



**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022**

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**CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022 (in \$ million)**

	Note	The Group	
		1 st Half FY2022/23	1 st Half FY2021/22
REVENUE	5	8,416.5	2,826.9
EXPENDITURE			
Staff costs		1,359.7	663.7
Fuel costs		2,695.9	810.2
Fuel hedging ineffectiveness		(0.5)	(78.8)
Depreciation		987.4	955.7
Amortisation of intangible assets		37.5	34.8
Aircraft maintenance and overhaul costs		225.7	211.6
Commission and incentives		237.7	21.2
Landing, parking and overflying charges		306.8	192.0
Handling charges		437.7	282.1
Rentals on leased aircraft		13.5	4.1
Inflight meals		189.2	20.6
Advertising and sales costs		149.6	34.6
Company accommodation and utilities		20.9	18.6
Other passenger costs		61.1	19.3
Crew expenses		45.9	18.6
Other operating expenses		414.0	238.0
		<u>7,182.1</u>	<u>3,446.3</u>
OPERATING PROFIT/(LOSS)	6	1,234.4	(619.4)
Finance charges		(207.9)	(193.6)
Interest income		102.8	19.5
Write-back of impairment/(Impairment) of aircraft		12.8	(15.0)
Surplus on disposal of aircraft, spares and spare engines		2.5	12.8
Dividends from long-term investments		4.0	4.0
Other non-operating items	7	(3.1)	(48.0)
Share of profits of joint venture companies		17.2	5.6
Share of losses of associated companies		(79.6)	(113.5)
PROFIT/(LOSS) BEFORE TAXATION		<u>1,083.1</u>	<u>(947.6)</u>
TAXATION	8	(150.5)	116.0
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		<u>932.6</u>	<u>(831.6)</u>
PROFIT/(LOSS) ATTRIBUTABLE TO:			
OWNERS OF THE COMPANY		926.9	(836.8)
NON-CONTROLLING INTERESTS		5.7	5.2
		<u>932.6</u>	<u>(831.6)</u>
EARNINGS/(LOSS) PER SHARE (CENTS)		14.4	(15.4)
DILUTED EARNINGS/(LOSS) PER SHARE (CENTS)		14.2	(15.4)

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 2022 (in \$ million)**

	The Group	
	1 st Half FY2022/23	1 st Half FY2021/22
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	932.6	(831.6)
OTHER COMPREHENSIVE INCOME:		
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Currency translation differences	45.0	8.8
Net fair value changes on cash flow hedges	(191.9)	676.9
Share of other comprehensive income of associated and joint venture companies	(7.4)	(0.6)
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD, NET OF TAX	<u>(154.3)</u>	<u>685.1</u>
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>778.3</u>	<u>(146.5)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	764.7	(153.6)
NON-CONTROLLING INTERESTS	13.6	7.1
	<u>778.3</u>	<u>(146.5)</u>

The accompanying explanatory notes form an integral part of the condensed interim financial statements.

CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022 (in \$ million)

	Note	The Group		The Company	
		30 September 2022	31 March 2022	30 September 2022	31 March 2022
EQUITY ATTRIBUTABLE TO OWNERS					
OF THE COMPANY					
Share capital	9	7,180.2	7,180.2	7,180.2	7,180.2
Mandatory convertible bonds	10	9,691.2	9,691.2	9,691.2	9,691.2
Treasury shares	11	(73.8)	(106.5)	(73.8)	(106.5)
Other reserves		6,389.2	5,647.0	7,698.3	6,730.3
		23,186.8	22,411.9	24,495.9	23,495.2
		405.3	388.5	-	-
NON-CONTROLLING INTERESTS					
TOTAL EQUITY		23,592.1	22,800.4	24,495.9	23,495.2
DEFERRED ACCOUNT		92.7	95.4	92.7	95.4
DEFERRED TAXATION		1,154.5	1,064.3	1,197.1	1,082.8
LONG-TERM LEASE LIABILITIES		3,169.6	3,114.8	2,393.1	2,387.4
BORROWINGS	12	10,325.4	11,405.5	10,096.3	11,155.5
OTHER LONG-TERM LIABILITIES		468.3	1,077.7	468.3	1,077.7
PROVISIONS		1,160.7	1,144.4	540.0	503.1
DEFINED BENEFIT PLANS		96.1	99.9	96.1	99.9
		40,059.4	40,802.4	39,379.5	39,897.0
Represented by:-					
PROPERTY, PLANT AND EQUIPMENT	13	24,969.7	24,570.6	21,128.9	20,642.7
RIGHT-OF-USE ASSETS	14	3,153.1	3,290.1	2,303.2	2,458.5
INTANGIBLE ASSETS		309.1	303.2	231.6	231.0
SUBSIDIARY COMPANIES	15	-	-	6,334.3	5,539.6
ASSOCIATED COMPANIES	16	744.9	805.8	485.2	485.2
JOINT VENTURE COMPANIES		258.0	233.4	32.3	32.3
LONG-TERM INVESTMENTS		39.1	42.6	36.4	39.9
OTHER LONG-TERM ASSETS		1,135.9	1,737.2	1,010.6	1,615.8
CURRENT ASSETS					
Derivative assets		842.8	1,402.0	840.9	1,402.0
Inventories		209.1	187.4	159.6	142.0
Trade debtors		1,498.8	1,566.4	1,329.9	1,407.2
Amounts owing by subsidiary companies		-	-	1.6	0.2
Deposits and other debtors		266.9	202.5	205.9	164.0
Prepayments		123.9	93.2	93.9	72.9
Other short-term assets		46.5	30.4	39.5	21.6
Investments		411.7	406.4	364.1	352.5
Cash and bank balances		17,450.4	13,762.7	17,130.4	13,557.9
Assets held for sale	13	34.9	37.1	2.2	4.4
		20,885.0	17,688.1	20,168.0	17,124.7
Less: CURRENT LIABILITIES					
Borrowings	12	1,673.8	606.8	1,610.3	539.2
Lease liabilities		608.1	567.7	380.0	350.1
Current tax payable		152.0	153.3	38.3	38.8
Trade and other creditors		3,457.7	2,733.3	2,563.0	2,068.9
Amounts owing to subsidiary companies		-	-	2,641.2	1,629.8
Sales in advance of carriage	17	4,160.9	2,107.8	3,829.9	1,997.0
Deferred revenue	17	872.2	925.7	872.2	925.7
Deferred account		16.2	15.9	14.7	15.1
Derivative liabilities		299.0	574.7	299.0	571.1
Provisions		195.5	183.4	102.4	137.0
		11,435.4	7,868.6	12,351.0	8,272.7
NET CURRENT ASSETS		9,449.6	9,819.5	7,817.0	8,852.0
		40,059.4	40,802.4	39,379.5	39,897.0

