	1,174.0	1,166.8	1,009.8
Impaired trade debtors - collectively assessed	27.2	26.4	24.4	24.6
Less: Accumulated impairment losses	(14.2)	(7.7)	(11.4)	(5.9)
	13.0	18.7	13.0	18.7
Impaired trade debtors - individually assessed				
Customers in bankruptcy or other financial reorganisation	3.4	1.2	—	0.1
Customers who default in payment within stipulated framework of IATA Clearing House or Bank Settlement Plan	1.7	1.2	1.3	1.2
Less: Accumulated impairment losses	(5.1)	(2.4)	(1.3)	(1.3)
	—	—	—	—
Impaired amounts owing by joint venture companies - individually assessed	75.5	74.4	75.5	74.4
Less: Accumulated impairment losses	(75.5)	(74.4)	(75.5)	(74.4)
	—	—	—	—
Total trade debtors, net	1,388.7	1,192.7	1,179.8	1,028.5

Included in trade and other debtors are amounts owing by related parties of \$20.7 million (2023: \$9.5 million) and \$20.2 million (2023: \$9.3 million) for the Group and Company respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

30 Trade Debtors (in \$ million) (continued)

Trade debtors are stated after accumulated impairment losses. An analysis of the accumulated impairment losses is as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Balance at 1 April	84.5	92.4	81.6	84.3
Provided/(Written back) during the year for trade debtors	10.5	(6.1)	6.6	(2.7)
Written off during the year	(0.2)	(1.8)	–	–
Balance at 31 March	94.8	84.5	88.2	81.6
Bad debts written off directly to profit and loss account, net of debts recovered	0.4	1.0	0.1	0.2

As at 31 March 2024, the composition of trade debtors held in foreign currencies by the Group is as follows: USD – 25.3% (2023: 25.6%), AUD – 7.9% (2023: 5.9%), EUR – 5.5% (2023: 6.0%), GBP – 3.9% (2023: 4.2%) and JPY – 1.5% (2023: 1.7%).

31 Deposits and Other Debtors (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Deposits	23.7	22.5	8.5	8.7
Other debtors	358.5	261.5	224.0	217.8
	382.2	284.0	232.5	226.5

During the financial year, the Group recognised a write-back of impairment on other debtors amounting to \$1.3 million (FY2022/23: \$3.4 million) as non-operating item.

32 Other Short-Term Assets (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Fixed deposits	772.0	–	772.0	–
Other receivables	118.7	70.5	118.7	68.3
	890.7	70.5	890.7	68.3

The Group's fixed deposits are denominated in USD and are held to hedge against foreign currency risk for a portion of the forecast USD capital expenditure and USD capital injections in an associated company (see note 42(b)).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

33 Investments (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Quoted				
Equity investments	2.3	1.7	—	—
Non-equity investments	517.4	402.2	464.5	351.7
	519.7	403.9	464.5	351.7

The Group's non-equity investments comprised investments in government securities, corporate bonds, money market funds and unit trusts. These investments are held to manage the Group's liquidity needs.

The interest rates for quoted non-equity investments range from 1.25% to 6.00% (FY2022/23: 1.375% to 5.75%) per annum.

34 Cash and Bank Balances (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Short-term deposits	8,264.6	12,400.0	8,220.4	12,320.1
Cash and bank balances	3,004.2	3,927.6	2,755.6	3,655.6
	11,268.8	16,327.6	10,976.0	15,975.7

As at 31 March 2024, the composition of cash and bank balances held in foreign currencies by the Group is as follows: USD – 40.1% (2023: 42.4%), AUD – 0.8% (2023: 0.4%), EUR – 0.3% (2023: 0.3%), GBP – 0.2% (2023: 0.3%) and JPY – 0.2% (2023: 0.1%).

Cash at bank earns interest at floating rates based on daily bank deposit rates ranging from 0% to 5.25% (FY2022/23: 0% to 4.50%) per annum. Short-term deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The weighted average effective interest rate for short-term deposits is 4.74% (FY2022/23: 4.68%) per annum.

35 Trade and Other Creditors (in \$ million)

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Trade creditors	4,259.3	3,932.3	3,174.1	2,952.2
Accrued interest	57.6	66.2	55.9	64.2
Contract liabilities	46.2	21.5	—	—
Amounts owing to associated companies	4.6	4.3	4.2	3.1
Amounts owing to joint venture companies	16.1	15.5	2.0	1.4
	4,383.8	4,039.8	3,236.2	3,020.9
Funds from subsidiary companies	—	—	2,766.3	2,069.4
Amounts owing to subsidiary companies	—	—	397.0	939.9
	—	—	3,163.3	3,009.3

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

35 Trade and Other Creditors (in \$ million) (continued)

Trade and other creditors are generally non-interest bearing. As at 31 March 2024, 29.4% (2023: 31.7%) of trade and other creditors were held in USD by the Group. Included in trade and other creditors are amounts owing to related parties of \$431.0 million (2023: \$375.5 million) and \$357.1 million (2023: \$304.2 million) for the Group and Company respectively.

Funds from subsidiary companies are unsecured and have varying repayment terms. Interest on funds from subsidiary companies are computed using prevailing market rates which range from 3.00% to 4.22% (FY2022/23: 1.00% to 4.65%) per annum for SGD funds, and 5.30% to 5.68% (FY2022/23: 4.59% to 5.60%) per annum for USD funds.

As at 31 March 2024, 41.0% (2023: 39.2%) of the funds from subsidiary companies were denominated in USD.

Amounts owing to related parties, subsidiary, associated and joint venture companies are unsecured, trade-related, non-interest bearing and repayable on demand.

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

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

	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Revenue recognised that was included in the balance at the beginning of the year				
- Sales in advance of carriage	3,733.2	2,107.8	3,377.4	1,997.0
- Deferred revenue	641.4	509.9	641.4	509.9

Deferred revenue relates to KrisFlyer miles expected to be redeemed. The Group expects the majority of these miles to be redeemed by the end of their validity dates.

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

37 Analysis of Capital Expenditure Cash Flow (in \$ million)

	The Group	
	FY2023/24	FY2022/23
Purchase of property, plant and equipment	1,198.7	1,994.8
Property, plant and equipment settled by/(acquired under) credit terms	72.4	(96.7)
Property, plant and equipment settled through financing from a third-party financier	—	(204.3)
Interest capitalised	(39.8)	(92.0)
Cash invested in capital expenditure	1,231.3	1,601.8

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

38 Capital Expenditure Commitments (in \$ million)

The Group and the Company have commitments for capital expenditure. Such commitments aggregated \$12,268.7 million (2023: \$13,360.1 million) for the Group and \$10,707.2 million (2023: \$11,760.4 million) for the Company. The commitments relate principally to the acquisition of aircraft fleet and related equipment.

In addition, the Group's share of associated companies' and joint venture companies' commitments for capital expenditure totalled \$4.2 million (2023: \$401.0 million) and \$15.1 million (2023: \$5.5 million) respectively.

39 Leases (in \$ million)

(a) As lessee

Aircraft

The Company leases three 777-300ERs, two A380-800s, seven A350-900s, four 787-10s, seven 737-800NGs, six 737-8s and five 777F freighters at fixed rental rates. The leases of one A380-800 and two 737-800NGs were terminated during the year. The original lease terms of these aircraft range from three to thirteen years.

For flexibility in fleet planning, most leases include extension options. The extension options provide for lease renewals up to a maximum of four years. In addition, leases for the A350-900s, 787-10s and 737-8s include early termination options that allow termination of the leases up to two years prior to original lease expiry. Sub-leasing is allowed under all the lease arrangements.

As of 31 March 2024, Scoot Pte. Ltd. ("Scoot") has leased 16 A320-200s, four A320neos, nine A321neo and six 787 aircraft. The original lease terms on the aircraft are for 11 to 13 years. The lease term for certain aircraft leases were extended by two to three years. Certain aircraft leases confer on Scoot an option to purchase the related aircraft. Sub-leasing is allowed under all the lease arrangements, subject to certain terms and conditions stated in the agreements. Certain aircraft leases allow for lease extension/termination options for a period of three to four months from original lease expiry.

As of 31 March 2024, Singapore Flying College ("SFC") has leased 2 Piper Seminole (G1000) aircraft in Australia. The original lease terms on the aircraft are for a period of five years, with an option to renew. Both aircraft leases allow for lease extension/termination options for a period up to three years from original lease expiry.

Spare engines

The Company has lease agreements for six Trent 1000-J engines and six Trent TXWB-84 with fixed rental rates. The original lease terms for the T1000-J and Trent TXWB-84 engines are 10 years with extension options of up to 36 months.

Property and equipment

The Group has entered into lease agreements for office and computer equipment, leasehold land and buildings. These non-cancellable leases have lease terms of between one and 60 years.

Extension/termination options

To the extent the future lease payments can be reliably estimated, the Group has determined that in relation to aircraft, should the extension options be exercised, it would result in an increase in lease liabilities of \$452.4 million (2023: \$458.4 million), while the exercise of the termination options would result in a decrease in lease liabilities of \$229.7 million (2023: \$226.2 million).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

39 Leases (in \$ million) (continued)

(b) As lessor

Finance lease

The Company sub-leased five 777F freighters to an external party. The sub-lease term for the aircraft is between four and five years.

Future minimum lease receivables under the finance leases are as follows:

	The Group 31 March	
	2024	2023
Within 1 year	102.0	47.2
1 - 2 years	88.8	39.3
2 - 3 years	10.1	31.2
Total undiscounted lease receivables	200.9	117.7
Unearned finance income	(8.3)	(7.0)
Net investment in the lease	192.6	110.7

40 Contingent Liabilities (in \$ million)

(a) Cargo: Investigations by Competition Authorities and Civil Class Damages Actions

In 2006 and thereafter, SIA Cargo and the Company were among several airlines that received notice of investigations by competition authorities in the United States, European Union, Australia, Canada, New Zealand, South Africa, South Korea and Switzerland as to whether surcharges, rates or other competitive aspects of air cargo service were lawfully determined (the "air cargo issues").

On 9 November 2010, the European Commission issued an adverse decision against 13 air cargo airlines, including SIA Cargo and the Company, in respect of fuel surcharges, security surcharges and commissions on surcharges. A fine of EUR74.8 million (\$135.7 million) was imposed on SIA Cargo and the Company. SIA Cargo paid the fine in February 2011 in accordance with European Union laws. This amount was reflected as an exceptional item in the Group's accounts in FY2010/11. SIA Cargo and the Company filed an appeal to the European General Court seeking annulment of the decision. In December 2015, the European General Court annulled the decision of the European Commission in its entirety vis-à-vis SIA Cargo and the Company. In February 2016, EUR76.4 million (\$119.1 million) comprising the fine amount and returns thereon was refunded to SIA Cargo. This refund was recognised as a non-operating item in the Group's FY2015/16 accounts. In March 2017, the European Commission re-adopted a decision in respect of the same case against the air cargo airlines, imposing a fine of EUR74.8 million (\$111.8 million) against SIA Cargo and the Company. This amount was recognised as a non-operating item in the Group's accounts in FY2016/17. SIA Cargo and the Company have filed an appeal to the European General Court seeking annulment of the re-adopted decision. In March 2022, the European General Court has issued its decision, dismissing the appeal by SIA Cargo and the Company. In June 2022, SIA Cargo and the Company filed an appeal to the European Court of Justice against the decision of the European General Court.

In January 2014, the Swiss Competition Commission announced a fine against SIA Cargo and the Company of CHF1.7 million (\$2.3 million) in respect of the air cargo issues. This amount was reflected as an exceptional item in the Group's accounts in FY2013/14. SIA Cargo and the Company have filed an appeal to the Swiss Federal Administrative Tribunal seeking annulment of the decision. In December 2022, the tribunal partially allowed the appeal, reducing the fine amount to CHF1.4 million (\$2.1 million). SIA and the Company filed an appeal to the Swiss Federal Supreme Court against the decision of the Swiss Federal Administrative Tribunal.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

40 Contingent Liabilities (in \$ million) (continued)

(a) Cargo: Investigations by Competition Authorities and Civil Class Damages Actions (continued)

The proceedings by competition authorities in the United States, South Korea, South Africa, Australia and New Zealand were resolved in previous financial periods.

After the investigations commenced, civil damage lawsuits were filed in the United States, Canada, Australia, South Korea, England, the Netherlands, Norway and Germany by private parties against several airlines, including SIA Cargo and the Company. Other lawsuits have been threatened by customers of SIA Cargo or shippers that purportedly contracted with SIA Cargo's customers.

In November 2023 and February 2024, without admitting any liability, SIA Cargo and the Company entered into a settlement with two out of the three claimant groups in the civil damages claim filed in the Netherlands.

Without admitting any liability, SIA Cargo and/or the Company have settled the civil damages claims in the United States, Canada, Australia, South Korea, England and Germany, as the case may be, to resolve all liabilities of SIA Cargo and/or the Company as concerns such lawsuits filed in the relevant jurisdictions.

In addition, without admitting any liability, in 2012, 2013 and 2015, SIA Cargo reached settlements with certain customers to resolve all pending and potential future civil damage claims regarding the air cargo issues for those customers. The prior settlements have been reflected in the Group's financial statements in the previous financial years. The individual terms of all such settlements are required to be kept confidential.

Apart from the civil damages claims in the United States, Canada, Australia, South Korea, England and Germany, the filed cases remain in their respective procedural stages and none have been tried thus far on their respective substantive legal merits.

Apart from the items recorded as non-operating items noted above, it is premature to make a provision in the financial statements for the other pending investigations, court proceedings, civil suits, or threatened claims as their respective outcomes are uncertain.

