

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

ANNOUNCEMENT

**EXTRAORDINARY GENERAL MEETING IN RELATION TO
THE RIGHTS ISSUE AND THE ADDITIONAL ISSUE
ADDITIONAL INFORMATION IN RESPONSE TO QUESTIONS FROM SIAS**

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them herein and in the Circular (as defined below).

1. INTRODUCTION

The Directors refer to the Company's announcement and circular to shareholders (the "**Circular**"), each dated 15 April 2020, in relation to:

- (a) the proposed renounceable rights issue ("**Rights Issue**") of (i) up to 1,777,692,486 new ordinary shares in the capital of the Company (the "**Rights Shares**"), at an issue price of S\$3.00 for each Rights Share; and (ii) up to S\$3,496,128,555 in aggregate principal amount of mandatory convertible bonds (the "**Rights MCBs**") in the denomination of S\$1.00 for each Rights MCB, at an issue price of 100 per cent. of the principal amount of the Rights MCBs; and
- (b) the proposed issue of up to approximately S\$6.2 billion in aggregate principal amount of additional mandatory convertible bonds ("**Additional Issue**").

2. RESPONSE TO QUESTIONS FROM SIAS

The Company has received certain questions from Securities Investors Association (Singapore) ("**SIAS**") in relation to the Rights Issue, the Additional Issue and the EGM, and has prepared and is releasing with this announcement, responses to the said questions.

By Order of the Board

Brenton Wu
Company Secretary

24 April 2020
Singapore

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NOT FOR DISTRIBUTION IN THE UNITED STATES**1. Why is SIA raising such a large amount? How did you determine this amount?**

The COVID-19 pandemic has led to a global collapse in the demand for air travel. Airlines globally have been affected and SIA has not been spared either, with the impact further exacerbated by the lack of a domestic market to fall back upon. To address this collapse in demand, we have cut 96% of our capacity scheduled up to end June 2020, given the tightening of border controls around the world.

The reduction in capacity has consequently resulted in a significant decline in SIA's passenger revenues. Against this backdrop, SIA has been actively taking steps to contain its costs and conserve cash, such as deferring non-essential capital expenditure and working with suppliers and partners to push for cost reductions and payment rescheduling. It is uncertain when border controls around the world will be lifted.

During this period of uncertainty, SIA has decided to proactively build liquidity and strengthen its balance sheet through the proposed Rights Issue and the additional liquidity that can be further tapped upon through the Additional MCBs. This will also give us the financial flexibility to capture medium-to-long term growth beyond the COVID-19 situation, while also continuing the important task of fleet renewal, to improve future operating efficiencies and competitive advantages. We are also seeking to preserve our highly talented and committed employee base, which we see as a key point of differentiation between us and our competitors. Employees with years of training and experience need to be retained in order to ensure we are well-placed to emerge from this crisis as a leading global airline.

We have evaluated our liquidity and operational requirements against our sources of funding to determine the amount of S\$8.8 billion that is to be raised in the Rights Issue. We believe that the proceeds of S\$8.8 billion from the Rights Issue will allow us to meet our liquidity and operational requirements, including operating cash flow needs, capital expenditure requirements and fixed obligations, for a good part of Financial Year 2020/2021.

We intend to utilise the net proceeds from the S\$8.8 billion Rights Issue for the following purposes, or to repay any bridge financing facilities for these purposes:

Purpose	Amount	Percentage of Proceeds	Use of Proceeds
Operating cashflow	S\$3.7 billion	42%	To fund fixed costs and other operating expenses incurred during this period of reduced operations and the subsequent recovery period
Capital expenditure	S\$3.3 billion	38%	To be used for aircraft purchases and aircraft related payments
Other fixed commitments	S\$1.8 billion	20%	To be used for debt service and other contractual payments
Total	S\$8.8 billion	100%	

Furthermore, up to S\$6.2 billion of Additional MCBs may be issued within a 15-month period after the EGM, which will provide us with additional liquidity if this crisis extends for a prolonged

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period. On the other hand, this additional liquidity will also provide us with the resources to capitalise on any opportunities that may arise following the abatement of the COVID-19 pandemic from a position of strength, and position us for growth as soon as the ongoing crisis resolves.

Additionally, raising capital through the issuance of Rights Shares, Rights MCBs and, if applicable, Additional MCBs allows us to treat the entire capital raised as equity, which will strengthen our balance sheet for the future, rather than burden our balance sheet with high levels of debt that may restrict our ability to raise further financing in the future.