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 2022 (in \$ million)**

The Group	Attributable to Owners of the Company										
	Share capital	Mandatory convertible bonds	Treasury shares	Capital reserve	Foreign currency translation reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total	Non-controlling interests	Total equity
Balance at 1 April 2022	7,180.2	9,691.2	(106.5)	(107.3)	(16.2)	20.7	1,076.2	4,673.6	22,411.9	388.5	22,800.4
<u>Comprehensive income</u>											
Currency translation differences	-	-	-	-	35.4	-	-	-	35.4	9.6	45.0
Net fair value changes on cash flow hedges	-	-	-	-	-	-	(191.9)	-	(191.9)	-	(191.9)
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	(0.8)	-	(4.9)	-	(5.7)	(1.7)	(7.4)
Other comprehensive income for the financial period, net of tax	-	-	-	-	34.6	-	(196.8)	-	(162.2)	7.9	(154.3)
Profit for the financial period	-	-	-	-	-	-	-	926.9	926.9	5.7	932.6
Total comprehensive income for the financial period	-	-	-	-	34.6	-	(196.8)	926.9	764.7	13.6	778.3
<u>Transactions with owners, recorded directly in equity</u>											
<u>Contributions by and distributions to owners</u>											
Changes in ownership interest without loss of control	-	-	-	-	-	(3.3)	-	0.2	(3.1)	3.2	0.1
Share-based compensation expense	-	-	-	-	-	12.8	-	-	12.8	-	12.8
Treasury shares reissued pursuant to equity compensation plans	-	-	32.7	(16.1)	-	(16.1)	-	-	0.5	-	0.5
Dividends	-	-	-	-	-	-	-	-	-	(1.2)	(1.2)
Total contributions by and distributions to owners	-	-	32.7	(16.1)	-	(6.6)	-	0.2	10.2	2.0	12.2
<u>Changes in ownership interests in subsidiary companies</u>											
Acquisition of subsidiary company with non-controlling interests	-	-	-	-	-	-	-	-	-	1.2	1.2
Total transactions with owners	-	-	32.7	(16.1)	-	(6.6)	-	0.2	10.2	3.2	13.4
Balance at 30 September 2022	7,180.2	9,691.2	(73.8)	(123.4)	18.4	14.1	879.4	5,600.7	23,186.8	405.3	23,592.1