(b) Passengers: Civil Class Actions

The Company and several other airlines have been named in a civil class action lawsuit in Canada alleging an unlawful agreement to fix surcharges and fares on transpacific flights. The case is currently in the procedural stage and has not been tried thus far on its substantive legal merits. As the lawsuit has neither been tried nor alleged damages quantified, it is premature to make a provision in the financial statements.

41 Financial Instruments (in \$ million)

Classification and fair values of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in note 2 describe how the classes of financial instruments are measured, and how revenue and expenses, including fair value gains and losses, are recognised. The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as per the following tables.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Classification and fair values of financial instruments (continued)

	Carrying amount				Fair value		
31 March 2024 The Group	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
Financial assets							
Long-term investments							
Unquoted							
Equity investments	–	37.6	1.3	38.9	–	–	38.9
Other long-term receivables	180.4	–	–	180.4	–	–	178.9
Derivative assets*	–	946.5	–	946.5	–	946.5	–
Investments							
Quoted							
Equity investments	–	2.3	–	2.3	2.3	–	–
Non-equity investments*	–	52.9	–	52.9	52.9	–	–
Non-equity investments	464.5	–	–	464.5	464.5	–	–
	644.9	1,039.3	1.3	1,685.5	519.7	946.5	217.8
Financial liabilities							
Derivative liabilities*	–	540.9	–	540.9	–	540.9	–
Notes payable	4,977.4	–	–	4,977.4	4,881.4	–	–
Convertible bonds	820.4 [#]	–	–	820.4	1,054.5	–	–
	5,797.8	540.9	–	6,338.7	5,935.9	540.9	–
	Carrying amount				Fair value		
31 March 2024 The Company	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
Financial assets							
Long-term investments							
Unquoted							
Equity investments	–	34.9	1.3	36.2	–	–	36.2
Other long-term receivables	131.6	–	–	131.6	–	–	133.7
Derivative assets*	–	942.0	–	942.0	–	942.0	–
Investments							
Quoted							
Non-equity investments	464.5	–	–	464.5	464.5	–	–
	596.1	976.9	1.3	1,574.3	464.5	942.0	169.9
Financial liabilities							
Derivative liabilities*	–	540.9	–	540.9	–	540.9	–
Notes payable	4,977.4	–	–	4,977.4	4,881.4	–	–
Convertible bonds	820.4 [#]	–	–	820.4	1,054.5	–	–
	5,797.8	540.9	–	6,338.7	5,935.9	540.9	–

* Mandatorily measured at FVTPL

Excludes the equity conversion component of \$74.3 million which is recognised in capital reserve

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Classification and fair values of financial instruments (continued)

31 March 2023 The Group	Carrying amount			Fair value			
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
<u>Financial assets</u>							
Long-term investments							
Quoted							
Non-equity investments	0.5	–	–	0.5	0.5	–	–
Unquoted							
Equity investments	–	37.6	1.3	38.9	–	–	38.9
Other long-term receivables	200.2	–	–	200.2	–	–	197.8
Derivative assets*	–	1,197.3	–	1,197.3	–	1,197.3	–
Investments							
Quoted							
Equity investments	–	1.7	–	1.7	1.7	–	–
Non-equity investments*	–	50.5	–	50.5	50.5	–	–
Non-equity investments	351.7	–	–	351.7	351.7	–	–
	552.4	1,287.1	1.3	1,840.8	404.4	1,197.3	236.7

Financial liabilities

Derivative liabilities*	–	722.8	–	722.8	–	722.8	–
Notes payable	5,632.1	–	–	5,632.1	5,446.1	–	–
Convertible bonds	803.8 [#]	–	–	803.8	916.0	–	–
	6,435.9	722.8	–	7,158.7	6,362.1	722.8	–

31 March 2023 The Company	Carrying amount			Fair value			
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
<u>Financial assets</u>							
Long-term investments							
Quoted							
Non-equity investments	0.5	–	–	0.5	0.5	–	–
Unquoted							
Equity investments	–	34.9	1.3	36.2	–	–	36.2
Other long-term receivables	125.4	–	–	125.4	–	–	125.4
Derivative assets*	–	1,191.2	–	1,191.2	–	1,191.2	–
Investments							
Quoted							
Non-equity investments	351.7	–	–	351.7	351.7	–	–
	477.6	1,226.1	1.3	1,705.0	352.2	1,191.2	161.6
<u>Financial liabilities</u>							
Derivative liabilities*	–	722.8	–	722.8	–	722.8	–
Notes payable	5,632.1	–	–	5,632.1	5,446.1	–	–
Convertible bonds	803.8 [#]	–	–	803.8	916.0	–	–
	6,435.9	722.8	–	7,158.7	6,362.1	722.8	–

* Mandatorily measured at FVTPL

[#] Excludes the equity conversion component of \$74.3 million which is recognised in capital reserve

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Classification and fair values of financial instruments (continued)

Financial instruments carried at fair value

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3 – Unobservable inputs for the asset or liability

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

Determination of fair value

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Master netting or similar agreements

The Group enters into derivative transactions under International Swaps and Derivatives Association ("ISDA") master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances – e.g., when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group also enters into netting arrangements with International Air Transport Association ("IATA") which is enforceable in the normal course of operations and also following an event of default, insolvency or bankruptcy of the Group or the counterparties. The Group settles these balances on a net basis during the normal course of operations.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

	Effects of offsetting in the statements of financial position		Related amounts not offset		
	Gross amounts	Gross amounts set-off in the statements of financial position	Net amounts presented in the statements of financial position	Amounts subject to master netting arrangements	Net amount
The Group					
<u>31 March 2024</u>					
Derivative assets	946.5	–	946.5	(464.4)	482.1
Trade debtors	1,416.2	(27.5)	1,388.7	–	1,388.7
	2,362.7	(27.5)	2,335.2	(464.4)	1,870.8
Derivative liabilities	540.9	–	540.9	(464.4)	76.5
Trade and other creditors	4,411.3	(27.5)	4,383.8	–	4,383.8
	4,952.2	(27.5)	4,924.7	(464.4)	4,460.3
<u>31 March 2023</u>					
Derivative assets	1,197.3	–	1,197.3	(638.8)	558.5
Trade debtors	1,200.5	(7.8)	1,192.7	–	1,192.7
	2,397.8	(7.8)	2,390.0	(638.8)	1,751.2
Derivative liabilities	722.8	–	722.8	(638.8)	84.0
Trade and other creditors	4,047.6	(7.8)	4,039.8	–	4,039.8
	4,770.4	(7.8)	4,762.6	(638.8)	4,123.8

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

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

Master netting or similar agreements (continued)

The Company	Effects of offsetting in the statements of financial position			Related amounts not offset	
	Gross amounts	Gross amounts set-off in the statements of financial position	Net amounts presented in the statements of financial position	Amounts subject to master netting arrangements	Net amount
<u>31 March 2024</u>					
Derivative assets	942.0	–	942.0	(464.4)	477.6
Trade debtors	1,194.5	(27.5)	1,167.0	–	1,167.0
Amounts owing by subsidiary companies	316.8	(304.0)	12.8	–	12.8
	2,453.3	(331.5)	2,121.8	(464.4)	1,657.4
Derivative liabilities	540.9	–	540.9	(464.4)	76.5
Trade and other creditors	3,263.7	(27.5)	3,236.2	–	3,236.2
Amounts owing to subsidiary companies	3,467.3	(304.0)	3,163.3	–	3,163.3
	7,271.9	(331.5)	6,940.4	(464.4)	6,476.0
<u>31 March 2023</u>					
Derivative assets	1,191.2	–	1,191.2	(638.8)	552.4
Trade debtors	1,036.2	(7.8)	1,028.4	–	1,028.4
Amounts owing by subsidiary companies	294.9	(294.8)	0.1	–	0.1
	2,522.3	(302.6)	2,219.7	(638.8)	1,580.9
Derivative liabilities	722.8	–	722.8	(638.8)	84.0
Trade and other creditors	3,028.7	(7.8)	3,020.9	–	3,020.9
Amounts owing to subsidiary companies	3,304.1	(294.8)	3,009.3	–	3,009.3
	7,055.6	(302.6)	6,753.0	(638.8)	6,114.2

42 Financial Risk Management Objectives and Policies (in \$ million)

The Group operates globally and generates revenue in various currencies. The Group's airline operations carry certain financial and commodity risks, including the effects of changes in jet fuel prices, foreign currency exchange rates, interest rates and the market value of its investments. The Group's overall risk management approach is to moderate the effects of such volatility on its financial performance through the use of derivatives to hedge specific exposures.

As derivatives are used for the purpose of risk management, they do not expose the Group to market risk because gains and losses on the derivatives offset losses and gains on the matching asset, liability, revenues or expenses being hedged. Moreover, counterparty credit risk is generally restricted to any hedging gain from time to time, and not the principal amount hedged. Therefore, the possibility of a material loss arising in the event of non-performance by a counterparty is considered to be unlikely.

Financial risk management policies are periodically reviewed and approved by the Board Executive Committee ("BEC").

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

Derivative financial instruments included in the statements of financial position are as follows:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
<u>Derivative assets</u>				
Current				
Currency hedging contracts	31.1	27.6	31.1	27.6
Fuel hedging contracts	162.1	98.5	162.1	98.5
Fuel derivative contracts	473.4	444.3	473.4	444.3
Cross currency swap contracts	26.6	11.1	26.6	11.1
Interest rate swap contracts	76.0	81.2	73.5	78.3
	769.2	662.7	766.7	659.8
Non-current				
Fuel hedging contracts	5.6	0.7	5.6	0.7
Fuel derivative contracts	—	318.3	—	318.3
Cross currency swap contracts	36.5	26.7	36.5	26.7
Interest rate swap contracts	135.2	188.9	133.2	185.7
	177.3	534.6	175.3	531.4
	946.5	1,197.3	942.0	1,191.2
<u>Derivative liabilities</u>				
Current				
Currency hedging contracts	14.4	10.5	14.4	10.5
Fuel hedging contracts	1.6	29.9	1.6	29.9
Fuel derivative contracts	473.4	358.4	473.4	358.4
Interest rate swap contracts	0.1	0.2	0.1	0.2
	489.5	399.0	489.5	399.0
Non-current				
Fuel hedging contracts	0.3	6.8	0.3	6.8
Fuel derivative contracts	—	263.6	—	263.6
Cross currency swap contracts	51.1	53.4	51.1	53.4
	51.4	323.8	51.4	323.8
	540.9	722.8	540.9	722.8

(a) Jet fuel price risk

The Group's earnings are affected by changes in the price of jet fuel. The Group's strategy for managing the risk on fuel price, as defined by the BEC, aims to provide the Group with protection against sudden and significant increases in jet fuel prices. In meeting these objectives, the fuel risk management programme allows for the judicious use of approved instruments such as swaps, options and collars with approved counterparties and within approved credit limits to hedge approved range of anticipated jet fuel purchases over a specified time frame.

Cash flow hedges

The Group manages this fuel price risk by using jet fuel swap, ICE Brent swap and Brent-MOPS crack swap contracts.

The Group has applied cash flow hedge accounting to the derivatives which are considered to be highly effective hedging instruments. A net fair value gain before tax of \$166.0 million (2023: gain before tax of \$203.1 million), with a related deferred tax expense of \$28.2 million (2023: deferred tax expense of \$34.6 million), was included in the fair value reserve in respect of these contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(a) Jet fuel price risk (continued)

Following the outbreak of the Covid-19 pandemic, there was a significant reduction in the Group's capacity and hence fuel consumption, compared to prior planned flight schedules. Where the occurrences of these forecasted jet fuel purchases are no longer highly probable, hedge accounting has been discontinued.

No fair value gains of discontinued hedges subsequent to the discontinuation of hedge accounting were recognised in profit or loss (FY2022/23: gain of \$0.5 million).

For discontinued hedges, a gain of \$57.3 million (2023: gain of \$140.6 million) previously recognised remained in the fair value reserve as at 31 March 2024.

The table below sets out the movements for fuel hedges:

	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	353.7	(159.9)	353.7	(159.9)
Change in fair value of hedged item	(354.4)	158.5	(354.4)	158.5

As at 31 March 2024, the Group had entered into Brent and MOPS hedges with maturities extending up to the second quarter of FY2025/26 that cover up to approximately 27% of the Group's projected annual fuel consumption, at an average prices ranging from USD75 to USD93 per barrel. Certain hedged positions up to the fourth quarter of FY2024/25 have been closed out through sell swaps.

Jet fuel price sensitivity analysis

The jet fuel price risk sensitivity analysis is based on the assumption that all other factors, such as fuel surcharge and uplifted fuel volume, remain constant. Under this assumption, and excluding the effects of hedging, an increase in price of one USD per barrel of jet fuel affects the Group's and the Company's annual fuel costs by \$50.1 million and \$42.6 million (FY2022/23: \$42.7 million and \$37.6 million) respectively.

The fuel hedging sensitivity analysis is based on contracts that are outstanding as at the end of the reporting period and assumes that hedge accounting has been discontinued for a portion of jet fuel, Brent and crack hedges. Under these assumptions, an increase or decrease in jet fuel prices, each by one USD per barrel, will have the before tax effects as set out in the table below.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(a) Jet fuel price risk (continued)

Sensitivity analysis on outstanding fuel derivative contracts:

	The Group 31 March			
	2024		2023	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
Increase in one USD per barrel	15.8	—	22.2	—
Decrease in one USD per barrel	(15.8)	—	(22.2)	—

	The Company 31 March			
	2024		2023	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
Increase in one USD per barrel	13.4	—	18.9	—
Decrease in one USD per barrel	(13.4)	—	(18.9)	—

^{R1} Sensitivity analysis on outstanding fuel hedging contracts.

