

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

ANNOUNCEMENT

ANNUAL GENERAL MEETING TO BE HELD ON 27 JULY 2020

**RESPONSES TO ADDITIONAL SUBSTANTIAL AND RELEVANT QUESTIONS
FROM SHAREHOLDERS**

1. INTRODUCTION

Singapore Airlines Limited (“**SIA**” or the “**Company**”) refers to its Announcement dated 24 July 2020 of its responses to substantial and relevant questions from Shareholders. The questions received are in relation to the resolutions to be tabled for approval at the Annual General Meeting (“**AGM**”) of the Company. The Forty-Eighth AGM of the Company will be convened and held by electronic means on 27 July 2020 at 10.00 a.m. (Singapore time).

2. RESPONSES TO ADDITIONAL QUESTIONS FROM SHAREHOLDERS

The Company has received more of such questions from Shareholders. SIA appreciates the additional questions raised and is pleased to release with this announcement, responses to the said questions.

By Order of the Board

Brenton Wu
Company Secretary

26 July 2020
Singapore

- 1. If any additional mandatory convertible bonds (“Additional MCBs”) are issued pursuant to the proposed Resolution 9 set out in the Notice of AGM, what would the terms of such issuance be? Would the terms be similar to the original Rights mandatory convertible bonds (“Rights MCBs”) issued in June 2020?**

The overall structure of the Additional MCBs would be largely similar to the original Rights MCBs. For example, similar terms shall apply to the issue price, principal amount, zero-coupon structure, redemption mechanics, conversion price and rate of accretion to the principal amount that would be payable by SIA upon redemption or used as the basis for conversion into new SIA shares upon maturity of the Additional MCBs.

However, the Additional MCBs would have a tenor of less than 10 years as they would have the same maturity date as the original Rights MCBs. As a result, the accreted principal value of the Additional MCBs on any given Semi-Annual Date would be lower than the accreted principal value of the original Rights MCBs on that same Semi-Annual Date. Accordingly, this would also mean that the Additional MCBs would convert into fewer SIA shares compared to the number of SIA shares that the same number of original Rights MCBs would convert into, should there be no redemption by SIA.

Please refer to Appendix 2 of the SIA shareholders’ circular dated 15 April 2020, which sets out a summary of the terms and conditions of the Additional MCBs.

- 2. What would be the process to apply for the Additional MCBs, if issued? Can non-SIA shareholders apply if they hold the original Rights MCBs?**

As disclosed in the SIA circular to shareholders dated 15 April 2020, SIA at its sole discretion may offer the Additional MCBs by way of one or more further rights issues within the next 15 months from the EGM (30 April 2020). Only SIA shareholders at the point of such issuance would be offered the right to subscribe on a pro-rata basis, subject to the eligibility conditions laid out in the above-mentioned circular.

If undertaken, the terms of the Additional MCBs require the issue price to be set at S\$1.00 per Additional MCB, representing 100 per cent. of its principal amount.

- 3. Is there any legal requirement to maintain the listing of the mandatory convertible bonds (the “MCBs”) on SGX-ST? If the MCBs are delisted, must SIA make a compulsory offer for all existing MCBs? if so, what would be the procedure?**

There is no legal requirement to keep the MCBs listed on the SGX-ST. However, SIA has covenanted in the Trust Deed constituting the MCBs to use all reasonable endeavours to maintain a listing of the MCBs on the SGX-ST in compliance with, and subject to, the listing rules of the SGX-ST.

If, for example, there is an insufficient spread of holders of MCBs (of at least 100 holders) to provide an orderly market for the MCBs, the SGX may require SIA to delist the MCBs. In that scenario, while the MCBs may be delisted and the MCB holders will not be able to trade their MCBs on the SGX-ST, the MCBs may still be traded over-the-counter on the Debt Securities Clearing and Settlement System and trades will be cleared through CDP.