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 2021 (in \$ million)**

The Group	Attributable to Owners of the Company									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	Total		
Balance at 1 April 2021	7,180.2	3,496.1	(133.2)	(96.8)	(16.9)	20.8	(178.6)	5,634.3	15,905.9	372.2	16,278.1
<u>Comprehensive income</u>											
Currency translation differences	-	-	-	-	6.8	-	-	-	6.8	2.0	8.8
Net fair value changes on cash flow hedges	-	-	-	-	-	-	676.9	-	676.9	-	676.9
Share of other comprehensive income of associated and joint venture companies	-	-	-	-	0.1	-	(0.6)	-	(0.5)	(0.1)	(0.6)
Other comprehensive income for the financial period, net of tax	-	-	-	-	6.9	-	676.3	-	683.2	1.9	685.1
Loss for the financial period	-	-	-	-	-	-	-	(836.8)	(836.8)	5.2	(831.6)
Total comprehensive income for the financial period	-	-	-	-	6.9	-	676.3	(836.8)	(153.6)	7.1	(146.5)
<u>Transactions with owners, recorded directly in equity</u>											
<u>Contributions by and distributions to owners</u>											
Issue of mandatory convertible bonds	-	6,195.1	-	-	-	-	-	-	6,195.1	-	6,195.1
Changes in ownership interest without loss of control	-	-	-	-	-	(1.7)	-	2.1	0.4	0.3	0.7
Share-based compensation expense	-	-	-	-	-	8.7	-	-	8.7	-	8.7
Treasury shares reissued pursuant to equity compensation plans	-	-	26.7	(11.6)	-	(14.7)	-	-	0.4	-	0.4
Dividends	-	-	-	-	-	-	-	-	-	(1.4)	(1.4)
Total transactions with owners	-	6,195.1	26.7	(11.6)	-	(7.7)	-	2.1	6,204.6	(1.1)	6,203.5
Balance at 30 September 2021	7,180.2	9,691.2	(106.5)	(108.4)	(10.0)	13.1	497.7	4,799.6	21,956.9	378.2	22,335.1

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**CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022 (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 2022	7,180.2	9,691.2	(106.5)	(881.6)	16.7	939.5	6,655.7	23,495.2
<u>Comprehensive income</u>								
Net fair value changes on cash flow hedges	-	-	-	-	-	(137.9)	-	(137.9)
Other comprehensive income for the financial period, net of tax	-	-	-	-	-	(137.9)	-	(137.9)
Profit for the financial period	-	-	-	-	-	-	1,127.1	1,127.1
Total comprehensive income for the financial period	-	-	-	-	-	(137.9)	1,127.1	989.2
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Share-based compensation expense	-	-	-	-	11.0	-	-	11.0
Treasury shares reissued pursuant to equity compensation plans	-	-	32.7	(16.1)	(16.1)	-	-	0.5
Total transactions with owners	-	-	32.7	(16.1)	(5.1)	-	-	11.5
Balance at 30 September 2022	7,180.2	9,691.2	(73.8)	(897.7)	11.6	801.6	7,782.8	24,495.9

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 2021 (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 2021	7,180.2	3,496.1	(133.2)	(871.4)	17.1	(136.6)	6,959.7	16,511.9
Effects of integration of SilkAir (Singapore) Private Limited	-	-	-	1.4	-	-	-	1.4
<u>Comprehensive income</u>								
Net fair value changes on cash flow hedges	-	-	-	-	-	567.9	-	567.9
Other comprehensive income for the financial period, net of tax	-	-	-	-	-	567.9	-	567.9
Loss for the financial period	-	-	-	-	-	-	(455.4)	(455.4)
Total comprehensive income for the financial period	-	-	-	-	-	567.9	(455.4)	112.5
<u>Transactions with owners, recorded directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Issue of mandatory convertible bonds	-	6,195.1	-	-	-	-	-	6,195.1
Share-based compensation expense	-	-	-	-	7.9	-	-	7.9
Treasury shares reissued pursuant to equity compensation plans	-	-	26.7	(11.6)	(14.7)	-	-	0.4
Total transactions with owners	-	6,195.1	26.7	(11.6)	(6.8)	-	-	6,203.4
Balance at 30 September 2021	7,180.2	9,691.2	(106.5)	(881.6)	10.3	431.3	6,504.3	22,829.2

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 2022 (in \$ million)**

	The Group	
	1 st Half FY2022/23	1 st Half FY2021/22
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	1,083.1	(947.6)
Adjustments for:		
Depreciation	987.4	955.7
(Write-back of impairment)/Impairment of aircraft	(12.8)	15.0
Amortisation of intangible assets	37.5	34.8
Write-back of impairment of trade debtors	(4.9)	-
Writedown of inventories	5.0	7.5
Income from short-term investments	(0.5)	(0.6)
Provisions	76.1	146.2
Share-based compensation expense	12.8	8.7
Exchange differences	(120.5)	(47.9)
Net loss on financial assets mandatorily measured at fair value through profit or loss ("FVTPL")	2.6	1.6
Gain on lease remeasurement	(1.8)	-
Fuel hedging ineffectiveness	(0.5)	(78.8)
Foreign currency hedging ineffectiveness	-	(0.1)
Finance charges	207.9	193.6
Interest income	(102.8)	(19.5)
Surplus on disposal of aircraft, spares and spare engines	(2.5)	(12.8)
Dividends from long-term investments	(4.0)	(4.0)
Other non-operating items	3.1	48.0
Share of profits of joint venture companies	(17.2)	(5.6)
Share of losses of associated companies	79.6	113.5
Operating cash flow before working capital changes	<u>2,227.6</u>	<u>407.7</u>
Increase/(Decrease) in trade and other creditors	686.8	(90.3)
Increase in sales in advance of carriage	2,053.1	80.8
Decrease/(Increase) in trade debtors	73.9	(28.5)
Increase in deposits and other debtors	(19.7)	(23.8)
Increase in prepayments	(30.7)	(12.9)
Increase in inventories	(24.0)	(3.3)
(Decrease)/Increase in deferred revenue	(53.5)	4.9
Cash generated from operations	<u>4,913.5</u>	<u>334.6</u>
Income taxes paid	(2.8)	(7.7)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>4,910.7</u></u>	<u><u>326.9</u></u>