^{R2} Sensitivity analysis on outstanding fuel derivative contracts which have been de-designated from a hedge relationship and fuel derivative contracts.

(b) Foreign currency risk

The Group is exposed to the effects of foreign exchange rate fluctuations because of its foreign currency denominated operating revenues and expenses. For the financial year ended 31 March 2024, these accounted for 66.8% of total revenue (FY2022/23: 68.1%) and 54.3% of total operating expenses (FY2022/23: 54.6%). The Group's largest exposures are from United States Dollar, Euro, UK Sterling Pound, Australian Dollar, New Zealand Dollar, Japanese Yen, Indian Rupee, Hong Kong Dollar, Chinese Yuan and Indonesian Rupiah. The Group generates a surplus in all of these currencies, with the exception of USD. The deficit in USD is attributable to capital expenditure, fuel costs and aircraft leasing costs – all conventionally denominated and payable in USD.

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. Surpluses of convertible currencies are sold, as soon as practicable, for USD or SGD. The Group also uses foreign currency forward and option contracts to hedge a portion of its future foreign exchange exposure. Such contracts provide for the Group to sell currencies at predetermined forward rates, buying either USD or SGD depending on forecast requirements, with settlement dates up to 24 months. The Group uses cross currency swap contracts to hedge USD bond liability and its coupon payments into SGD. The Group uses these currency hedging contracts purely as a hedging tool. It does not take positions in currencies with a view to making speculative gains from currency movements. The Group also uses deposits in foreign currencies to hedge a portion of the forecast USD capital expenditure in the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Cash flow hedges

a) Net operating and other exposures

The Group held cash flow hedges to manage net operating exposures to foreign currencies. As at 31 March 2024, the carrying amounts of these hedges consisted of \$31.1 million (2023: \$27.6 million) derivative assets and \$14.4 million (2023: \$10.5 million) derivative liabilities for the Group and the Company. During the financial year, the amount reclassified from the cash flow hedge reserve to profit or loss (classified under 'Other operating expenses') is a gain of \$12.7 million (2023: gain of \$9.9 million). As at 31 March 2024, a net fair value loss of \$4.3 million (2023: net fair value gain of \$12.9 million), with \$0.6 million deferred tax (2023: \$1.9 million deferred tax), was included in the fair value reserve with respect to these contracts.

	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	(2.0)	20.9	4.9	18.4
Change in fair value of hedged item	2.0	(20.9)	(4.9)	(18.4)

The Group also held cross currency swap contracts to hedge foreign currency risk of expected future JPY surpluses until November 2029. During the financial year, \$0.1 million of ineffectiveness gain (2023: nil) has been recognised in the profit or loss for the Group. As at 31 March 2024, a net fair value gain of \$47.3 million (2023: net fair value gain of \$35.2 million) was included in the fair value reserve with respect to these contracts.

	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	12.2	11.4	12.2	11.4
Change in fair value of hedged item	(12.1)	(11.4)	(12.1)	(11.4)

As at 31 March 2024, the Group held EUR and JPY secured loans amounting to \$955.3 million (2023: \$855.8 million) where the fixed repayments are hedged against the Group's EUR and JPY surpluses. During the financial year, the amount reclassified from the cash flow hedge reserve to profit or loss (classified under 'Other operating expenses') is a gain of \$17.9 million (2023: gain of \$18.1 million). A fair value gain of \$81.5 million (2023: gain of \$63.2 million) was included in the fair value reserve in respect of the above cash flow hedges as at 31 March 2024.

	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	36.2	58.5	36.2	58.5
Change in fair value of hedged item	(36.2)	(58.5)	(36.2)	(58.5)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Cash flow hedges (continued)

b) Capital expenditure exposures

The Group and the Company designate cash flow hedges to manage the exposure to USD-denominated capital expenditure commitments and capital injections in an associated company.

As at 31 March 2024, the Group and the Company held USD975.5 million (2023: USD76.0 million) and USD967.7 million (2023: USD68.5 million) respectively, in deposits to hedge against foreign currency risk for a portion of the forecast USD capital expenditure and USD capital injections in an associated company.

As at 31 March 2024, a fair value gain of \$4.4 million (2023: fair value loss of \$1.4 million) was included in the fair value reserve in respect of the above cash flow hedges.

The table below sets out the derivative positions and movements for these cash flow hedges:

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Hedged deposits	1,316.4	101.0	1,305.9	91.1
	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	5.6	2.0	6.2	2.5
Change in fair value of hedged item	(5.6)	(2.0)	(6.2)	(2.5)

For the financial year ended 31 March 2024 and 31 March 2023, there was no realised foreign currency hedging gain/(loss) reclassified to profit or loss as it had been capitalised in the carrying value of non-financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Cash flow hedges (continued)

b) Capital expenditure exposures (continued)

Fair value hedges

The Group entered into fair value hedges to manage the exposure to USD-denominated aircraft residual value. The residual values of aircraft are subject to foreign currency fluctuations and are remeasured to the prevailing exchange rates at the end of the reporting period. These underlying currency movements on aircraft are designated in a fair value hedge are included within "Property, plant and equipment" in the statements of financial position. The hedging instrument is included within "Lease liabilities". The effective portion of changes in the fair value of both the hedged item and hedging instrument are offset within "Other operating expenses" and no ineffectiveness arose on fair value hedges during the year.

	The Group		The Company	
	31 March		31 March	
	2024	2023	2024	2023
USD aircraft residual values	1,718.8	1,550.3	1,504.4	1,349.0
USD lease liabilities	(1,718.8)	(1,550.3)	(1,504.4)	(1,349.0)
	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	(23.7)	28.0	(20.8)	24.6
Change in fair value of hedged item	23.7	(28.0)	20.8	(24.6)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(b) Foreign currency risk (continued)

Foreign currency sensitivity analysis

The foreign currency risk sensitivity analysis is based on contracts that are outstanding as at the end of the reporting period and assumes that a portion of the cash flow hedges are ineffective.

The following table details the sensitivity of a 1% strengthening of SGD against the respective foreign currencies. The sensitivity analysis includes only outstanding foreign currency hedging contracts and significant outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates.

Sensitivity analysis:

	The Group 31 March			
	2024		2023	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
AUD	3.3	(0.6)	2.2	(0.2)
EUR	8.8	6.8	9.5	7.3
GBP	2.4	(0.4)	2.6	(0.6)
JPY	3.4	4.2	3.8	2.1
CNY	4.2	0.3	2.3	(0.2)
USD	(26.7)	(1.6)	(17.6)	(17.2)

	The Company 31 March			
	2024		2023	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
AUD	3.3	(0.7)	2.2	(0.4)
EUR	8.8	6.8	9.5	7.3
GBP	2.4	(0.4)	2.6	(0.6)
JPY	3.4	4.2	3.8	2.1
CNY	4.2	0.3	2.3	0.2
USD	(28.0)	(13.6)	(17.6)	(31.6)

^{R1} Sensitivity analysis on outstanding foreign currency hedging contracts and fuel hedging contracts denominated in foreign currency.

^{R2} Sensitivity analysis on significant outstanding foreign currency denominated monetary items and outstanding foreign currency and fuel derivative contracts denominated in foreign currency.

If the relevant foreign currency strengthens by 1% against SGD, equity and profit before taxation would change by the same amounts in the opposite direction.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(c) Interest rate risk

The Group's earnings are also affected by changes in interest rates due to the impact such changes have on interest income and expense from short-term deposits and other interest-bearing financial assets and liabilities. The Group enters into interest rate swap contracts to manage interest rate costs on its financial assets and liabilities, with the prior approval of the BEC or Boards of subsidiary companies.

Cash flow hedges

During the financial year, the Group entered into interest rate swap contracts to hedge the interest rate exposure on underlying loans. As at 31 March 2024, the total nominal amount of these cash flow hedges was \$3,293.0 million (2023: \$3,840.5 million) with a hedged rate range of 0.34% to 2.92% (2023: 0.34% to 2.92%) per annum for the Group and \$3,089.0 million (2023: \$3,588.5 million) with a hedged rate range of 0.34% to 2.86% (2023: 0.34% to 2.86%) per annum for the Company.

The terms of the interest rate swap contracts have been negotiated to match the terms of the loans and, accordingly, the fair value hedges are assessed to be highly effective. As at 31 March 2024, a net fair value gain of \$210.9 million (2023: net fair value gain of \$269.9 million) with related deferred tax expense of \$35.7 million (2023: deferred tax expense of \$45.7 million) was included in the fair value reserve in respect of these contracts.

	The Group		The Company	
	FY2023/24	FY2022/23	FY2023/24	FY2022/23
Change in fair value of hedging instrument	37.3	118.9	35.4	111.3
Change in fair value of hedged item	(37.3)	(118.9)	(35.4)	(111.3)

Interest rate sensitivity analysis

The interest rate sensitivity analysis is based on the following assumptions:

- Changes in market interest rates affect the interest income or finance charges of variable interest financial instruments.
- Changes in market interest rates affect the fair value of derivative financial instruments designated as hedging instruments and all interest rate hedges are expected to be highly effective.
- Changes in the fair values of derivative financial instruments and other financial assets and liabilities are estimated by discounting the future cash flows to net present values using appropriate market rates prevailing at the end of the reporting period.

Under these assumptions, an increase or decrease in market interest rates of 10 basis points for all currencies in which the Group has derivative financial instruments and variable rate assets and liabilities at 31 March 2024 will have the effects as set out in the table below.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(c) Interest rate risk (continued)

Sensitivity analysis:

	The Group 31 March			
	2024		2023	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
Increase in 10 basis points in market interest rates	9.1	11.7	12.0	16.7
Decrease in 10 basis points in market interest rates	(9.1)	(11.7)	(12.0)	(16.7)

	The Company 31 March			
	2024		2023	
	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}	Effect on equity ^{R1}	Effect on profit before taxation ^{R2}
Increase in 10 basis points in market interest rates	8.7	8.7	11.4	14.3
Decrease in 10 basis points in market interest rates	(8.7)	(8.7)	(11.4)	(14.3)

^{R1} Sensitivity analysis on derivative financial instruments.

^{R2} Sensitivity analysis on variable rate assets and liabilities.

Managing interest rate benchmark reform and associated risks

Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some IBORs with alternative nearly risk-free rates (referred to as 'interest rate benchmark reform'). The Group had exposures to Singapore Swap Offer Rate ("SOR") on its financial instruments that will be replaced or reformed as part of these market-wide initiatives.

In Singapore, the Steering Committee for SOR and SIBOR transition to SORA ("SC-STs") together with the Association of Banks in Singapore ("ABS") and Singapore Foreign Exchange Market Committee ("SFEMC"), has identified the Singapore Overnight Rate Average ("SORA") as the alternative interest rate benchmark to replace SIBOR and SOR in Singapore. The timeline for SORA to replace SOR and SIBOR is by the end of June 2023 and December 2024 respectively. In the prior year, the Group has undertaken amendments to its financial instruments with contractual terms indexed to SOR such that they incorporate the new benchmark rate (i.e., SORA).

Management monitors and manages the Group's transition to alternative rates. The management evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of interest rate benchmark reform and how to manage communication about interest rate benchmark reform with counterparties.

The Group has no major IBOR exposures to non-derivative financial assets, non-derivative financial liabilities, derivatives and hedging instruments as at 31 March 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(d) Market rate risk

At 31 March 2024, the Group and the Company own investments of \$558.6 million (2023: \$443.3 million) and \$500.7 million (2023: \$388.4 million) respectively, out of which \$94.1 million (2023: \$91.2 million) and \$36.2 million (2023: \$36.2 million) are subject to market risk, being the potential loss resulting from a decrease in market prices.

Market price sensitivity analysis

If prices for these investments increase or decrease by 1% with all other variables being held constant, the before tax effects on equity and effects on profit before taxation are set out in the table below.

Sensitivity analysis on investments:

	The Group 31 March			
	2024		2023	
	Effect on equity	Effect on profit before taxation	Effect on equity	Effect on profit before taxation
Increase in 1% of quoted prices	–	0.9	–	0.9
Decrease in 1% of quoted prices	–	(0.9)	–	(0.9)

	The Company 31 March			
	2024		2023	
	Effect on equity	Effect on profit before taxation	Effect on equity	Effect on profit before taxation
Increase in 1% of quoted prices	–	0.3	–	0.3
Decrease in 1% of quoted prices	–	(0.3)	–	(0.3)

(e) Liquidity risk

At 31 March 2024, the Group had at its disposal, cash and short-term deposits amounting to \$11,268.8 million (2023: \$16,327.6 million). In addition, the Group had committed unsecured credit facilities of about \$2,910.0 million (2023: \$2,172.8 million) available for utilisation as at 31 March 2024. The Group also has a Medium Term Note Programme and Medium Term Bond Programme under which it may issue notes up to \$12,000.0 million (2023: \$12,000.0 million) and as of 31 March 2024, \$7,010.9 million (2023: \$6,357.6 million) remained unutilised. Under these uncommitted Programmes, notes issued by the Company may have varying maturities as contracted with the relevant financial institutions.

The Group's holdings of cash and short-term deposits are expected to be sufficient to cover the cost of all firm aircraft deliveries due in the next financial year. It is expected that any shortfall would be met by bank borrowings or public market funding. Due to the necessity to plan aircraft orders well in advance of delivery, it is not economical for the Group to have committed funding in place at present for all outstanding orders, many of which relate to aircraft which will not be delivered for several years. The Group's policies in this regard are in line with the funding policies of other major airlines.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(e) Liquidity risk (continued)

The maturity profile of the financial liabilities of the Group and the Company is as follows. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is insignificant.