- 2. The rights issue may be dilutive for SIA shareholders and will significantly impact retail shareholders who do not have sufficient cash to subscribe for the rights. Why is SIA choosing to raise cash via its equity shareholders, instead of raising debt? Have you explored other means?**

Given the worsening operating environment in the aviation industry, it has become very difficult for airlines to tap the debt capital markets. We will continue to explore other traditional funding channels such as secured financing and sale-and-leaseback transactions but the opportunities remain limited in the current climate and it would not be possible to raise a similar quantum from these channels. Moreover, such transactions would create more cash outflow obligations on the airline during this period when liquidity is severely challenged.

As mentioned above, raising capital through the issuance of Rights Shares, Rights MCBs and Additional MCBs (if applicable) allows us to treat the entire capital raised as equity, which will strengthen our balance sheet for the future. With conversion only possible at the expiry of 10 years, the Rights MCBs and Additional MCBs (if applicable) also provide SIA the option to redeem the MCBs using internal cashflows, or re-finance them through other financing sources when markets recover in due course. The Rights MCBs and Additional MCBs (if issued) are not redeemable at the option of the holders.

To give our shareholders the opportunity to maintain their equity participation in SIA, the proposed transaction has been structured as a rights issue where shareholders can choose to subscribe for, partially or fully or in excess of, the Rights Shares and/or Rights MCBs provisionally allotted to them. The Rights Shares issue price of S\$3.00 per Rights Share represents a discount of ~53.8% to the last transacted price of S\$6.50 on 25 March 2020, being the last trading day prior to our announcement of the Rights Issue. Also, the Rights Issue will be offered on a renounceable basis, allowing shareholders to monetise their rights entitlements by renouncing or trading their provisional allotments of the Rights Shares and/or Rights MCBs.

- 3. The rationale of the rights issue was stated as to “strengthen the Company’s balance sheet and liquidity position” (page 28) and “to meet its ongoing financial commitments, weathering the severe disruption to global air travel caused by the COVID-19 pandemic” (page 28). However, a significant portion of the funds, 38% or S\$3.3 billion, raised is for capital expenditure (page 29). Why is there such a large percentage of the funds raised committed to capital expenditure given the stated rationale of strengthening SIA’s cashflow and balance sheet? If the funds raised are purely for cashflow and balance**

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The funds that we receive from the Rights Issue will allow us to address our cashflow requirements for near-term operations, committed capital expenditure for aircraft purchases and other fixed commitments which include debt and contractual repayments. The committed capital expenditure for aircraft purchases relate to orders placed in the past. The rationale for these purchases remains valid even under the present scenario given that it would enable SIA to proceed with its adoption of new-generation aircraft, both as replacement for existing fleet and for growth, as these new generation aircraft will not only provide an enhanced travel experience to our customers but also, provide better operating efficiency and lower emissions.

At the same time, we have also deferred non-essential expenditure projects and imposed tight controls on discretionary expenditure. We are also in commercial negotiations with the aircraft manufacturers to try and refine our delivery stream in view of the prevailing market conditions, balancing considerations that our fleet renewal programme is an important part of the Group's strategy for long term sustainability and industry leadership.

Furthermore, up to S\$6.2 billion of Additional MCBs may be issued within a 15-month period after the EGM, which will provide us with additional liquidity if this crisis extends for a prolonged period. This will also provide us with the resources to capitalise on any opportunities that may arise following the abatement of the COVID-19 pandemic from a position of strength, and position us for growth as soon as the ongoing crisis resolves.

4. How was the rights issue price of S\$3.00 per share determined? Is the discount in line with market?

The Rights Shares issue price of S\$3.00 per Rights Share represents a discount of ~53.8% to the last transacted price of S\$6.50 on 25 March 2020, being the last trading day on which trades were done on the Shares prior to our announcement of the Rights Issue. It also represents a discount of ~31.8% to the theoretical ex-rights price (TERP) of S\$4.40 per Share, which is the theoretical market price of each Share based on the last transacted price of S\$6.50 on 25 March 2020 and assuming the completion of the Rights Issue.

The issue price and discounts were determined after considering precedent rights offerings of SGX-listed issuers and are generally in line with market precedents.