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 2022 (in \$ million)**

	The Group	
	1 st Half FY2022/23	1 st Half FY2021/22
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(916.1)	(1,287.8)
Purchase of intangible assets	(40.6)	(38.9)
Proceeds from disposal of aircraft and other property, plant and equipment	0.1	0.2
Proceeds from disposal of assets held for sale	4.8	35.9
Proceeds from sale and leaseback transactions	117.6	760.8
Proceeds from disposal of long-term investments	10.7	10.4
Purchase of short-term investments	(90.7)	(177.4)
Proceeds from disposal of short-term investments	92.6	44.3
Dividends received from associated and joint venture companies	6.7	6.8
Dividends received from investments	4.0	4.0
Interest received from investments and deposits	57.9	14.6
Proceeds from finance leases	4.6	4.2
Acquisition of subsidiary company, net of cash acquired	(4.2)	-
Investments in associated companies	-	(108.6)
NET CASH USED IN INVESTING ACTIVITIES	(752.6)	(731.5)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid by subsidiary companies to non-controlling interests	(1.2)	-
Interest paid	(148.9)	(139.3)
Proceeds from issuance of mandatory convertible bonds	-	6,196.8
Payment of transaction costs related to issuance of mandatory convertible bonds	-	(1.7)
Repayment of bonds	-	(200.0)
Proceeds from borrowings	3.0	8.0
Repayment of borrowings	(293.9)	(417.4)
Repayment of lease liabilities	(344.0)	(352.0)
Payment of transaction costs related to borrowings	-	(1.1)
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(785.0)	5,093.3
NET CASH INFLOW	3,373.1	4,688.7
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	13,762.7	7,783.0
Effect of exchange rate changes	314.6	57.9
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	17,450.4	12,529.6
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits	14,151.1	9,987.8
Cash and bank balances	3,299.3	2,541.8
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	17,450.4	12,529.6

Significant non-cash transactions

During the financial period, the Group made pre-delivery payments for certain aircraft amounting to \$204.3 million (30 September 2021: \$551.6 million) through financing from a third-party financier.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Half Year Ended 30 September 2022

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 2022 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, 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 2022 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 2022 ("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 2022. 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.

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 \$20.3 million for the six months ended 30 September 2022.

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 businesses are not affected significantly by seasonal or cyclical factors during the financial period, although its businesses are, by and large, affected by the Covid-19 pandemic. The impact of Covid-19 pandemic continues to evolve and as a result of the easing of pandemic-related travel restrictions, there has been strong recovery in demand which resulted in a significant rise in the performance of the Group.

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 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 FY2022/23 or 1H FY2021/22.

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 2022 and 2021 and certain assets and liabilities information of the business segments as at those dates.

1st Half FY2022/23	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	7,558.9	693.5	130.6	33.5	8,416.5	-	8,416.5
Inter-segment revenue	20.2	72.8	231.6	39.9	364.5	(364.5)	-
	<u>7,579.1</u>	<u>766.3</u>	<u>362.2</u>	<u>73.4</u>	<u>8,781.0</u>	<u>(364.5)</u>	<u>8,416.5</u>
RESULTS							
Segment result	1,308.4	(40.2)	(10.8)	(19.8)	1,237.6	(3.2)	1,234.4
Finance charges	(189.9)	(63.8)	(1.0)	(0.6)	(255.3)	47.4	(207.9)
Interest income	144.5	0.9	3.1	1.3	149.8	(47.0)	102.8
Write-back of impairment of aircraft	12.8	-	-	-	12.8	-	12.8
Surplus on disposal of aircraft, spares and spare engines	2.5	-	-	-	2.5	-	2.5
Dividends from long-term investments	4.0	-	-	-	4.0	-	4.0
Other non-operating items	(3.8)	0.7	-	-	(3.1)	-	(3.1)
Share of profits of joint venture companies	0.4	-	16.8	-	17.2	-	17.2
Share of (losses)/profits of associated companies	(104.2)	-	24.6	-	(79.6)	-	(79.6)
Taxation	(163.4)	13.2	(0.1)	(0.2)	(150.5)	-	(150.5)
Profit/(Loss) for the financial period	<u>1,011.3</u>	<u>(89.2)</u>	<u>32.6</u>	<u>(19.3)</u>	<u>935.4</u>	<u>(2.8)</u>	<u>932.6</u>
Attributable to:							
Owners of the Company							926.9
Non-controlling interests							<u>5.7</u>
							<u>932.6</u>

