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SIA GROUP REPORTS FIRST QUARTER NET PROFIT OF $452 MILLION

- **Passenger flown revenue up on capacity growth and strong load factors**
- **Lower yield and rise in fuel costs contribute to lower year-on-year operating profit**
- **Airline industry continues to contend with heightened competition, supply chain constraints, inflationary cost pressures, and geopolitical uncertainties**
- **Group remains well-positioned to navigate challenges and pursue growth opportunities leveraging its robust foundations, strategic initiatives such as investments in India and deeper airline partnerships, and rigorous cost discipline**

SIA GROUP FINANCIAL PERFORMANCE

First Quarter FY2024/25 – Profit and Loss

The Singapore Airlines (SIA) Group financial performance for the first quarter of FY2024/25 is summarised as follows:

Group Financial Results	1st Quarter FY2024/25 ($ million)	1st Quarter FY2023/24 ($ million)	Better/ (Worse) (%)
Total Revenue	**4,718**	**4,479**	**5.3**
Total Expenditure	**4,248**	**3,725**	**(14.0)**
Net Fuel Cost	1,370	1,053	(30.1)
Fuel Cost (before hedging)	*1,419*	*1,154*	*(23.0)*
Fuel Hedging Gain	*(49)*	*(101)*	*(51.5)*
Non-fuel Expenditure	2,878	2,672	(7.7)
Operating Profit	**470**	**755**	**(37.7)**
Net Profit	**452**	**734**	**(38.4)**

The SIA Group's unaudited financial results for the first quarter ended 30 June 2024 were announced on 31 July 2024. A summary of the financial and operating statistics is shown in Annex A. All monetary figures are in Singapore Dollars. The Company refers to Singapore Airlines, the Parent Airline Company. The Group comprises the Company and its subsidiary, joint venture, and associated companies.

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

Group revenue increased by $239 million (+5.3%) year-on-year to $4,718 million in the three months ending 30 June 2024. Passenger flown revenue rose by $152 million (+4.1%) to $3,828 million, supported by a 13.8% increase in passengers carried, despite a 4.6% decline in yields. Passenger traffic rose 9.7% year-on-year against a 12.2% growth in capacity, resulting in a 2.0 percentage point drop in the Group passenger load factor (PLF) to 86.9%.

Cargo flown revenue was marginally lower than a year before, declining $1 million (-0.2%) to $541 million. Overall air cargo demand remained buoyant, supported by strong e-commerce flows and increased demand for air freight driven by the Red Sea crisis and port congestion. This helped to raise cargo load factor to 57.7% (+5.9 percentage points) and mitigate the impact from lower cargo yields (-19.1%) due to increased bellyhold cargo capacity.

Group expenditure rose by $523 million (+14.0%) to $4,248 million, with fuel and non-fuel expenditure increasing by $317 million (+30.1%) and $206 million (+7.7%) respectively. Net fuel cost increased to $1,370 million, mainly due to higher volumes uplifted (+$147 million), an 8.1% increase in fuel prices (+$105 million), and a lower fuel hedging gain (+$52 million). The 7.7% rise in non-fuel expenditure was less than the 11.6% increase in overall passenger and cargo capacity.

As a result, the Group's operating profit for the quarter declined by $285 million (-37.7%) from the previous year to $470 million.

In addition to the weaker operating performance, a reduction in net interest income (-$22 million), lower surplus on disposal of aircraft, spares, and spare engines (-$8 million), and lower share of profits of associated companies (-$6 million) contributed to the decline in the Group net profit to $452 million (-$282 million or -38.4%). This decline was partially mitigated by a lower tax expense (+$41 million).

Balance Sheet

As of 30 June 2024, the Group shareholders' equity decreased to $15.1 billion, down $1.3 billion from 31 March 2024, largely due to the redemption of all remaining Mandatory Convertible Bonds (MCBs). Total debt balances remained almost flat at $13.3 billion (-$0.1 million). As a result, the Group debt-equity ratio increased from 0.82 times to 0.89 times.