The key consideration was to provide an opportunity and invitation to shareholders to join this Rights Share issuance at an appropriate discount so that you may all participate in the future growth of the Company as we emerge from this downturn in at least the proportion you held in the Company prior to it.

5. Why did SIA propose to issue the MCBs, in addition to the rights shares? Why are there Rights MCBs and Additional MCBs? How are the terms different from each other?

The Rights MCBs are zero-coupon instruments that relieve SIA of cashflow pressures under the current challenging market conditions. They will be accounted as equity providing a larger base

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on which the Company can raise financing in the future. SIA also has the flexibility to redeem it with internal cashflows, or re-finance through other financing sources prior to maturity.

Subsequent to the Rights Issue, if required, we may undertake one or more further issuances of up to approximately S\$6.2 billion in aggregate, of Additional MCBs. This will provide us with additional liquidity if this crisis extends for a prolonged period and also provide the resources, to capitalise on any opportunities that may arise and be well placed to capture growth beyond the COVID-19 pandemic.

The terms of the Additional MCBs will be substantially similar to the terms of the Rights MCBs. The Additional MCBs will be offered by us to Shareholders on a pro-rata basis by way of one or more further rights issues, and if undertaken, is envisaged to take place within a period of 15 months commencing from the date of the approval by Shareholders for the issue of the Rights MCBs at the EGM on 30 April 2020.

- 6. Conversion price of S\$4.84 at maturity is at a 10% premium to TERP of S\$4.40. With the added premium, rights holders will get less shares after conversion. What is the rationale for a premium and how was the 10% derived? Also wouldn't it be cheaper for shareholders to buy the shares in the open market at TERP all things being equal? (page 16)**

The Rights MCBs are convertible instruments which will convert into Shares only after 10 years from its issue date (unless previously redeemed or purchased by us). The initial conversion price of S\$4.84 per Share takes into consideration the prevailing market price which has been materially influenced by the COVID-19 outbreak. In determining the conversion price, the underlying objective was that it should be at a discount to the potential future trading price of the Shares in 10 years, based on historical performance and trends.

There is accreted yield embedded in the Rights MCBs which translate into defined returns for an investor if the Rights MCBs are redeemed by SIA prior to the Final Maturity Date. If the Rights MCBs are redeemed before maturity, MCB holders will be paid the accreted principal amount equivalent to the principal amount plus accrued interest at the applicable rate. If they are not called and are converted at the end of year 10, the MCB holders will get the equivalent of the accreted principal (S\$1,806.11 for every S\$1,000 invested), implying a yield-to-maturity of 6% p.a., in Shares issued at the conversion price of S\$4.84 per Share.

While shareholders may be able to buy SIA shares at TERP in the open market as an alternative to the Rights MCBs, they will not be able to enjoy the defined returns in the form of the accreting yield that the Rights MCBs offer. The conversion price for Rights MCBs will be adjusted downwards for any dividends that SIA pays so that Rights MCB holders are also accorded the benefits of any dividends paid by SIA in the future.

- 7. Rights MCB can be redeemed at the option of SIA. If SIA calls the Rights, a yield to call of 4% per annum compounded on a semi-annual basis applies if the Rights are called within the first 4 years. The yield to call is 5% and 6% if the Rights are called within the 5th to 7th and 8th to 10th year respectively (pages 44 and 45). The final accreted principal amount at maturity date is \$1.80611 (page 44). Therefore, if held to maturity, the implied yield is 6% per annum compounded semi-annually (page 44). The yield to call of 4% and**

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5% appear to be far lower than the implied yield of 6% if held to maturity. What are the reasons for the differences in yield?

The Rights MCBs are structured with a step-up yield to compensate investors for continuing to hold the MCBs for a longer period. There is therefore a meaningful pick up in returns if the Rights MCBs remain outstanding beyond year 4 and then year 7.

Please see response to question 9 for more details.

- 8. The net gearing assuming conversion of all the Rights MCB is calculated to be (0.23) i.e. negative gearing. (page 33). The net gearing assuming conversion of all Rights MCB and Additional MCB is calculated to be (0.40) i.e. also negative gearing (page 34). This is arguably too conservative and comes at the expense of lower share prices. Would SIA consider reducing the size of the Rights issue and issue some debt instead to make up the shortfall?**

The pro forma financial effects of the Rights Issue and the Additional Issue are presented in the EGM Circular for illustrative purposes. They do not purport to be indicative or a projection of the results and financial position of the Group immediately after the completion of the transaction.