* *Relates to inter-segment transactions eliminated on consolidation.*

5 Segment Information (in \$ million) (continued)

Business segments (continued)

1st Half FY2021/22	FSC	LCC	Engineering services	Others	Total of segments	Elimination*	Consolidated
TOTAL REVENUE							
External revenue	2,615.0	89.5	83.3	39.1	2,826.9	-	2,826.9
Inter-segment revenue	11.7	60.4	180.2	28.1	280.4	(280.4)	-
	<u>2,626.7</u>	<u>149.9</u>	<u>263.5</u>	<u>67.2</u>	<u>3,107.3</u>	<u>(280.4)</u>	<u>2,826.9</u>
RESULTS							
Segment result	(386.5)	(217.0)	(6.7)	(5.1)	(615.3)	(4.1)	(619.4)
Finance charges	(179.5)	(38.5)	(1.3)	(0.2)	(219.5)	25.9	(193.6)
Interest income	43.2	0.6	1.0	0.2	45.0	(25.5)	19.5
Impairment of aircraft	(15.0)	-	-	-	(15.0)	-	(15.0)
Surplus on disposal of aircraft, spares and spare engines	12.8	-	-	-	12.8	-	12.8
Dividends from long-term investments	4.0	-	-	-	4.0	-	4.0
Other non-operating items	(55.8)	8.0	(0.2)	-	(48.0)	-	(48.0)
Share of profits of joint venture companies	0.2	-	5.4	-	5.6	-	5.6
Share of (losses)/profits of associated companies	(122.1)	(0.1)	21.5	-	(100.7)	(12.8)	(113.5)
Taxation	97.7	14.6	5.3	(1.6)	116.0	-	116.0
(Loss)/Profit for the financial period	<u>(601.0)</u>	<u>(232.4)</u>	<u>25.0</u>	<u>(6.7)</u>	<u>(815.1)</u>	<u>(16.5)</u>	<u>(831.6)</u>
Attributable to:							
Owners of the Company							(836.8)
Non-controlling interests							<u>5.2</u>
							<u>(831.6)</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 2022							
Segment assets	44,842.2	5,350.4	1,203.8	1,567.2	52,963.6	(2,510.8)	50,452.8
Investments in associated and joint venture companies	287.1	-	715.8	-	1,002.9	-	1,002.9
Long-term investments	36.4	-	-	2.7	39.1	-	39.1
Total assets	45,165.7	5,350.4	1,919.6	1,569.9	54,005.6	(2,510.8)	51,494.8
Segment liabilities	10,312.7	874.5	180.4	105.5	11,473.1	(2,574.4)	8,898.7
Lease liabilities	2,773.1	949.6	56.0	9.1	3,787.8	(10.1)	3,777.7
Long-term liabilities	468.3	-	-	-	468.3	-	468.3
Provisions	642.4	708.6	2.7	2.5	1,356.2	-	1,356.2
Defined benefit plans	96.1	-	-	-	96.1	-	96.1
Borrowings	11,706.6	274.2	-	18.4	11,999.2	-	11,999.2
Tax liabilities	1,235.4	(24.6)	(12.2)	107.9	1,306.5	-	1,306.5
Total liabilities	27,234.6	2,782.3	226.9	243.4	30,487.2	(2,584.5)	27,902.7

* *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 2022							
Segment assets	42,074.9	5,217.5	1,169.4	286.5	48,748.3	(1,159.1)	47,589.2
Investments in associated and joint venture companies	388.0	-	651.2	-	1,039.2	-	1,039.2
Long-term investments	39.9	-	-	2.7	42.6	-	42.6
Total assets	42,502.8	5,217.5	1,820.6	289.2	49,830.1	(1,159.1)	48,671.0
Segment liabilities	6,784.2	732.4	139.1	97.0	7,752.7	(1,299.9)	6,452.8
Lease liabilities	2,737.5	886.0	66.9	10.5	3,700.9	(18.4)	3,682.5
Long-term liabilities	1,077.7	-	-	-	1,077.7	-	1,077.7
Provisions	642.5	682.3	3.0	-	1,327.8	-	1,327.8
Defined benefit plans	99.9	-	-	-	99.9	-	99.9
Borrowings	11,694.7	298.0	2.8	16.8	12,012.3	-	12,012.3
Tax liabilities	1,226.4	0.2	(12.6)	3.6	1,217.6	-	1,217.6
Total liabilities	24,262.9	2,598.9	199.2	127.9	27,188.9	(1,318.3)	25,870.6

* *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 2022 and 2021.