Cash and bank balances fell by $1.2 billion to $10.1 billion, mainly due to the redemption of all remaining MCBs. The accreted principal amount of $1,744.6 million was paid out on 24 June 2024. This was partially mitigated by the $1.2 billion of net cash generated from operations, which included proceeds from forward sales. On top of the cash on hand, the Group has access to $3.3 billion of committed lines of credit, all of which remain untapped at present.

FLEET AND NETWORK DEVELOPMENT

As of 30 June 2024, the Group's operating fleet comprised 202 passenger and freighter aircraft with an average age of seven years and four months. In the quarter, SIA added one Airbus A350-900 in April 2024, bringing its fleet to 143 passenger aircraft[1] and seven freighters. Scoot added two Embraer E190-E2 aircraft in April 2024, bringing its fleet to 52 passenger aircraft[2]. The Group has 88 aircraft on order[3].

SIA began services to Brussels (Belgium) in April 2024 and London Gatwick (the United Kingdom) in June 2024, while Scoot began Embraer E190-E2 operations to Koh Samui (Thailand) in May 2024 and Sibu (Malaysia) in June 2024. As of 30 June 2024, the Group's passenger network covered 125 destinations in 36 countries and territories[4]. SIA served 78 destinations and Scoot served 69. The cargo network reached 129 destinations in 37 countries and territories.

In June 2024, SIA announced plans to launch daily flights between Singapore and Beijing's Daxing International Airport from 11 November 2024, pending regulatory approvals. SIA will also increase its frequency to Beijing Capital International Airport to 21 weekly services from 5 August 2024[5]. As a result, SIA will operate 28 weekly services to China's capital city, reflecting its firm commitment to this key market.

Scoot will serve Subang (Malaysia) from September 2024, and is looking to add more new services in the coming months with its E190-E2 aircraft, which enables it to reach additional non-metro destinations in the region.

STRATEGIC INITIATIVES

The proposed merger of Air India and Vistara remains on course, with the Indian National Company Law Tribunal granting its approval in June 2024. The transaction remains subject to Indian foreign direct investment approval. When completed, the merger will give SIA a 25.1% stake in an enlarged Air India Group with a significant presence in all key segments of the Indian airline market. This strategic move will bolster the Group's presence in India, strengthen its multi-hub strategy, and allow it to maintain its direct involvement in this large and rapidly-growing aviation market.

The Group continues to pursue deeper win-win commercial partnerships with like-minded carriers, particularly in fast-growing markets within the Asia-Pacific region.

Note 1: SIA's 143-passenger aircraft fleet comprised 22 777-300ERs, 12 A380s, 64 A350s, 22 787-10s, seven 737-800 NGs, and 16 737- 8s.
Note 2: Scoot's 52-passenger aircraft fleet comprised 11 787-8s, 10 787-9s, 14 A320ceos, six A320neos, nine A321neos, and two Embraer E190-E2s.
Note 3: This comprises 26 Airbus aircraft (one A350, 12 A320neos, six A321neos, seven A350Fs), 55 Boeing aircraft (31 777-9s, 11 787s, 13 737-8s), and seven Embraer E190-E2 aircraft.
Note 4: Number of destinations, and countries and territories include Singapore.
Note 5: Currently, SIA has 18 weekly services to Beijing Capital International Airport.

In July 2024, SIA and Garuda Indonesia received the Competition and Consumer Commission of Singapore's approval for their commercial joint venture agreement. This paves the way for a deeper strategic alliance that potentially includes joint revenue sharing flights between Singapore and Indonesia, coordinated flight schedules to offer travellers more options and seamless connectivity between the two countries and beyond, and joint sales and marketing initiatives to deliver greater value to customers of both airlines.

SIA and Riyadh Air, an ambitious full-service carrier from Saudi Arabia that aims to begin operations in 2025, signed a strategic partnership in June 2024. This aims to explore opportunities for greater connectivity on each other's services, and to work on other potential areas of commercial cooperation.