Given the worsening operating environment in the aviation industry, it has become very difficult for airlines to tap the debt capital markets. SIA continues to explore other traditional funding channels such as secured financing and sale-and-leaseback transactions but the opportunities remain limited in the current climate.

We believe that the proceeds of S\$8.8 billion from the Rights Issue is appropriately sized to meet our liquidity and operational requirements, including operating cash flow needs, capital expenditure requirements and fixed obligations, for a good part of Financial Year 2020-21. Furthermore, up to S\$6.2 billion of Additional MCBs that may be issued within a 15-month period after the EGM, will provide us with additional liquidity if this crisis extends for a prolonged period and also provide SIA the resources, to capitalise on any opportunities that may arise following the abatement of the COVID-19 pandemic.

The Rights MCBs also provides SIA the option to redeem it with internal cashflows, or re-finance through other financing sources when markets recover.

- 9. Some retail shareholders may not be familiar with how MCBs work. Can SIA share any relevant data points or comparables in the market, or provide an illustration of how the MCBs will work, to allow shareholders to make an informed decision?**

The Rights MCBs are zero coupon bonds offering step-up 4-6% accreted yields compounded on a Semi-Annual basis. This instrument will be accounted as equity but is structured to mitigate immediate dilution to existing shareholders who do not take up their pro-rata entitlements and it relieves SIA of cashflow pressures under the current challenging market conditions. The Rights MCBs also provide SIA the option to redeem them using internal cashflows, or re-finance them through the capital markets in future. In the event the outstanding Rights MCBs are not redeemed before maturity, they will be mandatorily converted into Shares upon maturity on the 10th anniversary of their issue. The Rights MCBs cannot be converted to Shares at any time

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prior to this. For the avoidance of doubt, no further cash outlay is required from the Rights MCB holders for the conversion of their Rights MCBs into Shares.

Prior to their maturity, the Rights MCBs may be redeemed at the option of SIA in return for a cash payment to holders of the Rights MCBs at the redemption price, based on the schedule of redemption prices which deliver a 4% yield to call per annum if called within the first 4 years, a 5% yield to call per annum if called within the 5th to 7th year and a 6% yield to call per annum if called within the 8th to 9.5th year. As a safeguard, repayment may also be triggered by the occurrence of an event of default. In such situations, the Rights MCBs will not be converted into Shares and the redemption amounts will be paid to holders of the Rights MCBs in cash only. The Rights MCBs and Additional MCBs (if issued) are not redeemable at the option of the holders.

Redemption

Redemption prices are calculated based on (i) the Semi-Annual Date that the Rights MCBs are redeemed and (ii) respective yield to call per annum ranging from 4-6%, compounded on a Semi-Annual basis. For illustrative purposes:

Redemption Price on:	Calculation
2 nd Semi Annual Date	$100 * (1 + 0.04 / 2) ^ 2 = \mathbf{104.040}$
9 th Semi Annual Date	$100 * (1 + 0.05 / 2) ^ 9 = \mathbf{124.886}$
15 th Semi Annual Date	$100 * (1 + 0.06 / 2) ^ 15 = \mathbf{155.797}$

Assuming that Rights MCBs are redeemed on a Semi-Annual Date before the Maturity Date, the relevant Accreted Principal Amount in respect of each S\$1.00 in principal amount of Rights MCBs will be an amount equivalent to S\$1.00 multiplied by the relevant redemption price in effect at the applicable Semi-Annual Date. For illustrative purposes, assuming a principal amount of S\$1,000:

Assuming the Rights MCBs are redeemed on:	Redemption Price
2 nd Semi Annual Date	$S\$1,000 * 104.040\% = \mathbf{S\$1,040.40}$
9 th Semi Annual Date	$S\$1,000 * 124.866\% = \mathbf{S\$1,248.66}$
15 th Semi Annual Date	$S\$1,000 * 155.797\% = \mathbf{S\$1,557.97}$

Conversion

To the extent that the Rights MCBs remain outstanding, upon maturity, the Rights MCBs will be converted into Shares at the initial conversion price (which will be subject to adjustments) of S\$4.84 per Share (subject to adjustments) based on the Final Accreted Principal Amount, which is calculated based on a 6% annual yield to conversion, compounded on a Semi-Annual basis. For illustrative purposes, assuming a principal amount of S\$1,000:

- Final Accreted Principal Amount = $S\$1,000 * (1 + 0.06 / 2) ^ 20 = S\$1,806.11$
- Number of Shares to be issued upon conversion of Rights MCBs = $S\$1,806.11 / S\$4.84 = 373$ Shares (rounded down as fractional entitlements are disregarded)

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- 10. EPS is expected to drop from 57.7 cents to 23.1 cents after the Rights issue but before conversion of all the Rights MCB and to 16.0 cents assuming conversion of all the Rights MCBs (page 34). This significant drop in the EPS will likely generate significant downward pressure on the share price. Given the ongoing COVID-19 pandemic and overall uncertainty in the business environment, how does SIA intend to beef up its operational performance in light of COVID-19?**

While we have no control over external pressures on our share price and are unable to speculate on the future performance of our share price, we endeavour to improve our operational performance through our portfolio and multi-hub strategies along with our continuous pursuit of digital initiatives and product and service innovations.

By way of examples:

- the continuing modernisation of the SIA fleet will reinforce SIA's industry and product leadership with its customers and provide a more sustainable operating platform, recognising technology is improving operating efficiency, noise and emissions;
- SIA's staff, responsible for numerous service excellence awards over many years, remains an important pillar of our competitive positioning and a core asset;
- SIA operates successful and distinct brands to capture premium and budget segments, while the multi-hub strategy enables us to tap into hubs in growth markets through joint ventures, alliances and commercial partnerships.

As a global leader in the aviation industry, we also have a strong track record and possess the capability to benefit from sector recovery and long-term secular growth trends. This is buttressed by our conservative financial management practices, strong banking relationships and comprehensive risk management frameworks. In addition, our transformation programme has improved financial and operating resilience.

Asia Pacific is among the fastest growing aviation markets in the world¹. According to IATA, about 12% of Singapore's GDP is supported by the aviation sector². The aviation sector complements and grows synergistically with Singapore's strategic position as a regional and global financial and trade centre. SIA as the national carrier is at the heart of the Singapore aviation ecosystem.

The availability of a further S\$6.2 billion in funding through the issuance of the Additional MCBs, if necessary, will also provide us with additional liquidity if this crisis extends for a prolonged period and also provide the resources to capitalise on any opportunities that may arise after the COVID-19 crisis resolves.

- 11. Given the existing circuit breaker and safe distancing measures, SIA will be conducting its EGM via a "live" webcast. However, this is a rather new concept and some shareholders might be unfamiliar with accessing the EGM through electronic means. What is SIA doing to ensure that the EGM remains accessible to all its shareholders?**

As we continue to monitor the evolving COVID-19 situation, SIA has been keeping up to date with the various control measures and regulations announced by the relevant authorities. It is

¹ Based on airline traffic growth rate by RPK published in Boeing's Commercial Market Outlook for 2019 – 2038

² IATA report "The Importance of Air Transport to Singapore",
<https://www.iata.org/en/iata-repository/publications/economic-reports/singapore--value-of-aviation/>

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our top priority to ensure that the EGM is conducted safely to protect the health and well-being of our shareholders, members of our Board and management, as well as our employees.

In compliance with the Ministry of Health's safe distancing and Circuit Breaker measures amid the COVID-19 situation, we will be conducting a virtual EGM for its shareholders in place of a physical EGM. Shareholders may watch or listen to the EGM proceedings through a "live" webcast or audio feed on their mobile phones, laptops or computers on Thursday, 30 April 2020 at 11.30 a.m. Pre-registration to access the EGM proceedings is available on our website at <https://www.singaporeair.com/home/shareholder-registration>. Shareholders who wish to vote at the EGM must submit a proxy form to appoint the Chairman of the EGM to cast votes on their behalf.

The EGM Circular, EGM Notice that includes details of the webcast, as well as proxy form have been uploaded on SGXNET on Wednesday, 15 April 2020 and our website at https://www.singaporeair.com/en_UK/sg/about-us/information-for-investors/rights-issue/

To ensure that Shareholders have a forum to ask questions, Shareholders may submit their questions by 11.30 a.m. on Monday, 27 April 2020 via our website at [https://www.singaporeair.com/home/shareholder-registration-by-11:30 a.m. on Monday, 27 April 2020](https://www.singaporeair.com/home/shareholder-registration-by-11:30-a.m.-on-Monday-27-April-2020). Certain questions raised by shareholders have already been addressed in the presentation released and announced on SGXNet on 20 April 2020. We will endeavour to answer other further substantial questions relevant to the proposed resolutions before the EGM by posting on SGXNet and our website, or during the EGM itself.