	By area of original sale	
	1 st Half FY2022/23	1 st Half FY2021/22
East Asia	4,180.9	1,690.3
Europe	1,206.3	412.4
South West Pacific	1,307.3	244.6
Americas	691.1	134.6
West Asia and Africa	690.4	145.8
Systemwide	8,076.0	2,627.7
Non-scheduled services and incidental revenue	269.4	148.9
	<u>8,345.4</u>	<u>2,776.6</u>

No single customer contributed to more than 10% of the Group's revenue during the half years ended 30 September 2022 and 2021.

6 Operating Profit/(Loss) (in \$ million)

Operating profit/(loss) for the financial period was arrived at after charging/(crediting):

	The Group	
	1 st Half FY2022/23	1 st Half FY2021/22
Interest income from short-term investments	(0.4)	(0.5)
Dividend income from short-term investments	(0.1)	(0.1)
Loss/(Surplus) on disposal of short-term investments	0.6	(0.8)
Bad debts written off	0.8	-
Write-back of impairment of trade debtors	(4.9)	-
Writedown of inventories	5.0	7.5
Exchange loss/(gain), net	14.0	(28.9)
Currency hedging gain	(2.5)	(0.3)
Foreign currency hedging ineffectiveness	-	(0.1)
Fuel hedging gain recognised in "Fuel costs"	(417.3)	(51.8)
Net loss on financial assets mandatorily measured at FVTPL	<u>2.6</u>	<u>1.6</u>

7 Other Non-Operating Items (in \$ million)

	The Group	
	1 st Half FY2022/23	1 st Half FY2021/22
Impairment of long term investments	(3.2)	(5.3)
Loss on disposal of other property, plant and equipment	(0.4)	(0.5)
Write-back of provision/(Provision) for expected credit losses on investments and loans	0.1	(7.5)
Provision for onerous contract	(0.7)	(38.9)
Gain/(Loss) on sale and leaseback transactions	0.7	(3.9)
Write-back of headcount rationalisation costs	0.4	0.8
Refleeting and restructuring costs	-	(0.7)
Surplus on disposal of intangible assets	-	8.0
	<u>(3.1)</u>	<u>(48.0)</u>

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 2022 and 2021 are:

	The Group	
	1 st Half FY2022/23	1 st Half FY2021/22
<u>Current taxation</u>		
Provision for the period	1.6	45.9
Over provision in respect of prior years	(0.2)	-
	<u>1.4</u>	<u>45.9</u>
<u>Deferred taxation</u>		
Movement in temporary differences	176.5	(161.8)
Over provision in respect of prior years	(27.4)	(0.1)
	<u>149.1</u>	<u>(161.9)</u>
	<u>150.5</u>	<u>(116.0)</u>

The Group has tax losses and deductible temporary differences (for which no deferred tax asset has been recognised) of approximately \$1,203.2 million (31 March 2022: \$984.1 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 FY2022/23 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	
	2022	2021	2022	2021
Issued and fully paid share capital				
Ordinary shares				
Balance at 1 April and 30 September	2,977,543,504	2,977,543,504	7,180.2	7,180.2
Special share				
Balance at 1 April and 30 September	1	1	#	#
#	<i>The value is \$0.50</i>			

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 2022, none of the Company's subsidiaries held any shares in the Company (31 March 2022: Nil).

Share-based Incentive Plans

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 FY2022/23 Strategic Share Award ("SSA") under the RSP, the award made in July 2022 to Senior Management (Senior Vice Presidents and above) was based on Board Compensation & Industrial Relations Committee assessment of SIA Management's Covid-19 response and recovery for FY2021/22.

The FY2022/23 RSP award was made in July 2022 on a contingent performance basis to Senior Management and other key executives (Vice Presidents and Divisional Vice Presidents).

9 Share Capital (in \$ million) (continued)

Share-based Incentive Plans (continued)

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 FY2022/23 PSP award was made in July 2022 on a contingent performance basis to Senior Management.

Movement of share awards during the financial period

Date of grant	<u>Number of Share Awards</u>				Balance at 30 September 2022
	Balance at 1 April 2022	Granted	Adjustment	Vested	
<u>RSP</u>					
19.07.2019	179,950	-	-	(179,950)	-
16.07.2020	893,076	-	-	(460,228)	432,848
15.07.2021	1,640,725	-	463,875 #	(745,220)	1,359,380
14.07.2022	-	1,856,506	-	-	1,856,506
	<u>2,713,751</u>	<u>1,856,506</u>	<u>463,875</u>	<u>(1,385,398)</u>	<u>3,648,734</u>
<u>PSP</u>					
19.07.2019	608,880	-	(150,290) #	(458,590)	-
16.07.2020	605,600	-	-	-	605,600
15.07.2021	717,293	-	-	-	717,293
14.07.2022	-	666,516	-	-	666,516
	<u>1,931,773</u>	<u>666,516</u>	<u>(150,290)</u>	<u>(458,590)</u>	<u>1,989,409</u>
<u>Transformation Share Award</u>					
19.07.2019	13,500	-	10,800	(24,300)	-
	<u>13,500</u>	<u>-</u>	<u>10,800</u>	<u>(24,300)</u>	<u>-</u>
<u>SSA</u>					
16.07.2020	239,000	-	191,200 ^	(430,200)	-
05.02.2021	19,650	-	-	(9,825)	9,825
15.07.2021	410,150	-	-	(205,075)	205,075
14.07.2022	-	964,900	-	(482,450)	482,450
	<u>668,800</u>	<u>964,900</u>	<u>191,200</u>	<u>(1,127,550)</u>	<u>697,350</u>

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.

