

SINGAPORE AIRLINES LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 197200078R)

USE OF PROCEEDS FROM THE RIGHTS ISSUE

Singapore Airlines Limited (the “**Company**”) refers to its announcements on 26 March 2020, 13 April 2020, 15 April 2020, 30 April 2020, 8 May 2020, 2 June 2020, 5 June 2020, 8 June 2020, 16 June 2020 and 19 August 2020 (the “**Previous Announcements**”), and the offer information statement dated 8 May 2020 (the “**Offer Information Statement**”) issued by the Company in relation to the Rights Issue (as defined in the Offer Information Statement). Unless otherwise defined herein or the context otherwise requires, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Offer Information Statement.

Further to the Previous Announcements, the Company would like to announce that a further S\$1.8 billion, approximately, out of the gross proceeds of S\$8.8 billion raised from the Rights Issue has been utilised between 15 August and 13 October, as follows:

- (a) approximately S\$0.6 billion has been applied towards the funding of ongoing operating expenses;
- (b) approximately S\$0.5 billion has been applied towards refund of tickets sold on flights which have been subsequently cancelled in view of the continuing border controls and travel restrictions;
- (c) approximately S\$0.7 billion has been applied towards debt service, which included the periodic interest payments for the Company’s unsecured and secured loans, and repayment of funds previously drawn under certain lines of credit thereby restoring their availability as sources of liquidity to the Company.

The cumulative use of proceeds is approximately S\$6.2 billion for the period between 8 June 2020 and 13 October 2020. This comprised:

- (a) the one-time utilisation of S\$2.0 billion for the repayment of the bridge loan from DBS Bank Ltd, which was set up in April 2020 to provide the liquidity required by the Company prior to the completion of the rights issue in June 2020;
- (b) S\$1.3 billion for operating expenses during this period;
- (c) S\$1.1 billion for ticket refunds;
- (d) S\$1.6 billion for debt service, which included S\$0.9 billion for the repayment of lines of credit and S\$0.5 billion for the redemption of SIA’s 10-year Fixed Rate Notes on 9 July 2020; and
- (e) S\$0.2 billion for aircraft payments.

Such use of proceeds is in accordance with the intended use of proceeds stated in the Offer Information Statement. The Company will make further periodic announcements on the use of the remaining proceeds of the Rights Issue.

While international air travel continues to be affected by the pandemic, the Company will continue to be prudent and proactive in managing its liquidity.

For FY2020/21, in addition to the funds raised during the rights issue, the Company has to-date raised a total of SGD2.1 billion via loans secured on its aircraft and a short-term unsecured loan. The Company also has approximately S\$1.9 billion of lines of credit available for drawing, and up to an additional S\$6.2 billion of mandatory convertible bonds to be issued, if the crisis prolongs.

BY ORDER OF THE BOARD

Brenton Wu
Company Secretary
19 October 2020
Singapore