31 March 2024	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	More than 5 years	Total
The Group							
Notes payable	469.7	853.2	1,437.2	791.7	890.5	1,389.4	5,831.7
Convertible bonds	13.8	863.6	–	–	–	–	877.4
Loans	675.5	663.4	656.0	653.1	563.3	856.0	4,067.3
Lease liabilities	850.6	743.9	496.1	419.1	407.6	1,836.0	4,753.3
Trade and other creditors	4,383.8	–	–	–	–	–	4,383.8
Derivative financial instruments:							
Currency hedging contracts	14.4	–	–	–	–	–	14.4
Fuel hedging contracts	1.1	0.2	–	–	–	–	1.3
Fuel derivative contracts	484.9	–	–	–	–	–	484.9
Cross currency swap contracts	–	–	3.1	–	37.4	79.2	119.7
Interest rate swap contracts (net-settled)	2.6	1.2	0.6	0.3	–	–	4.7
	6,896.4	3,125.5	2,593.0	1,864.2	1,898.8	4,160.6	20,538.5
The Company							
Notes payable	469.7	853.2	1,437.2	791.7	890.5	1,389.4	5,831.7
Convertible bonds	13.8	863.6	–	–	–	–	877.4
Loans	605.8	605.2	604.5	603.9	551.2	856.0	3,826.6
Lease liabilities	615.5	552.6	321.8	270.1	264.0	1,135.5	3,159.5
Trade and other creditors	3,236.2	–	–	–	–	–	3,236.2
Amounts owing to subsidiary companies	3,163.3	–	–	–	–	–	3,163.3
Derivative financial instruments:							
Currency hedging contracts	14.4	–	–	–	–	–	14.4
Fuel hedging contracts	1.1	0.2	–	–	–	–	1.3
Fuel derivative contracts	484.9	–	–	–	–	–	484.9
Cross currency swap contracts	–	–	3.1	–	37.4	79.2	119.7
Interest rate swap contracts (net-settled)	0.1	–	–	–	–	–	0.1
	8,604.8	2,874.8	2,366.6	1,665.7	1,743.1	3,460.1	20,715.1

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(e) Liquidity risk (continued)

31 March 2023	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	More than 5 years	Total
The Group							
Notes payable	1,530.2	433.0	816.6	1,390.7	755.3	1,377.1	6,302.9
Convertible bonds	13.8	13.9	863.8	–	–	–	891.5
Loans	668.3	650.0	638.2	636.2	634.2	1,175.9	4,402.8
Lease liabilities	788.8	714.4	593.0	443.4	398.2	2,194.1	5,131.9
Trade and other creditors	4,039.8	–	–	–	–	–	4,039.8
Derivative financial instruments:							
Currency hedging contracts	10.6	–	–	–	–	–	10.6
Fuel hedging contracts	30.1	6.3	–	–	–	–	36.4
Fuel derivative contracts	367.2	278.6	–	–	–	–	645.8
Cross currency swap contracts	–	–	–	0.7	–	8.4	9.1
Interest rate swap contracts (net-settled)	3.1	1.7	0.9	42.3	0.2	–	48.2
	7,451.9	2,097.9	2,912.5	2,513.3	1,787.9	4,755.5	21,519.0
The Company							
Notes payable	1,530.2	433.0	816.6	1,390.7	755.3	1,377.1	6,302.9
Convertible bonds	13.8	13.9	863.8	–	–	–	891.5
Loans	596.2	586.6	586.0	585.4	584.8	1,163.8	4,102.8
Lease liabilities	523.6	499.7	424.9	286.0	257.9	1,367.1	3,359.2
Trade and other creditors	3,020.9	–	–	–	–	–	3,020.9
Amounts owing to subsidiary companies	3,009.3	–	–	–	–	–	3,009.3
Derivative financial instruments:							
Currency hedging contracts	10.6	–	–	–	–	–	10.6
Fuel hedging contracts	30.1	6.3	–	–	–	–	36.4
Fuel derivative contracts	367.2	278.6	–	–	–	–	645.8
Cross currency swap contracts	–	–	–	0.7	–	8.4	9.1
Interest rate swap contracts (net-settled)	0.2	–	–	41.7	–	–	41.9
	9,102.1	1,818.1	2,691.3	2,304.5	1,598.0	3,916.4	21,430.4

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(f) Credit risk

The Group has an independent Group Debts Review Committee to review the follow up actions on outstanding receivables monthly. On a day-to-day basis, the respective Finance divisions have the primary responsibility for measuring and managing specific risk exposures.

The maximum exposure to credit risk for the Group and the Company is represented by the carrying amount of each financial asset in the statements of financial position.

There are no significant concentrations of credit risk other than from counterparties of cash and bank balances and derivative instruments, where transactions are limited to financial institutions possessing high credit quality and hence the risk of default is low.

The sale of passenger and cargo transportation is largely achieved through IATA accredited sales agents. The credit risk of such sales agents is relatively small owing to broad diversification. In specific instances, the contract may require special collateral.

Unless expressly stated otherwise in the contract, receivables and payables among airlines are settled either bilaterally or via the IATA Clearing House. Receivables and payables are generally netted and settled at weekly intervals, which lead to a clear reduction in the risk of default.

For all other service relationships, depending on the nature and scope of the services rendered, collateral is required, credit reports or references are obtained and use is made of historical data from previous business relations, especially with regard to payment behaviour, in order to avoid non-performance.

Collateral requested from debtors include bank guarantees, cash-in-lieu of deposit and security deposits.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

42 Financial Risk Management Objectives and Policies (in \$ million) (continued)

(f) Credit risk (continued)

The Group determines concentrations of credit risk by monitoring the industry, country and credit rating of its counterparties. The table below shows an analysis of credit risk exposures of balances that exceed 5% of the financial assets of the Group and the Company as at 31 March:

	The Group				The Company			
	Outstanding balance		Percentage of total financial assets		Outstanding balance		Percentage of total financial assets	
	2024	2023	2024	2023	2024	2023	2024	2023
Counterparty profiles								
<u>By industry:</u>								
Travel agencies	469.4	462.3	3.0%	2.3%	466.1	458.1	3.0%	2.0%
Airlines	154.5	124.8	1.0%	0.6%	27.6	3,603.7	0.2%	16.0%
Financial institutions	13,415.3	17,742.0	85.7%	89.9%	13,077.2	17,358.4	84.5%	76.8%
Others	370.8	388.5	2.4%	2.0%	320.1	349.7	2.1%	1.6%
	14,410.0	18,717.6	92.1%	94.8%	13,891.0	21,769.9	89.8%	96.4%
<u>By region:</u>								
East Asia	5,071.3	8,608.9	32.4%	43.6%	4,728.7	11,795.5	30.6%	52.2%
Europe	5,487.2	6,438.0	35.1%	32.6%	5,393.1	6,370.1	34.9%	28.2%
South West Pacific	1,990.5	2,019.6	12.7%	10.2%	1,969.3	2,002.0	12.7%	8.9%
Americas	721.9	449.2	4.6%	2.3%	692.4	421.0	4.4%	1.9%
West Asia and Africa	1,139.1	1,201.9	7.3%	6.1%	1,107.5	1,181.3	7.2%	5.2%
	14,410.0	18,717.6	92.1%	94.8%	13,891.0	21,769.9	89.8%	96.4%
<u>By Moody's credit ratings:</u>								
Investment grade (A to Aaa)	13,404.7	17,830.6	85.7%	90.3%	13,112.4	17,483.5	84.7%	77.4%
Investment grade (Baa)	66.9	75.2	0.4%	0.4%	58.2	69.6	0.4%	0.3%
Non-rated	938.4	811.8	6.0%	4.1%	720.4	4,216.8	4.7%	18.7%
	14,410.0	18,717.6	92.1%	94.8%	13,891.0	21,769.9	89.8%	96.4%

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

43 Reconciliation of Movements of Liabilities to Cash Flows Arising from Financing Activities (in \$ million)

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 April 2023	Proceeds	Repayments	Interest payments	Interest expense	Non-cash changes			Conversion of convertible bonds	31 March 2024
						Foreign exchange movement	Additions	Interest capitalised		
Notes payable	5,632.1	668.7	(1,350.0)	–	2.5	24.1	–	–	–	4,977.4
Convertible bonds	803.8	–	–	–	16.8	–	–	–	(0.2)	820.4
Loans	4,725.5	416.8	(1,267.1)	–	4.0	(24.2)	–	–	–	3,855.0
Lease liabilities	4,177.9	–	(739.4)	–	164.3	52.6	139.8	–	–	3,795.2
Accrued interest	66.2	–	–	(285.3)	236.9	–	–	39.8	–	57.6

	1 April 2022	Proceeds	Repayments	Interest payments	Interest expense	Non-cash changes			Interest capitalised	31 March 2023
						Foreign exchange movement	Additions	Interest capitalised		
Notes payable	5,655.7	–	–	–	2.6	(26.2)	–	–	–	5,632.1
Convertible bonds	783.1	–	–	–	20.7	–	–	–	–	803.8
Loans	5,573.5	6.2	(988.0)	–	4.2	(74.7)	204.3	–	–	4,725.5
Lease liabilities	3,682.5	–	(740.3)	–	158.1	(110.0)	1,187.6	–	–	4,177.9
Accrued interest	72.5	–	–	(332.6)	234.3	–	–	–	92.0	66.2

44 Capital Management (in \$ million)

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events, such as the Covid-19 pandemic, on cash flows.

The Directors regularly review the Company's capital structure and make adjustments to reflect economic conditions, business strategies and future commitments.

The Group monitors capital using a gearing ratio, which is total debt divided by total capital.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

44 Capital Management (in \$ million) (continued)

During the financial year ended 31 March 2024, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

	The Group 31 March		The Company 31 March	
	2024	2023	2024	2023
Notes payable	4,977.4	5,632.1	4,977.4	5,632.1
Convertible bonds	820.4	803.8	820.4	803.8
Loans	3,855.0	4,725.5	3,631.4	4,454.5
Lease liabilities	3,795.2	4,177.9	2,522.5	2,727.0
Total debt	13,448.0	15,339.3	11,951.7	13,617.4
Share capital	7,180.4	7,180.2	7,180.4	7,180.2
Mandatory convertible bonds	1,547.5	6,195.1	1,547.5	6,195.1
Reserves	7,610.0	6,483.0	8,742.0	7,734.4
Total capital	16,337.9	19,858.3	17,469.9	21,109.7
Gearing ratio (times)	0.82	0.77	0.68	0.65

45 Related Party Transactions (in \$ million)

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Key Management Personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Group considers the Directors, Chief Executive Officer and Executive Vice Presidents of the Company to be Key Management Personnel of the Company.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions were carried out in the normal course of business during the financial year:

	The Group	
	FY2023/24	FY2022/23
Purchases of services from associated companies	180.8	52.4
Services rendered to associated companies	(12.8)	(15.8)
Purchases of services from joint venture companies	13.4	10.7
Services rendered to joint venture companies	(2.3)	(6.9)
Purchases of services from related parties	2,077.0	1,486.4
Services rendered to related parties	(25.0)	(13.6)
Professional fees paid to a firm of which a Director is a member	1.7	0.6

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

45 Related Party Transactions (in \$ million) (continued)

Key Management Personnel remuneration of the Group

	The Group	
	FY2023/24	FY2022/23
<u>Directors</u>		
Salary, bonuses, fee and other costs	6.3	6.2
CPF and other defined contributions	*	*
Share-based compensation expense	3.7	2.4
	10.0	8.6
<u>Key executives (excluding executive Directors)</u>		
Salary, bonuses, fee and other costs	4.2	5.7
CPF and other defined contributions	*	*
Share-based compensation expense	4.1	2.8
	8.3	8.5

* Amount less than \$0.1 million

Conditional awards granted to a Director and key executives of the Company pursuant to the Restricted Share Plan and the Performance Share Plan are as follows:

RSP Base Awards

Name of participant	Balance as at 1 April 2023	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2024	Aggregate Base Awards granted since commencement of RSP to end of financial year under review
Goh Choon Phong	93,494	73,856	93,494	73,856	704,648
Mak Swee Wah ¹	46,747	36,928	46,747	36,928	348,195
Lee Lik Hsin	40,996	48,578	40,996	48,578	228,508
Tan Kai Ping	40,996	40,445	40,996	40,445	267,062

RSP Final Awards (Pending Release)^{R1}

Name of participant	Balance as at 1 April 2023	Final Awards granted during the financial year ²	Final Awards released during the financial year	Balance as at 31 March 2024	Aggregate ordinary shares released to participant since commencement of RSP to end of financial year under review ³
Goh Choon Phong	121,978	100,980	110,726	112,232	524,406
Mak Swee Wah ¹	60,383	50,490	54,757	56,116	259,573
Lee Lik Hsin	45,212	44,280	43,130	46,362	143,695
Tan Kai Ping	45,212	44,280	43,130	46,362	182,874

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

45 Related Party Transactions (in \$ million) (continued)

PSP Base Awards^{R2}

Name of participant	Balance as at 1 April 2023	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2024	Aggregate Base Awards granted since commencement of PSP to end of financial year under review	Aggregate ordinary shares released to participant since commencement of PSP to end of financial year under review ³
Goh Choon Phong	429,517	110,785	135,000	405,302	1,039,194	322,310
Mak Swee Wah ¹	176,988	45,134	57,000	165,122	424,517	133,750
Lee Lik Hsin	140,225	59,349	43,000	156,574	251,355	65,850
Tan Kai Ping	140,225	49,531	43,000	146,756	271,096	74,500

SSA Base Awards

Name of participant	Balance as at 1 April 2023	Base Awards granted during the financial year	Base Awards vested during the financial year	Balance as at 31 March 2024	Aggregate Base Awards granted since commencement of SSA to end of financial year under review
Goh Choon Phong	—	302,300	302,300	—	809,800
Mak Swee Wah ¹	—	163,700	163,700	—	399,800
Lee Lik Hsin	—	122,900	122,900	—	276,900
Tan Kai Ping	—	122,900	122,900	—	291,900

SSA Base Awards Final Awards (Pending Release)^{R3}

Name of participant	Balance as at 1 April 2023	Final Awards granted during the financial year ²	Adjustment ⁴	Final Awards released during the financial year	Balance as at 31 March 2024	Aggregate ordinary shares released to participant since commencement of SSA to end of financial year under review ³
Goh Choon Phong	122,125	302,300	30,620	261,970	193,075	684,685
Mak Swee Wah ¹	56,650	163,700	14,280	122,030	112,600	318,900
Lee Lik Hsin	46,325	122,900	10,620	101,870	77,975	216,505
Tan Kai Ping	46,325	122,900	10,620	101,870	77,975	234,505

^{R1} The actual number of RSP Final Awards of fully paid ordinary shares will range from 0% to 150% of the Base Awards and is contingent on the Achievements against Targets over the one-year performance periods relating to the relevant awards.