10 Mandatory Convertible Bonds (“MCBs”) (in \$ million)

The Company has \$9,691.2 million of MCBs outstanding as at 30 September 2022. They 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 total number of ordinary shares to be issued on 8 June 2030, the end of the 10-year tenure of the MCBs is 3,478,587,238.

11 Treasury Shares (in \$ million)

	The Group and the Company	
	Number of shares	Amount
Balance at 1 April 2022	10,048,816	(106.5)
Treasury shares transferred on vesting of share-based incentive plans	(2,995,838)	31.8
Treasury shares transferred on payment of Directors’ remuneration	(85,900)	0.9
Balance at 30 September 2022	<u>6,967,078</u>	<u>(73.8)</u>

Treasury shares relate to ordinary shares of the Company that are held by the Company.

During the financial period, the Company did not purchase any treasury shares (FY2021/22: nil).

As at 30 September 2022, the number of ordinary shares in issue was 2,977,543,504 of which 6,967,078 were held by the Company as treasury shares (31 March 2022: 2,977,543,504 ordinary shares of which 10,048,816 were held as treasury shares).

12 Borrowings (in \$ million)

	The Group	
	30 September 2022	31 March 2022
Amount repayable in one year or less, or on demand		
<u>Secured</u>		
Loans	1,658.3	587.1
<u>Unsecured</u>		
Loans	15.5	19.7
	<u>1,673.8</u>	<u>606.8</u>
Amount repayable after one year		
<u>Secured</u>		
Loans	3,790.5	4,966.7
<u>Unsecured</u>		
Notes payable	5,740.9	5,655.7
Loans	3.0	-
Convertible bonds	791.0	783.1
	<u>6,534.9</u>	<u>6,438.8</u>
	<u>10,325.4</u>	<u>11,405.5</u>
Total Borrowings	<u>11,999.2</u>	<u>12,012.3</u>

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 \$3,777.7 million (31 March 2022: \$3,682.5 million) which are secured over the right-of-use assets.

Convertible Bonds

The convertible bonds bear interest at 1.625% per annum, payable semi-annually in arrears. The initial conversion price is \$5.743 and is subject to adjustments under certain events set out in the Trust Deed for the convertible bonds. 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).

The total number of ordinary shares to be issued is 148,006,268 assuming no adjustments to the initial conversion price.

The equity conversion component on initial recognition of the convertible bonds is \$74.3 million.

13 Property, Plant and Equipment (in \$ million)

The Group

	Aircraft	Aircraft spares and spare engines	Advance and progress payments	Others	Total
Cost					
At 1 April 2022	22,714.9	854.5	8,611.5	1,916.3	34,097.2
Additions	82.8	52.2	1,026.3	6.6	1,167.9
Transfers	1,005.7	(29.9)	(978.5)	2.7	-
Acquisition of a subsidiary company	-	-	-	6.6	6.6
Disposals	(162.3)	(0.2)	-	(6.9)	(169.4)
Write-off	-	-	(2.4)	-	(2.4)
Exchange differences	93.8	0.3	-	4.7	98.8
At 30 September 2022	23,734.9	876.9	8,656.9	1,930.0	35,198.7
Accumulated depreciation and impairment losses					
At 1 April 2022	7,002.1	538.0	388.2	1,598.3	9,526.6
Depreciation	682.8	19.3	-	41.5	743.6
Transfers	21.4	(21.4)	-	-	-
Acquisition of a subsidiary company	-	-	-	6.1	6.1
Disposals	(43.7)	(0.1)	-	(6.5)	(50.3)
Exchange differences	-	0.3	-	2.7	3.0
At 30 September 2022	7,662.6	536.1	388.2	1,642.1	10,229.0
Net book value					
At 1 April 2022	15,712.8	316.5	8,223.3	318.0	24,570.6
At 30 September 2022	16,072.3	340.8	8,268.7	287.9	24,969.7

Impairment of aircraft

During the financial period, the Group recorded a writeback of \$12.8 million on previously impaired aircraft with updates in estimated provisions required.

During the previous financial period, the Group recorded an impairment loss of \$15.0 million of two held-for-sale 777-200 aircraft due to changes in market values.

Assets held for sale

In the prior year, certain aircraft and spare engines were classified as held for sale as the Group had decided to sell the aircraft following the review of the fleet plan. During the current financial period, the remaining assets held for sale continue to be actively marketed.