We do recognise this makes the connection between us and our shareholders more difficult this time around; however, it is another illustration of how COVID-19 is affecting every part of the way we all live and work. We seek shareholders' understanding that we will do our best to address questions and conduct proceedings in a way that meets your expectations but are within the requirements of new rules set for everyone's safety.

12. Given Temasek's irrevocable undertaking to vote in favour of the transaction at the EGM, how will SIA ensure that the EGM procedure is fair to minority shareholders and that their concerns are addressed before they cast their votes?

We remain committed to engaging with, and listening to, the views of our shareholders, no matter how large or small. We value the role of organisations such as SIAS that help us connect with retail shareholders and address their questions and concerns, and thank them for taking this opportunity to engage with us on behalf of their members.

We assure all shareholders that, in these circumstances, their support for us over many years is something that we are truly grateful for. We seek shareholders' understanding and continued support as we work through the most serious event to confront our business since our inception. Shareholders can submit questions related to the proposed EGM resolutions via our website at <https://www.singaporeair.com/home/shareholder-registration>. All questions must be submitted by 11.30 a.m. on Monday, 27 April 2020.

SIA will endeavour to address substantial questions relevant to the resolutions before the EGM by posting on SGXNet and our website, or during the EGM itself. In addition, shareholders can also call the Rights Issue helpline at +65 6878 1375 if they have any queries.

NOT FOR DISTRIBUTION IN THE UNITED STATES**13. What is SIA's assessment of the aviation industry outlook, given the current COVID-19 outbreak situation?**

There has been an unprecedented collapse in the demand for air travel globally due to the COVID-19 pandemic. This especially affects airlines such as SIA, which are dependent on international air travel and open borders.

In the near term, the COVID-19 outbreak is expected to continue weighing upon the global aviation industry. As of 14 April 2020, the International Air Transport Association (IATA) estimates a global passenger revenue loss of US\$314 billion in 2020 due to COVID-19, representing 55% of 2019 global passenger revenue. Airlines are also facing major liquidity concerns. As at the beginning of 2020, according to IATA's report, typical airlines had cash reserves of approximately 2 months of revenues, which risk running out before the industry recovers.

Notwithstanding the above, we do expect that air travel restrictions will be gradually relaxed eventually, but in a managed way initially, as countries continue to manage the risk of "imported COVID-19 cases". The effectiveness of collective efforts by governments around the world to flatten the curve of the virus spread will also shape timings for opening of borders.

To address the current challenges faced by the aviation industry, SIA has cut its scheduled capacity by 96% and today, operates only a small number of its passenger aircraft to serve a limited network. SIA expects to operate a significantly reduced capacity for the foreseeable future until global travel restrictions and border controls are progressively lifted, and the demand for air travel begins to pick up once again. However, it is not clear when this will happen.

It is also not clear how the airline industry will recover, and which segments or markets will first see growth. The SIA Group's portfolio strategy, which gives us a presence in both the full-service premium and low-fare segments, give us the right products to meet the demand when it returns. Our extensive global network will also help us to flexibly deploy capacity to meet the demand from different markets as air travel returns.

During this time, we understand that it is important to communicate regularly with our customers and you, our shareholders. We do not take your patience, support and loyalty for granted. We have revised our global waiver policy to offer bonus flight credits for our customers who choose to keep the value of their bookings for future travel, provide refunds to those who prefer that option, and extended the validity of their KrisFlyer and PPS statuses. This will provide our customers with the reassurance that they have full flexibility when they begin to travel with us once again.

We have also set up an internal task force to look into all aspects of the airline's operations during this time, and to ensure that we are ready to ramp up our services when air travel eventually begins to recover. We are also studying what we need to do to modify our in-flight products and services to provide additional reassurance to our customers, and to ensure the safety of both our customers and our crew, if necessary.

These measures will help to ensure that SIA is prepared to be first off the blocks when the recovery eventually comes. We have a base of customers, who we will look forward to serving again as soon as we are permitted to do so, and we are extremely grateful for the ongoing support of our shareholders.

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