^{R2} The actual number of PSP Final Awards of fully paid ordinary shares will range from 0% to 200% of the Base Awards and is contingent on the Achievements against Targets over the three-year performance periods relating to the relevant awards.

^{R3} The actual number of SSA Final Awards of fully paid ordinary shares is contingent on BCIRC's assessment of Covid-19 response.

¹ Mak Swee Wah retired on 10 September 2023, and amounts disclosed are up to his retirement date.

² Final Awards granted during the financial year is determined by applying the achievement factor to the Base Awards that have vested during the financial year.

³ During the financial year, 251,743, 250,200 and 587,740 treasury shares were issued to a Director and key executives of the Company pursuant to the RSP, PSP and SSA respectively.

⁴ Adjustment at the end of the performance period relating to an additional equity kicker during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2024

46 Subsequent Events

On 8 April 2024, the Company redeemed all of the S\$300 million 3.75% 10-year Fixed-Rate Notes ("Notes") upon its maturity. Following the redemption, the Notes have been cancelled in their entirety.

On 15 May 2024, the Company announced its intention to fully redeem the remaining MCBs that were issued in June 2021. The accreted principal amount payable, being 112.616% of the principal amount of the MCBs, will be \$1,744.6 million. The redemption amount to be paid to eligible bondholders on 24 June 2024.



**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025**

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**CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025 (in \$ million)**

		The Group	
		1 st Half	1 st Half
	Note	FY2025/26	FY2024/25
REVENUE	5	9,675.2	9,497.4
EXPENDITURE			
Staff costs		1,839.9	1,855.0
Fuel costs		2,547.3	2,729.9
Depreciation		1,211.1	1,122.8
Amortisation of intangible assets		37.8	35.7
Aircraft maintenance and overhaul costs		374.0	335.9
Commission and incentives		220.5	208.7
Landing, parking and overflying charges		485.7	440.2
Handling charges		740.2	684.0
Emission charges		40.3	24.2
Rentals on leased aircraft		3.6	0.9
Inflight meals		385.2	359.4
Advertising and sales costs		147.0	152.7
Company accommodation and utilities		25.1	24.8
Other passenger costs		122.8	120.6
Crew expenses		85.5	80.8
Other operating expenses		606.3	526.2
		8,872.3	8,701.8
OPERATING PROFIT	6	802.9	795.6
Finance charges		(180.3)	(198.9)
Interest income		163.6	266.5
Loss on disposal of aircraft, spares and spare engines		(0.3)	(5.9)
Dividends from long-term investments		0.1	2.1
Other non-operating items	7	(4.0)	8.7
Share of profits of joint venture companies		19.4	21.5
Share of (losses)/profits of associated companies		(375.4)	41.4
PROFIT BEFORE TAXATION		426.0	931.0
TAXATION	8	(166.9)	(171.8)
PROFIT FOR THE FINANCIAL PERIOD		259.1	759.2
PROFIT ATTRIBUTABLE TO:			
OWNERS OF THE COMPANY		238.5	742.0
NON-CONTROLLING INTERESTS		20.6	17.2
		259.1	759.2
EARNINGS PER SHARE (CENTS)		7.9	22.9
DILUTED EARNINGS PER SHARE (CENTS)		7.9	22.1

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025 (in \$ million)**

	The Group	
	1 st Half FY2025/26	1 st Half FY2024/25
PROFIT FOR THE FINANCIAL PERIOD	259.1	759.2
OTHER COMPREHENSIVE INCOME:		
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Currency translation differences	(31.0)	(42.2)
Net fair value changes on cash flow hedges	(150.1)	(433.8)
Share of other comprehensive income of associated and joint venture companies	9.3	1.6
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD, NET OF TAX	<u>(171.8)</u>	<u>(474.4)</u>
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>87.3</u>	<u>284.8</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	75.5	276.3
NON-CONTROLLING INTERESTS	<u>11.8</u>	<u>8.5</u>
	<u>87.3</u>	<u>284.8</u>

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

CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025 (in \$ million)

		The Group		The Company	
	Note	30 September 2025	31 March 2025	30 September 2025	31 March 2025
EQUITY ATTRIBUTABLE TO OWNERS					
OF THE COMPANY					
Share capital	9	7,952.8	7,180.9	7,952.8	7,180.9
Treasury shares	10	(16.9)	(26.5)	(16.9)	(26.5)
Other reserves		7,594.5	8,501.8	8,935.1	9,341.7
		15,530.4	15,656.2	16,871.0	16,496.1
NON-CONTROLLING INTERESTS		408.8	413.8	-	-
TOTAL EQUITY		15,939.2	16,070.0	16,871.0	16,496.1
DEFERRED ACCOUNT		83.3	74.3	82.4	74.3
DEFERRED TAXATION		2,036.9	1,884.5	2,064.9	1,912.0
LONG-TERM LEASE LIABILITIES		2,599.1	2,866.7	1,637.0	1,827.8
BORROWINGS	11	6,232.7	7,297.3	6,146.8	7,187.1
OTHER LONG-TERM LIABILITIES		241.6	137.6	240.9	137.6
PROVISIONS		755.6	743.2	317.0	354.2
DEFINED BENEFIT PLANS		53.8	58.1	53.8	58.1
		27,942.2	29,131.7	27,413.8	28,047.2
Represented by:-					
PROPERTY, PLANT AND EQUIPMENT	12	23,224.5	23,480.9	19,857.4	20,333.2
RIGHT-OF-USE ASSETS	13	2,907.7	3,087.4	1,807.7	1,936.1
INTANGIBLE ASSETS		374.2	338.6	302.7	275.4
SUBSIDIARY COMPANIES	14	-	-	5,722.1	5,702.0
ASSOCIATED COMPANIES	15	2,474.9	2,865.2	2,137.9	2,137.9
JOINT VENTURE COMPANIES		344.0	334.4	32.3	32.3
LONG-TERM INVESTMENTS		41.8	39.5	38.5	36.2
OTHER LONG-TERM ASSETS		899.2	1,544.8	847.5	1,486.6
CURRENT ASSETS					
Derivative assets		124.7	106.1	124.7	105.9
Inventories		349.8	344.9	271.4	271.8
Trade debtors		1,166.5	1,229.9	973.3	1,020.5
Amounts owing by subsidiary companies		-	-	12.0	100.7
Deposits and other debtors		206.7	272.6	155.9	164.2
Prepayments		146.0	109.9	108.1	78.9
Other short-term assets		1,367.2	536.5	1,367.2	536.5
Investments		569.1	519.7	506.8	463.4
Restricted cash balances		16.6	19.2	-	-
Cash and bank balances		6,447.0	8,257.1	6,117.1	7,960.1
Assets held for sale		-	0.1	-	0.1
		10,393.6	11,396.0	9,636.5	10,702.1
Less: CURRENT LIABILITIES					
Borrowings	11	1,565.4	2,213.4	1,501.2	2,150.7
Lease liabilities		477.6	536.9	326.6	382.9
Current tax payable		73.3	72.5	43.3	43.5
Trade and other creditors		3,886.7	4,628.4	2,720.7	3,417.9
Amounts owing to subsidiary companies		-	-	2,202.5	2,703.0
Sales in advance of carriage	17	4,667.1	4,533.2	4,271.0	4,205.5
Deferred revenue	17	1,339.5	1,260.6	1,337.6	1,257.8
Deferred account		14.4	13.2	12.2	10.9
Derivative liabilities		133.5	91.0	132.5	91.0
Provisions		560.2	605.9	421.2	331.4
		12,717.7	13,955.1	12,968.8	14,594.6
NET CURRENT LIABILITIES		(2,324.1)	(2,559.1)	(3,332.3)	(3,892.5)
		27,942.2	29,131.7	27,413.8	28,047.2

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

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025 (in \$ million)**

The Group	Attributable to Owners of the Company							Non-controlling interests	Total equity	
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve			Total
Balance at 1 April 2025	7,180.9	(26.5)	(130.9)	(25.2)	31.6	153.2	8,473.1	15,656.2	413.8	16,070.0
<u>Comprehensive income</u>										
Currency translation differences	-	-	-	(22.9)	-	-	-	(22.9)	(8.1)	(31.0)
Net fair value changes on cash flow hedges	-	-	-	-	-	(150.1)	-	(150.1)	-	(150.1)
Share of other comprehensive income of associated and joint venture companies	-	-	2.4	8.7	-	(1.1)	-	10.0	(0.7)	9.3
Other comprehensive income for the financial period, net of tax	-	-	2.4	(14.2)	-	(151.2)	-	(163.0)	(8.8)	(171.8)
Profit for the financial period	-	-	-	-	-	-	238.5	238.5	20.6	259.1
Total comprehensive income for the financial period	-	-	2.4	(14.2)	-	(151.2)	238.5	75.5	11.8	87.3
<u>Transactions with owners, recorded directly in equity</u>										
<u>Contributions by and distributions to owners</u>										
Conversion of convertible bonds	771.9	-	(62.3)	-	-	-	-	709.6	-	709.6
Changes in ownership interest without loss of control	-	-	0.2	-	(5.3)	-	1.0	(4.1)	2.4	(1.7)
Share-based compensation expense	-	-	-	-	14.9	-	-	14.9	-	14.9
Purchase of treasury shares	-	(12.5)	-	-	-	-	-	(12.5)	-	(12.5)
Treasury shares reissued pursuant to equity compensation plans	-	22.1	(0.2)	-	(21.2)	-	-	0.7	-	0.7
Dividends	-	-	-	-	-	-	(909.9)	(909.9)	(19.2)	(929.1)
Total contributions by and distributions to owners	771.9	9.6	(62.3)	-	(11.6)	-	(908.9)	(201.3)	(16.8)	(218.1)
Balance at 30 September 2025	7,952.8	(16.9)	(190.8)	(39.4)	20.0	2.0	7,802.7	15,530.4	408.8	15,939.2

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

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2024 (in \$ million)**

The Group	Attributable to Owners of the Company								Total	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			
Balance at 1 April 2024	7,180.4	1,547.5	(37.5)	(116.7)	(22.4)	32.2	448.7	7,305.7	16,337.9	406.7	16,744.6
Comprehensive income											
Currency translation differences	-	-	-	-	(32.2)	-	-	-	(32.2)	(10.0)	(42.2)
Net fair value changes on cash flow hedges	-	-	-	-	-	-	(433.8)	-	(433.8)	-	(433.8)
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	(4.0)	-	4.3	-	0.3	1.3	1.6
Other comprehensive income for the financial period, net of tax	-	-	-	-	(36.2)	-	(429.5)	-	(465.7)	(8.7)	(474.4)
Profit for the financial period	-	-	-	-	-	-	-	742.0	742.0	17.2	759.2
Total comprehensive income for the financial period	-	-	-	-	(36.2)	-	(429.5)	742.0	276.3	8.5	284.8
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Redemption of mandatory convertible bonds	-	(1,547.5)	-	-	-	-	-	(197.1)	(1,744.6)	-	(1,744.6)
Changes in ownership interest without loss of control	-	-	-	-	-	(4.8)	-	(2.4)	(7.2)	(1.5)	(8.7)
Share-based compensation expense	-	-	-	-	-	14.3	-	-	14.3	-	14.3
Purchase of treasury shares	-	-	(30.3)	-	-	-	-	-	(30.3)	-	(30.3)
Ordinary shares issued pursuant to equity compensation plans	0.5	-	-	-	-	(0.5)	-	-	-	-	-
Treasury shares reissued pursuant to equity compensation plans	-	-	41.3	(19.5)	-	(20.9)	-	-	0.9	-	0.9
Dividends	-	-	-	-	-	-	-	(1,131.5)	(1,131.5)	(16.2)	(1,147.7)
Total contributions by and distributions to owners	0.5	(1,547.5)	11.0	(19.5)	-	(11.9)	-	(1,331.0)	(2,898.4)	(17.7)	(2,916.1)
Changes in ownership interests in subsidiary companies											
Acquisition of non-controlling interests without change in control	-	-	-	(0.7)	-	-	-	-	(0.7)	0.7	-
Total transactions with owners	0.5	(1,547.5)	11.0	(20.2)	-	(11.9)	-	(1,331.0)	(2,899.1)	(17.0)	(2,916.1)
Balance at 30 September 2024	7,180.9	-	(26.5)	(136.9)	(58.6)	20.3	19.2	6,716.7	13,715.1	398.2	14,113.3