Supporting its commitment to embed sustainability in all aspects of its operations, SIA signed a Memorandum of Understanding with Cathay Pacific Airways in June 2024 to collaborate on various sustainability initiatives. This includes promoting the development and use of sustainable aviation fuel (SAF) in the Asia-Pacific region, and exchanging best practices to boost sustainability performance. This collaboration underscores both airlines' commitment to achieving net zero carbon emissions by 2050, and their shared goal of fostering industry-wide change.

OUTLOOK

Demand for travel remained robust in the first quarter and is expected to stay healthy in the upcoming months. The Group will remain nimble and agile, while seizing growth opportunities that may arise. Passenger yields are expected to stay below the previous year's levels as more capacity enters the market, particularly in the Asia-Pacific region.

Air cargo demand has been buoyed by the strong e-commerce segment and some spillover due to the Red Sea crisis and port congestion. Although yields have moderated with the increase in bellyhold cargo capacity, they remain 18.4% above pre-pandemic levels[6].

The global airline industry continues to face challenges from increased competition, supply chain constraints, inflationary pressures on operating costs including from airports and service providers, and geopolitical uncertainties.

The SIA Group remains well-positioned to navigate these headwinds, supported by its strong balance sheet and robust digital capabilities, the long-term strategic initiatives, the three brand pillars of service excellence, network connectivity, and product leadership, as well as its firm commitment to maintaining cost discipline.

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Note 6: Based on cargo yield of 30.5 cents per load tonne-kilometre in FY2019/20.

About Singapore Airlines

The Singapore Airlines (SIA) Group's history dates to 1947 with the maiden flight of Malayan Airways. The airline was later renamed Malaysian Airways and then Malaysia-Singapore Airlines (MSA). In 1972, MSA split into Singapore Airlines and Malaysian Airline System. Initially operating a modest fleet of 10 aircraft to 22 destinations in 18 countries, SIA has since grown to be a world-class international airline group that is committed to the constant enhancement of the three main pillars of its brand promise: Service Excellence, Product Leadership, and Network Connectivity.

SIA is the world's most awarded airline. In 2024, SIA was again named in Fortune Magazine's list of the 50 most admired companies in the world. SIA is the only Singapore-based brand in the list. In February 2023, SIA was named *Airline of the Year* in the Air Transport World Airline Industry Awards. This accolade recognised SIA's outstanding performance, innovation, and superior service within the airline industry. In June 2023, SIA was named *World's Best Airline* in the 2023 Skytrax World Airline Awards, the fifth time it has won this prestigious accolade. For more information, please visit www.singaporeair.com.

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GROUP FINANCIAL STATISTICS

	1st Quarter 2024/25	1st Quarter 2023/24
Financial Results ($ million)		
Total revenue	4,718.4	4,479.4
Total expenditure	4,248.2	3,724.9
Operating profit	470.2	754.5
Profit attributable to Owners of the Company	451.7	734.0
Earnings per share (cents)		
- Basic [R1]	12.8	14.3
- Adjusted Basic [R2]	15.2	24.7
- Diluted [R3]	12.4	14.0
EBITDA ($ million) [R4]	1,218.9	1,505.1
EBITDA margin (%) [R5]	25.8	33.6

	As at 30 Jun 2024	As at 31 Mar 2024
Financial Position ($ million)		
Total assets	42,882.5	44,264.7
Total debt	13,329.6	13,448.0
Total cash and bank balances	10,093.1	11,268.8
Total liabilities	27,406.3	27,520.1
Equity attributable to Owners of the Company	15,060.8	16,337.9
Debt : equity ratio (times) [R6]	0.89	0.82
Net asset value per share ($) [R7]	5.07	5.49
Adjusted net asset value per share ($) [R8]	4.80	4.38

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

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

R3 Earnings per share (diluted) is computed by dividing profit attributable to owners of the Company (adjusted for interest on convertible bonds, net of tax) by the weighted average number of ordinary shares in issue less treasury shares, adjusted for the dilutive effect of convertible bonds and the vesting of all outstanding share-based incentive awards granted, in accordance with IAS 33.