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

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025 (in \$ million)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2025	7,180.9	(26.5)	(929.2)	26.2	154.4	10,090.3	16,496.1
<u>Comprehensive income</u>							
Net fair value changes on cash flow hedges	-	-	-	-	(144.7)	-	(144.7)
Other comprehensive income for the financial period, net of tax	-	-	-	-	(144.7)	-	(144.7)
Profit for the financial period	-	-	-	-	-	720.0	720.0
Total comprehensive income for the financial period	-	-	-	-	(144.7)	720.0	575.3
<u>Transactions with owners, recorded directly in equity</u>							
<u>Contributions by and distributions to owners</u>							
Conversion of convertible bonds	771.9	-	(62.3)	-	-	-	709.6
Share-based compensation expense	-	-	-	11.7	-	-	11.7
Purchase of treasury shares	-	(12.5)	-	-	-	-	(12.5)
Treasury shares reissued pursuant to equity compensation plans	-	22.1	(0.2)	(21.2)	-	-	0.7
Dividends	-	-	-	-	-	(909.9)	(909.9)
Total transactions with owners	771.9	9.6	(62.5)	(9.5)	-	(909.9)	(200.4)
Balance at 30 September 2025	7,952.8	(16.9)	(991.7)	16.7	9.7	9,900.4	16,871.0

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

**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2024 (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 2024	7,180.4	1,547.5	(37.5)	(909.7)	26.4	419.8	9,243.0	17,469.9
<u>Comprehensive income</u>								
Net fair value changes on cash flow hedges	-	-	-	-	-	(390.0)	-	(390.0)
Other comprehensive income for the financial period, net of tax	-	-	-	-	-	(390.0)	-	(390.0)
Profit for the financial period	-	-	-	-	-	-	909.7	909.7
Total comprehensive income for the financial period	-	-	-	-	-	(390.0)	909.7	519.7
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Redemption of mandatory convertible bonds	-	(1,547.5)	-	-	-	-	(197.1)	(1,744.6)
Share-based compensation expense	-	-	-	-	12.1	-	-	12.1
Purchase of treasury shares	-	-	(30.3)	-	-	-	-	(30.3)
Ordinary shares issued pursuant to equity compensation plans	0.5	-	-	-	(0.5)	-	-	-
Treasury shares reissued pursuant to equity compensation plans	-	-	41.3	(19.5)	(20.9)	-	-	0.9
Dividends	-	-	-	-	-	-	(1,131.5)	(1,131.5)
Total transactions with owners	0.5	(1,547.5)	11.0	(19.5)	(9.3)	-	(1,328.6)	(2,893.4)
Balance at 30 September 2024	7,180.9	-	(26.5)	(929.2)	17.1	29.8	8,824.1	15,096.2

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025 (in \$ million)**

	The Group	
	1 st Half FY2025/26	1 st Half FY2024/25
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	426.0	931.0
Adjustments for:		
Depreciation	1,211.1	1,122.8
Amortisation of intangible assets	37.8	35.7
Impairment/(Write-back of impairment) of trade debtors	0.5	(5.9)
Writedown of inventories	6.3	4.8
Income from short-term investments	(0.8)	(0.8)
Provisions	94.9	41.8
Share-based compensation expense	14.9	14.3
Exchange differences	2.7	94.7
Net gain on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	(3.1)	(1.9)
Gain on lease remeasurement	(0.4)	-
Finance charges	180.3	198.9
Interest income	(163.6)	(266.5)
Loss on disposal of aircraft, spares and spare engines	0.3	5.9
Dividends from long-term investments	(0.1)	(2.1)
Fair value gain from foreign currency derivatives	(0.7)	(0.9)
Other non-operating items	4.0	(8.7)
Share of profits of joint venture companies	(19.4)	(21.5)
Share of losses/(profits) of associated companies	375.4	(41.4)
Operating cash flow before working capital changes	2,166.1	2,100.2
Decrease in trade and other creditors	(899.6)	(487.3)
Increase/(Decrease) in sales in advance of carriage	133.9	(30.0)
Decrease in trade debtors	69.5	187.8
Decrease in deposits and other debtors	55.9	88.1
(Increase)/Decrease in prepayments	(36.1)	10.3
Decrease in restricted cash balances	2.6	2.4
Increase in inventories	(11.2)	(49.4)
Increase in deferred revenue	78.9	106.3
Cash generated from operations	1,560.0	1,928.4
Income taxes paid	(6.1)	(6.7)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,553.9	1,921.7

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025 (in \$ million)**

	The Group	
	1 st Half	1 st Half
	FY2025/26	FY2024/25
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(736.3)	(751.1)
Purchase of intangible assets	(70.9)	(56.1)
Proceeds/(Payments for) from disposal of aircraft and other property, plant and equipment	1.9	(0.6)
Proceeds from disposal of assets held for sale	0.6	0.4
Purchase of long-term investments	(1.5)	-
Proceeds from disposal of long-term investments	11.8	11.4
Purchase of short-term investments	(101.8)	(43.5)
Proceeds from disposal of short-term investments	49.0	43.1
Dividends received from associated and joint venture companies	5.3	5.1
Dividends received from investments	0.1	2.1
Interest received from investments and deposits	172.7	249.2
Investments in associated companies	-	(10.6)
Placement of fixed deposits with original maturities of more than 12 months	(384.0)	(93.8)
Proceeds from maturity of fixed deposits with original maturity of more than 12 months	33.6	-
NET CASH USED IN INVESTING ACTIVITIES	(1,019.5)	(644.4)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(909.9)	(1,131.5)
Dividends paid by subsidiary companies to non-controlling interests	(19.2)	(16.2)
Interest paid	(125.9)	(134.5)
Redemption of mandatory convertible bonds	-	(1,744.6)
Repayment of bonds	(700.0)	(300.0)
Proceeds from borrowings	127.8	790.9
Repayment of borrowings	(355.1)	(310.7)
Repayment of lease liabilities	(302.0)	(338.8)
Payment of transaction costs related to borrowings	-	(4.8)
Purchase of treasury shares	(12.5)	(30.3)
NET CASH USED IN FINANCING ACTIVITIES	(2,296.8)	(3,220.5)
NET CASH OUTFLOW	(1,762.4)	(1,943.2)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	8,257.1	11,256.0
Effect of exchange rate changes	(47.7)	(266.6)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	6,447.0	9,046.2
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	5,288.9	7,277.3
Cash and bank balances	1,158.1	1,768.9
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	6,447.0	9,046.2

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

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the Half Year Ended 30 September 2025**

1 Corporate Information

Singapore Airlines Limited ("the Company") is a limited liability company incorporated and domiciled in the Republic of Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and is a subsidiary company of Temasek Holdings (Private) Limited ("Temasek"), incorporated in the Republic of Singapore.

The condensed interim financial statements ("interim financial statements") of the Group as at and for the six months ended 30 September 2025 comprise the Company and its subsidiary companies (together referred to as "the Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

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

2 Basis of Preparation

These interim financial statements for the six months ended 30 September 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore and IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 March 2025 ("last annual financial statements"). They do not include all of the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The Group has applied the same accounting policies and methods of computation in the preparation of the interim financial statements for the current reporting period as the last audited financial statements except for the adoption of SFRS(I) and International Financial Reporting Standards ("IFRS") that are mandatory for financial year beginning on or after 1 April 2025. The adoption of these SFRS(I) and IFRS have no significant impact on the financial statements. All references to SFRS(I)s and IFRSs are subsequently referred to as IFRS in the financial statements.

3 Significant Accounting Estimates and Critical Judgements

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

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

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

4 Seasonal Operations

The Group's passenger and cargo businesses are exposed to seasonality. Passenger business is generally better during the summer season and year end peaks in the second and third quarters, while cargo business has a pronounced peak at the end of the calendar year.

5 Segment Information (in \$ million)

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

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

Other services provided by the Group, such as tour activities, payments and lifestyle app, and sale of merchandise, have been aggregated under the segment "Others". None of these segments meets any of the quantitative thresholds for determining reportable segments in 1H FY2025/26 or 1H FY2024/25.

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

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

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

Business segments

The Group's business is organised and managed separately according to the nature of the services provided. The following table presents revenue and profit information regarding business segments for the half years ended 30 September 2025 and 2024 and certain assets and liabilities information of the business segments as at those dates.

1 st Half FY2025/26	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	8,233.8	1,075.1	316.7	49.6	9,675.2	-	9,675.2
Inter-segment revenue	30.0	52.5	412.3	46.0	540.8	(540.8)	-
	8,263.8	1,127.6	729.0	95.6	10,216.0	(540.8)	9,675.2
RESULTS							
Segment result	840.2	(39.0)	13.0	(7.8)	806.4	(3.5)	802.9
Finance charges	(184.4)	(35.4)	(1.8)	(0.5)	(222.1)	41.8	(180.3)
Interest income	169.5	24.2	7.5	3.4	204.6	(41.0)	163.6
Loss on disposal of aircraft, spares and spare engines	(0.3)	-	-	-	(0.3)	-	(0.3)
Dividends from long-term investments	0.1	-	-	-	0.1	-	0.1
Other non-operating items	(3.9)	-	-	(0.1)	(4.0)	-	(4.0)
Share of profits of joint venture companies	0.7	-	18.7	-	19.4	-	19.4
Share of (losses)/profits of associated companies	(428.0)	-	52.6	-	(375.4)	-	(375.4)
Taxation	(163.5)	2.9	(5.2)	(1.1)	(166.9)	-	(166.9)
Profit/(Loss) for the financial period	230.4	(47.3)	84.8	(6.1)	261.8	(2.7)	259.1
Attributable to:							
Owners of the Company							238.5
Non-controlling interests							20.6
							259.1

* Relates to inter-segment transactions eliminated on consolidation.

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

Business segments (continued)

1st Half FY2024/25	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	8,132.6	1,086.8	234.1	43.9	9,497.4	-	9,497.4
Inter-segment revenue	28.9	43.2	342.1	46.3	460.5	(460.5)	-
	<u>8,161.5</u>	<u>1,130.0</u>	<u>576.2</u>	<u>90.2</u>	<u>9,957.9</u>	<u>(460.5)</u>	<u>9,497.4</u>
RESULTS							
Segment result	785.9	6.8	3.4	(1.8)	794.3	1.3	795.6
Finance charges	(224.5)	(37.7)	(2.1)	0.9	(263.4)	64.5	(198.9)
Interest income	273.2	37.3	11.1	8.2	329.8	(63.3)	266.5
Loss on disposal of aircraft, spares and spare engines	(5.9)	-	-	-	(5.9)	-	(5.9)
Dividends from long-term investments	2.1	-	-	-	2.1	-	2.1
Other non-operating items	8.6	-	(0.4)	0.5	8.7	-	8.7
Share of profits of joint venture companies	1.1	-	20.4	-	21.5	-	21.5
Share of profits of associated companies	3.2	-	38.2	-	41.4	-	41.4
Taxation	(157.1)	(11.1)	(0.5)	(3.1)	(171.8)	-	(171.8)
Profit/(Loss) for the financial period	<u>686.6</u>	<u>(4.7)</u>	<u>70.1</u>	<u>4.7</u>	<u>756.7</u>	<u>2.5</u>	<u>759.2</u>
Attributable to:							
Owners of the Company							742.0
Non-controlling interests							<u>17.2</u>
							<u>759.2</u>

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

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

Business segments (continued)

OTHER INFORMATION

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 30 SEPTEMBER 2025							
Segment assets	32,451.8	5,572.3	1,222.6	606.6	39,853.3	(2,054.1)	37,799.2
Investments in associated and joint venture companies	1,949.1	-	869.8	-	2,818.9	-	2,818.9
Long-term investments	38.5	-	-	3.3	41.8	-	41.8
Total assets	34,439.4	5,572.3	2,092.4	609.9	42,714.0	(2,054.1)	40,659.9
Segment liabilities	10,758.9	956.3	282.2	160.0	12,157.4	(2,032.9)	10,124.5
Lease liabilities	1,963.6	1,049.5	84.8	10.8	3,108.7	(32.0)	3,076.7
Long-term liabilities	240.9	0.7	-	-	241.6	-	241.6
Provisions	738.2	569.0	6.4	2.2	1,315.8	-	1,315.8
Defined benefit plans	53.8	-	-	-	53.8	-	53.8
Borrowings	7,648.0	131.2	4.9	14.0	7,798.1	-	7,798.1
Tax liabilities	2,108.2	(15.3)	(1.8)	19.1	2,110.2	-	2,110.2
Total liabilities	23,511.6	2,691.4	376.5	206.1	26,785.6	(2,064.9)	24,720.7

* Relates to inter-segment transactions eliminated on consolidation.

5

Segment Information (in \$ million) (continued)

Business segments (continued)

OTHER INFORMATION

	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
AS AT 31 MARCH 2025							
Segment assets	34,748.2	5,944.3	1,294.0	588.3	42,574.8	(2,727.1)	39,847.7
Investments in associated and joint venture companies	2,367.0	-	832.6	-	3,199.6	-	3,199.6
Long-term investments	36.2	-	-	3.3	39.5	-	39.5
Total assets	37,151.4	5,944.3	2,126.6	591.6	45,813.9	(2,727.1)	43,086.8
Segment liabilities	11,760.4	1,077.6	302.0	153.8	13,293.8	(2,693.1)	10,600.7
Lease liabilities	2,210.7	1,135.5	80.5	10.5	3,437.2	(33.6)	3,403.6
Long-term liabilities	137.6	-	-	-	137.6	-	137.6
Provisions	685.6	657.8	3.5	2.2	1,349.1	-	1,349.1
Defined benefit plans	58.1	-	-	-	58.1	-	58.1
Borrowings	9,337.8	155.0	4.7	13.2	9,510.7	-	9,510.7
Tax liabilities	1,955.5	(11.1)	(5.6)	18.2	1,957.0	-	1,957.0
Total liabilities	26,145.7	3,014.8	385.1	197.9	29,743.5	(2,726.7)	27,016.8

* Relates to inter-segment transactions eliminated on consolidation.

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

Geographical segments

The following table presents revenue information on airline operations by geographical areas for the half years ended 30 September 2025 and 2024.

	By area of original sale	
	1 st Half	1 st Half
	FY2025/26	FY2024/25
East Asia	4,876.5	4,824.9
Europe	1,138.0	1,117.2
South West Pacific	1,509.4	1,501.5
Americas	633.6	646.2
West Asia and Africa	691.7	669.3
Systemwide	8,849.2	8,759.1
Non-scheduled services and incidental revenue	542.2	532.4
	9,391.4	9,291.5

No single customer contributed to more than 10% of the Group's revenue during the half years ended 30 September 2025 and 2024.

6 Operating Profit (in \$ million)

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

	The Group	
	1 st Half	1 st Half
	FY2025/26	FY2024/25
Interest income from short-term investments	(0.7)	(0.7)
Dividend income from short-term investments	(0.1)	(0.1)
Gain on disposal of short-term investments	(0.4)	(0.4)
Bad debts written off	0.1	3.3
Impairment/(Write-back of impairment) of trade debtors	0.5	(5.9)
Writedown of inventories	6.3	4.8
Exchange loss, net	37.4	23.5
Currency hedging gain	(27.0)	(14.1)
Fair value changes of foreign currency derivatives	(0.7)	(0.9)
Fuel hedging loss/(gain) recognised in "Fuel costs"	75.0	(67.9)
Net gain on financial assets mandatorily measured at FVTPL	(3.1)	(1.9)
Gain on lease remeasurement	(0.4)	-

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

	The Group	
	1 st Half	1 st Half
	FY2025/26	FY2024/25
Write-back of provision for expected credit losses on investments	1.0	0.6
Net gain on financial instruments mandatorily measured at FVTPL	0.2	0.6
Headcount rationalisation costs	(0.1)	0.1
Cancellation charges	(5.1)	-
Write-back of provision for onerous contracts	-	7.7
Loss on disposal of other property, plant and equipment	-	(0.3)
	(4.0)	8.7

8 Taxation (in \$ million)

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Major components of income tax expense

The major components of income tax expense for the half years ended 30 September 2025 and 2024 are:

	The Group	
	1 st Half FY2025/26	1 st Half FY2024/25
<u>Current taxation</u>		
Provision for the period	7.5	8.5
Over provision in respect of prior years	(0.6)	(0.3)
	<u>6.9</u>	<u>8.2</u>
<u>Deferred taxation</u>		
Movement in temporary differences	160.5	185.4
Over provision in respect of prior years	(0.5)	(21.8)
	<u>160.0</u>	<u>163.6</u>
	<u>166.9</u>	<u>171.8</u>

The Group has tax losses and deductible temporary differences (for which no deferred tax asset has been recognised) of approximately \$268.9 million (31 March 2025: \$245.2 million) that are available for offset against future taxable profits of the companies. This is due to the uncertainty of the recoverability of the deferred tax asset.

The Group's current taxation for 1H FY2025/26 reflects the utilisation of capital allowances that the Group had deferred in prior years.

9 Share Capital (in \$ million)

	The Group and the Company			
	Number of shares		Amount	
	2025	2024	2025	2024
Issued and fully paid share capital				
Ordinary shares				
Balance at 1 April	2,977,670,407	2,977,590,128	7,180.9	7,180.4
Shares issued pursuant to conversion of convertible bonds	149,862,405	-	771.9	-
Shares issued pursuant to equity compensation plans	-	80,279	-	0.5
Balance at 30 September	3,127,532,812	2,977,670,407	7,952.8	7,180.9
Special share				
Balance at 1 April and 30 September	1	1	#	#

The value is \$0.50

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

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

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

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

As at 30 September 2025, none of the Company's subsidiaries held any shares in the Company (31 March 2025: Nil).

Share-based Incentive Plans

The SIA Restricted Share Plan 2024 ("RSP 2024") and the SIA Performance Share Plan 2024 ("PSP 2024") are share-based incentive plans for senior executives and key Senior Management, which were approved by the shareholders of the Company at the Annual General Meeting held on 29 July 2024.

The RSP 2024 awards fully paid ordinary shares of the Company, conditional on position and individual performance targets set at the start of the one-year performance period based on annual Group and Company objectives.

In respect of FY2025/26 Strategic Share Award ("SSA") under the RSP 2024, the award made in July 2025 to Senior Management (Senior Vice Presidents and above) was based on Board Compensation & Industrial Relations Committee ("BCIRC") assessment of SIA Management's post Covid-19 recovery.

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

Share-based Incentive Plans (continued)

The FY2025/26 RSP 2024 award was made in July 2025 on a contingent performance basis to Senior Management and other key executives (Vice Presidents and Divisional Vice Presidents).

The PSP 2024 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 as well as a carbon emissions reduction target.

The FY2025/26 PSP 2024 award was made in July 2025 on a contingent performance basis to Senior Management.

Movement of share awards during the financial period

<u>Number of Share Awards</u>						
Date of grant	Balance at 1 April 2025	Granted	Adjustment	Cancelled	Vested	Balance at 30 September 2025
<u>RSP</u>						
14.07.2022	589,160	-	-	(9,724)	(579,436)	-
18.07.2023	996,336	-	-	(19,890)	(506,206)	470,240
17.07.2024	1,534,768	-	(5,388) #	(38,153)	(522,751)	968,476
18.07.2025	-	1,920,352	-	(27,097)	-	1,893,255
	3,120,264	1,920,352	(5,388)	(94,864)	(1,608,393)	3,331,971
<u>PSP</u>						
14.07.2022	666,516	-	279,664 #	-	(946,180)	-
18.07.2023	497,376	-	-	-	-	497,376
17.07.2024	454,243	-	-	-	-	454,243
18.07.2025	-	942,862	-	-	-	942,862
	1,618,135	942,862	279,664	-	(946,180)	1,894,481
<u>SSA</u>						
23.12.2022	9,075	-	7,260 ^	-	(16,335)	-
18.07.2023	314,375	-	251,500 ^	-	(565,875)	-
31.07.2023	11,350	-	-	-	(5,675)	5,675
17.07.2024	260,150	-	-	-	(130,075)	130,075
18.07.2025	-	543,100	-	-	(271,550)	271,550
	594,950	543,100	258,760	-	(989,510)	407,300

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 period.

10 Treasury Shares (in \$ million)

	The Group and the Company	
	Number of shares	Amount
Balance at 1 April 2025	4,397,526	(26.5)
Purchase of treasury shares	2,040,000	(12.5)
Treasury shares transferred on vesting of share-based incentive plans	(3,544,083)	21.5
Treasury shares transferred on payment of Directors' remuneration	(107,400)	0.6
Balance at 30 September 2025	2,786,043	(16.9)

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

During the financial period, the Company purchased 2,040,000 treasury shares (FY2024/25: 4,994,000).

As at 30 September 2025, the number of ordinary shares in issue was 3,127,532,812 of which 2,786,043 were held by the Company as treasury shares (31 March 2025: 2,977,670,407 ordinary shares of which 4,397,526 were held as treasury shares).

11 Borrowings (in \$ million)

	The Group	
	30 September 2025	31 March 2025
Amount repayable in one year or less, or on demand		
<u>Secured</u>		
Loans	669.2	661.0
<u>Unsecured</u>		
Notes payable	644.2	700.0
Loans	116.1	14.7
Convertible bonds	135.9	837.7
	896.2	1,552.4
	1,565.4	2,213.4
Amount repayable after one year		
<u>Secured</u>		
Loans	2,988.7	3,328.9
<u>Unsecured</u>		
Notes payable	3,241.3	3,965.2
Loans	2.7	3.2
	3,244.0	3,968.4
	6,232.7	7,297.3
Total Borrowings	7,798.1	9,510.7

11 Borrowings (in \$ million) (continued)

Details of any collateral

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

Lease Liabilities

Excluded from the borrowings above are lease liabilities of \$3,076.7 million (31 March 2025: \$3,403.6 million) which are secured over the right-of-use assets.

Convertible Bonds

	The Group 2025
Balance at 1 April	837.7
Amortised bond principal	7.0
Amortised transaction costs	0.8
Conversion of convertible bonds	(709.6)
Balance at 30 September	135.9

The Company held \$136.3 million in principal amount of convertible bonds due in 2025. These convertible bonds bear interest at 1.625% per annum, payable semi-annually in arrears.

The bonds are convertible at the option of the holder, at the prevailing conversion price from 13 January 2021 to 24 November 2025 (both dates inclusive).

Following the declaration of dividends, the Company adjusted the conversion price of the convertible bonds in accordance with the terms and conditions set out in the Trust Deed, as follows:

Dividends declared	Conversion price per share		Effective date
	Before adjustment	After adjustment	
FY2024/25 final dividend of 30.0 cents per share	4.8945	4.6761	12 August 2025
FY2024/25 interim dividend of 10.0 cents per share	4.9714	4.8945	27 November 2024

The convertible bonds are convertible to 29,137,529 (31 March 2025: 173,613,239 ordinary shares) ordinary shares upon conversion.

The equity conversion component on initial recognition of the convertible bonds was \$74.3 million. The remaining balance as at 30 September 2025 was \$11.9 million after conversion of the convertible bonds.

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

The Group

	Aircraft	Aircraft spares and spare engines	Advance and progress payments	Others	Total
Cost					
At 1 April 2025	27,759.6	1,143.0	5,360.8	1,711.6	35,975.0
Additions	265.5	20.2	502.8	15.0	803.5
Transfers	898.9	(27.5)	(889.5)	18.1	-
Disposals	(226.9)	(3.4)	-	(12.6)	(242.9)
Exchange differences	(70.9)	(0.3)	3.0	(7.4)	(75.6)
At 30 September 2025	28,626.2	1,132.0	4,977.1	1,724.7	36,460.0
Accumulated depreciation and impairment losses					
At 1 April 2025	10,330.9	657.0	-	1,506.2	12,494.1
Depreciation	909.8	22.9	-	27.9	960.6
Transfers	4.8	(4.8)	-	-	-
Disposals	(203.7)	(0.7)	-	(12.5)	(216.9)
Exchange differences	-	(0.2)	-	(2.1)	(2.3)
At 30 September 2025	11,041.8	674.2	-	1,519.5	13,235.5
Net book value					
At 1 April 2025	17,428.7	486.0	5,360.8	205.4	23,480.9
At 30 September 2025	17,584.4	457.8	4,977.1	205.2	23,224.5

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

	Aircraft	Aircraft spare engines	Others	Total
At 1 April 2025	2,660.7	163.7	263.0	3,087.4
Additions	31.8	-	39.6	71.4
Reassessment and modifications	-	-	(0.6)	(0.6)
Depreciation	(199.7)	(13.8)	(37.0)	(250.5)
At 30 September 2025	2,492.8	149.9	265.0	2,907.7

14 Subsidiary Companies

During the financial period:

1. The Company injected \$10.0 million in KrisShop Pte. Ltd.
2. The Company injected \$7.5 million in Kris+ Pte. Ltd.
3. The Company injected \$0.3 million in Singapore Airlines Foundation Limited.

15 Associated Companies (in \$ million)

Acquisition of Air India Limited

Goodwill arising from the acquisition of Air India Limited, as part of the Company's strategy to strengthen SIA's position in the fast-growing Indian aviation market which complements its Singapore hub, has been recognised, following the completion of the Purchase Price Allocation exercise.

Identifiable assets acquired and liabilities assumed

The fair value of identifiable assets acquired and liabilities assumed at the acquisition date are summarised below:

	At date of acquisition
Property, plant and equipment	2,090.6
Right-of-use assets	1,972.4
Brand and trademarks	430.0
Airport slots	230.2
Investments	275.8
Lease liabilities	(2,035.7)
Contingent liabilities	(47.4)
Net working capital	148.6
Borrowings	(1,598.7)
Provisions	(507.6)
Deferred revenue	(419.0)
Deferred tax liabilities	(199.9)
Other assets and liabilities	190.5
Net identifiable assets at fair value	<u>529.8</u>
Consideration transferred	1,921.3
Less: Net identifiable assets at fair value	<u>(529.8)</u>
Goodwill arising from acquisition	<u><u>1,391.5</u></u>

15 Associated Companies (in \$ million) (continued)

Measurement of fair value

The valuation techniques used for measuring fair value of material assets acquired and liabilities assumed were as follows:

Assets acquired and Liabilities assumed	Valuation technique
Property, plant and equipment	Market comparison technique This approach considers market prices for similar items when they are available.
Brand and trademarks	Relief from Royalty Method This method considers the discounted estimated royalty payments that are expected to be avoided as result of the trademark being owned.
Airport slots	Multi-Period Excess Earnings Method This method computes the value of the airport slots by using the present value of the after-tax cash flows attributable to the capacity-constrained airport slots only.
Right-of-use assets	Adjusted present value of remaining lease payments Right-of-use assets are measured as the present value of remaining lease payments, adjusted for favourable or unfavourable terms. The identification and measurement of such favourable or unfavourable terms is based on the Market comparison technique. Market comparison technique This approach considers market prices for similar items when they are available.
Lease liabilities	Adjusted present value of remaining lease payments Lease liabilities are measured as the present value of remaining lease payments.