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

R5 EBITDA margin is computed by dividing EBITDA by the total revenue.

R6 Debt : equity ratio is total debt divided by equity attributable to owners of the Company.

R7 Net asset value per share is computed by dividing equity attributable to owners of the Company by the number of ordinary shares in issue less treasury shares.

R8 Adjusted net asset value per share is computed by dividing equity attributable to owners of the Company by the number of ordinary shares in issue less treasury shares, assuming the conversion of all mandatory convertible bonds and convertible bonds.

OPERATING STATISTICS

	1st Quarter 2024/25	1st Quarter 2023/24		Change %
Singapore Airlines				
Passengers carried (thousand)	6,445	5,476	+	17.7
Revenue passenger-km (million)	29,024.9	25,932.7	+	11.9
Available seat-km (million)	33,607.4	29,426.7	+	14.2
Passenger load factor (%)	86.4	88.1	-	1.7 pts
Passenger yield (cents/pkm)	11.4	12.1	-	5.8
Revenue per available seat-km (cents/ask)	9.8	10.6	-	7.5
Passenger unit cost (cents/ask)	9.1	8.6	+	5.8
Passenger unit cost ex-fuel (cents/ask)	5.8	5.8		-
Passenger breakeven load factor (%)	79.8	71.1	+	8.7 pts
Scoot				
Passengers carried (thousand)	3,158	2,960	+	6.7
Revenue passenger-km (million)	8,195.6	7,999.8	+	2.4
Available seat-km (million)	9,212.5	8,723.5	+	5.6
Passenger load factor (%)	89.0	91.7	-	2.7 pts
Passenger yield (cents/pkm)	6.4	6.8	-	5.9
Revenue per available seat-km (cents/ask)	5.7	6.3	-	9.5
Passenger unit cost (cents/ask)	6.0	6.1	-	1.6
Passenger unit cost ex-fuel (cents/ask)	4.0	4.3	-	7.0
Passenger breakeven load factor (%)	93.8	89.7	+	4.1 pts
Group Airlines (Passenger)				
Passengers carried (thousand)	9,603	8,436	+	13.8
Revenue passenger-km (million)	37,220.5	33,932.5	+	9.7
Available seat-km (million)	42,819.9	38,150.2	+	12.2
Passenger load factor (%)	86.9	88.9	-	2.0 pts
Passenger yield (cents/pkm)	10.3	10.8	-	4.6
Revenue per available seat-km (cents/ask)	8.9	9.6	-	7.3
Group Airlines (Cargo)				
Cargo and mail carried (million kg)	273.8	214.1	+	27.9
Cargo load (million tonne-km)	1,497.3	1,215.5	+	23.2
Gross capacity (million tonne-km)	2,596.0	2,344.3	+	10.7
Cargo load factor (%)	57.7	51.8	+	5.9 pts
Cargo yield (cents/ltk)	36.1	44.6	-	19.1
Cargo unit cost (cents/ctk)	20.1	20.0	+	0.5
Cargo breakeven load factor (%)	55.7	44.8	+	10.9 pts

GLOSSARY

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
Passenger unit cost	=	Passenger operating expenditure divided by available seat-km
Passenger unit cost ex-fuel	=	Passenger operating expenditure less fuel cost, divided by available seat-km
Passenger breakeven load factor	=	Passenger unit cost expressed as a percentage of passenger yield. This is the theoretical load factor at which passenger revenue equates to the operating expenditure of passenger operations
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)
Cargo breakeven load factor	=	Cargo unit cost expressed as a percentage of cargo yield. This is the theoretical load factor at which cargo revenue equates to the operating expenditure of cargo operations