Contingent liabilities

The liabilities assumed at date of acquisition include contingent liabilities arising from various taxation disputes and legal claims.

16 Fixed Deposits Placed with Original Maturities of More Than 12 Months

The Group held \$2,060.2 million (31 March 2025: \$1,781.1 million) in fixed deposits that were placed with original maturities of more than 12 months, with \$1,288.5 million (31 March 2025: \$421.1 million) classified as "Other short-term assets" and \$771.7 million (31 March 2025: \$1,360.0 million) classified as "Other long-term assets". These fixed deposits are denominated in USD and are held to hedge against foreign currency risk for a portion of the forecast USD capital expenditure.

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

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

	The Group	
	1 st Half FY2025/26	1 st Half FY2024/25
Revenue recognised that was included in the balance at the beginning of the period		
- Sales in advance of carriage	3,134.1	3,132.2
- Deferred revenue	417.0	394.4

Deferred revenue relates to KrisFlyer and KrisPay miles expected to be redeemed. The Group expects the majority of these miles to be redeemed by the end of their validity dates.

All tickets sold at any given point of time have travel dates extending up to 12 months. As a result, the balance of the sales in advance of carriage liability represents activity that will typically be recognised in the next 12 months.

18 Significant Commitment and Contingent Liabilities

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

19 Financial Instruments (in \$ million)

Classification and fair values of financial instruments

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

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

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

Classification and fair values of financial instruments (continued)

The Group	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
30 September 2025							
Financial assets							
Long-term investments							
Quoted							
Non-equity investments	0.9	-	-	0.9	0.9	-	-
Unquoted							
Equity investments	-	38.2	2.7	40.9	-	-	40.9
Other long-term receivables	49.9	-	-	49.9	-	-	43.1
Derivative assets*	-	198.6	-	198.6	-	198.6	-
Investments							
Quoted							
Equity investments	-	6.4	-	6.4	6.4	-	-
Non-equity investments*	-	55.9	-	55.9	55.9	-	-
Non-equity investments	456.6	-	-	456.6	456.6	-	-
Unquoted							
Non-equity investments*	-	50.2	-	50.2	-	50.2	-
	507.4	349.3	2.7	859.4	519.8	248.8	84.0
Financial liabilities							
Derivative liabilities*	-	318.7	-	318.7	-	318.7	-
Notes payable	3,885.5	-	-	3,885.5	3,966.3	-	-
Convertible bonds	135.9 [#]	-	-	135.9	189.2	-	-
	4,021.4	318.7	-	4,340.1	4,155.5	318.7	-

* Mandatorily measured at FVTPL

[#] Excludes the equity conversion component of \$11.9 million which is recognised in capital reserve

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

Classification and fair values of financial instruments (continued)

The Group	Carrying amount				Fair value		
	Amortised cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3
31 March 2025							
Financial assets							
Long-term investments							
Unquoted							
Equity investments	-	38.2	1.3	39.5	-	-	39.5
Other long-term receivables	76.6	-	-	76.6	-	-	72.2
Derivative assets*	-	210.7	-	210.7	-	210.7	-
Investments							
Quoted							
Equity investments	-	3.7	-	3.7	3.7	-	-
Non-equity investments*	-	52.6	-	52.6	52.6	-	-
Non-equity investments	463.4	-	-	463.4	463.4	-	-
	540.0	305.2	1.3	846.5	519.7	210.7	111.7
Financial liabilities							
Derivative liabilities*	-	169.9	-	169.9	-	169.9	-
Notes payable	4,665.2	-	-	4,665.2	4,668.3	-	-
Convertible bonds	837.7 #	-	-	837.7	1,180.7	-	-
	5,502.9	169.9	-	5,672.8	5,849.0	169.9	-

* Mandatorily measured at FVTPL

Excludes the equity conversion component of \$74.3 million which is recognised in capital reserve

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

Classification and fair values of financial instruments (continued)

Financial instruments carried at fair value

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3 – Unobservable inputs for the asset or liability

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

Determination of fair value

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

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

20 Related Party Transactions

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

Key Management Personnel Remuneration of the Group

The remuneration system applied to the Key Management Personnel (the Chief Executive Officer ("CEO") and Executive Vice Presidents ("EVPs")) is set out in the latest SIA annual report covering FY2024/25.

OTHER INFORMATION FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025

1 Audit

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

2 Auditors' report

Not applicable.

3 Review of performance of the Group

GROUP FINANCIAL PERFORMANCE

First Half FY2025/26 – Profit and Loss

The Group financial performance for the first half FY2025/26 is summarised as follows:

Group Financial Results	1 st Half FY2025/26 (\$ million)	1 st Half FY2024/25 (\$ million)	Better/ (Worse) (%)	2 nd Quarter FY2025/26 (\$ million)	2 nd Quarter FY2024/25 (\$ million)	Better/ (Worse) (%)
Total Revenue	9,675	9,497	1.9	4,885	4,779	2.2
Total Expenditure	8,872	8,702	(2.0)	4,486	4,454	(0.7)
Net Fuel Cost	2,547	2,730	6.7	1,285	1,360	5.5
<i>Fuel Cost (before hedging)</i>	<i>2,472</i>	<i>2,798</i>	<i>11.7</i>	<i>1,271</i>	<i>1,379</i>	<i>7.8</i>
<i>Fuel Hedging Loss/(Gain)</i>	<i>75</i>	<i>(68)</i>	<i>n.m.</i>	<i>15</i>	<i>(19)</i>	<i>n.m.</i>
Non-fuel Expenditure	6,325	5,972	(5.9)	3,201	3,094	(3.5)
Operating Profit	803	796	0.9	398	325	22.5
Net Profit	239	742	(67.8)	52	290	(82.1)

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

Group revenue rose by \$178 million (+1.9%) from the year before to a first half record of \$9,675 million. The demand for air travel remained strong, with SIA and Scoot carrying 20.8 million passengers, 8.0% more year-on-year. Group passenger load factor (PLF) increased by 1.3 percentage points to 87.7%, as traffic growth of 4.6% exceeded capacity expansion of 3.0%. Passenger yields declined 2.9% to 9.9 cents per revenue passenger-kilometre, driven by increased competition.

Cargo flown revenue declined by \$31 million (-2.8%) to \$1,071 million as yields fell 4.1%. Cargo load factor (CLF) fell 0.9 percentage points to 56.5%, as the 1.2% growth in cargo loads trailed capacity expansion of 2.8%.

Group expenditure rose by \$170 million (+2.0%) to \$8,872 million, as the increase in non-fuel expenditure (+\$353 million; +5.9%) outpaced the reduction in net fuel cost (-\$183 million; -6.7%). The higher non-fuel expenditure reflected the 2.9% expansion in overall capacity and inflationary pressure on several cost components. Net fuel cost fell 6.7% (-\$183 million) largely due to the 12.7% contraction in fuel prices (-\$370 million), and partially offset by higher volumes uplifted (+\$130 million) and a fuel hedging loss this year compared to a gain last year (+\$143 million).

3 Review of performance of the Group (continued)

GROUP FINANCIAL PERFORMANCE (CONTINUED)

First Half FY2025/26 – Profit and Loss (continued)

Consequently, the Group recorded an operating profit of \$803 million in the first half of FY2025/26, marginally higher versus last year (+\$7 million; +0.9%).

The Group's net profit for the first half fell by \$503 million (-67.8%) to \$239 million. Interest income fell \$103 million from lower cash balances and interest rate cuts, while the Group's share of results of associated companies was \$417 million lower year-on-year, notably reflecting Air India's losses which were not included in the previous year. The Group began equity accounting for Air India's financial performance from December 2024, following the full integration of Vistara into Air India.

Second Quarter FY2025/26 – Profit and Loss

The Group's operating profit for the second quarter rose by \$73 million (+22.5%) year-on-year to \$398 million. This was supported by the Group's record second quarter revenue of \$4,885 million, a growth of \$106 million (+2.2%). Passenger flown revenue increased by 2.2% to \$3,924 million, with the 5.1% rise in passenger traffic dampened by weaker yields (-3.0%). Cargo flown revenue was down \$21 million (-3.7%), from lower loads (-0.4%) and yields (-3.3%). CLF fell by 1.0 percentage point to 56.2%.

Group expenditure rose by \$32 million (+0.7%) to \$4,486 million, comprising a \$107 million increase (+3.5%) in non-fuel expenditure and a \$75 million reduction (-5.5%) in net fuel cost. The higher non-fuel expenditure was driven by capacity growth and cost inflation. The decline in net fuel cost was mainly due to the 8.3% drop in fuel prices (-\$119 million), and this was offset by an increase in the volume uplifted (+\$62 million) and a shift from a fuel hedging gain last year to a loss (+\$34 million).

The Group posted a second quarter net profit of \$52 million, \$238 million (-82.1%) lower than the year before. This was largely due to the share of results of associated companies (-\$295 million) and the lower interest income (-\$42 million).

3 Review of performance of the Group (continued)

BALANCE SHEET REVIEW **(September 2025 vs March 2025)**

Equity attributable to owners of the company decreased by \$126 million (-0.8%) to \$15,530 million as at 30 September 2025 largely due to the following:

- payment of FY2024/25 final dividend (-\$910 million);
- fair value losses (-\$151 million) which arose mainly from fair value movements in hedge deposits and interest rate swap contracts;
- issuance of new shares upon conversion of Convertible Bonds Due 2025 (+\$772 million); and
- net profit attributable to owners of the company for the financial period (+\$239 million).

Total Group assets decreased by \$2,427 million (-5.6%) to \$40,660 million. The decrease was mainly attributable to a decrease in cash and bank balances (-\$1,810 million), associated companies (-\$390 million), property, plant and equipment (-\$256 million), right-of-use assets (-\$180 million), partially offset by increase in other receivables and assets (+\$216 million). The reduction in cash and bank balances arose primarily due the payment of FY2024/25 final dividend (-\$910 million), capital expenditure (-\$736 million), repayment of medium term notes (-\$700 million), placement of fixed deposits with original maturity of more than 12 months (-\$384 million), lease payments (-\$302 million), net repayment of borrowings (-\$227 million) and interest payments (-\$126 million), partially offset by net cash generated from operations (+\$1,554 million) and interest received (+\$173 million).

Total Group liabilities decreased by \$2,296 million (-8.5%) to \$24,728 million, primarily arising from the decrease in borrowings (-\$1,713 million), trade and other creditors (-\$742 million), lease liabilities (-\$327 million), partially offset by an increase in deferred taxes (+\$152 million), derivative liabilities (+\$149 million), sales in advance of carriage (+\$134 million) and deferred revenue (+\$79 million).

Net Asset Value

	The Group		The Company	
	30 September 2025	31 March 2025	30 September 2025	31 March 2025
Net asset value per ordinary share (\$)	4.97	5.27	5.40	5.55

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

Not applicable.

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

OUTLOOK

Demand for air travel remains resilient heading into the third quarter of FY2025/26, supported by the year-end peak. The Group will remain proactive and agile, adjusting its passenger network and capacity to match evolving demand patterns and maximise revenue opportunities.

The air cargo segment remains uncertain amid shifting trade policies and market dynamics. While cargo volumes are growing on the back of the Group's diversified network and verticals, yields remain under pressure as airlines redeploy cargo capacity from the United States of America to other lanes.

The airline industry continues to face challenges from geopolitical tensions, macroeconomic headwinds, inflationary cost pressures, and supply chain constraints. The SIA Group remains well-positioned to navigate this environment, supported by its strong balance sheet, disciplined cost management, robust digital capabilities, and a highly talented and resilient workforce. The Group will continue to invest in the three pillars of its brand promise – service excellence, product leadership, and network connectivity – to strengthen competitiveness, and drive long-term, sustainable growth.

6 Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim	Special
Dividend Type	Cash	Cash
Dividend Amount per Share	5 cents per ordinary share	3 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

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

(c) Date payable

The interim and special dividends will be paid on 23 December 2025.

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT the Transfer Books and the Register of Members of the Company will be closed on 9 December 2025 for the purpose of determining shareholders' entitlements to the interim and special dividends. Duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. (Singapore time) on 8 December 2025 will be registered to determine shareholders' entitlements to the interim and special dividends.

Shareholders (being depositors) whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with ordinary shares of the Company as at 5:00 p.m. (Singapore time) on 8 December 2025 will be entitled to the interim and special dividends. Payment of the interim and special dividends will be made on 23 December 2025.

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

Not applicable.

The aggregate values of all Interested Person Transactions ("IPTs") entered into during the first half of the Financial Year 2025/26 are as follows:

[illegible]

[#] An associate of the Company's controlling shareholder

[@] An associate of the Company's Non-Executive Board Director

[^] Represents sponsorship for a luxury lifestyle video series produced by Refinery Media Pte Ltd.

8 Interested Person Transactions (continued)

Name of Interested Person	Nature of Relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
		(S\$)	(S\$)
Temasek Holdings (Private) Limited and Associates	#		
- BDP (Asia Pacific) Pte Ltd		-	337,647
- BDP International NV		-	104,753
- Certis CISCO Aviation Security Pte. Ltd.		-	4,441,022
- Constellar Venues Pte. Ltd.		-	155,980
- CyberProof SG Pte. Limited		-	408,000
- Mandai Park Holdings Pte. Ltd.		-	262,258
- MediaCorp Pte Ltd		-	1,270,400
- SMM Pte Ltd		-	5,344,065
- STT Singapore DC Pte. Ltd.		-	673,997
Total Interested Person Transactions		186,672	705,762,270

An associate of the Company's controlling shareholder

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

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

By Order of the Board

Brenton Wu
Company Secretary
13 November 2025

Singapore Company Registration No.: 197200078R