	The Group
At 1 April 2022	37.1
Disposals	(2.2)
At 30 September 2022	34.9

14 Right-of-Use Assets (in \$ million)

The Group

	Aircraft	Aircraft spare engines	Others	Total
At 1 April 2022	2,904.5	246.2	139.4	3,290.1
Additions	95.7	-	10.4	106.1
Reassessment and modifications	(1.0)	-	1.7	0.7
Depreciation	(202.9)	(13.8)	(27.1)	(243.8)
At 30 September 2022	2,796.3	232.4	124.4	3,153.1

During the financial period, the Group completed sale-and-leaseback transactions for two A320neo aircraft. Upon completion, the Group recorded \$99.3 million as lease liabilities and a gain on sale-and-leaseback of \$0.7 million.

15 Subsidiary Companies

On 31 May 2022, SIA Engineering Company ("SIAEC") acquired 75% of the shares and voting interests in SR Technics Malaysia Sdn Bhd ("SR Technics Malaysia"). As a result, SR Technics Malaysia has become a subsidiary company of the Group.

Goodwill

Goodwill arising from the acquisition has been recognised as follows, subject to changes upon purchase price allocation completion:

	As at date of acquisition (\$ million)
Total consideration transferred	5.1
Non-controlling interests	1.2
Fair value of identifiable net assets	(4.7)
Goodwill	1.6

16 Associated Companies

During the financial period, the Group did not recognise share of losses totalling \$20.3 million in relation to its interest in TATA SIA Airlines Limited because the Group has fully depleted its cost of investment.

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 FY2022/23	1 st Half FY2021/22
Revenue recognised that was included in the balance at the beginning of the period		
- Sales in advance of carriage	2,107.8	568.1
- Deferred revenue	446.3	42.2
Movements due to cash received, excluding amounts recognised as revenue during the period		
- Sales in advance of carriage	4,160.9	648.9
- Deferred revenue	392.8	47.1

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, which have been extended due to the Covid-19 situation.

All tickets sold at any given point of time typically have travel dates extending up to 12 months. However, certain modifications have been 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.

18 Significant Commitment and Contingent Liabilities

There have been no significant changes to the Group's and Company's contingent liabilities, except for the filing of an appeal to the European Court of Justice against the decision of the European General Court in relation to the fine imposed by the European Commission in March 2017.

There have been no significant changes to the Group's and Company's commitments for 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, 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.

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 2022							
<u>Financial assets</u>							
Long-term investments							
Quoted							
Non-equity investments	0.2	-	-	0.2	0.2	-	-
Unquoted							
Equity investments	-	37.6	1.3	38.9	-	-	38.9
Other long-term receivables	239.4	-	-	239.4	-	-	239.5
Derivative assets *	-	1,734.4	-	1,734.4	-	1,734.4	-
Investments							
Quoted							
Equity investments	-	1.3	-	1.3	1.3	-	-
Non-equity investments*	-	46.2	-	46.2	46.2	-	-
Non-equity investments	364.2	-	-	364.2	364.2	-	-
	<u>603.8</u>	<u>1,819.5</u>	<u>1.3</u>	<u>2,424.6</u>	<u>411.9</u>	<u>1,734.4</u>	<u>278.4</u>
<u>Financial liabilities</u>							
Derivative liabilities*	-	767.3	-	767.3	-	767.3	-
Notes payable	5,740.9	-	-	5,740.9	5,453.2	-	-
Convertible bonds	791.0	-	-	791.0	855.5	-	-
	<u>6,531.9</u>	<u>767.3</u>	<u>-</u>	<u>7,299.2</u>	<u>6,308.7</u>	<u>767.3</u>	<u>-</u>

* Mandatorily measured at FVTPL

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 2022							
<u>Financial assets</u>							
Long-term investments							
Quoted							
Non-equity investments	0.4	-	-	0.4	0.4	-	-
Unquoted							
Equity investments	-	40.9	1.3	42.2	-	-	42.2
Other long-term receivables	196.4	-	-	196.4	-	-	192.9
Derivative assets*	-	2,939.3	-	2,939.3	-	2,939.3	-
Investments							
Quoted							
Equity investments	-	2.1	-	2.1	2.1	-	-
Non-equity investments*	-	51.8	-	51.8	51.8	-	-
Non-equity investments	352.5	-	-	352.5	352.5	-	-
	<u>549.3</u>	<u>3,034.1</u>	<u>1.3</u>	<u>3,584.7</u>	<u>406.8</u>	<u>2,939.3</u>	<u>235.1</u>
<u>Financial liabilities</u>							
Derivative liabilities*	-	1,650.6	-	1,650.6	-	1,650.6	-
Notes payable	5,655.7	-	-	5,655.7	5,607.7	-	-
Convertible bonds	783.1	-	-	783.1	939.3	-	-
	<u>6,438.8</u>	<u>1,650.6</u>	<u>-</u>	<u>8,089.4</u>	<u>6,547.0</u>	<u>1,650.6</u>	<u>-</u>

* Mandatorily measured at FVTPL

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 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.

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 FY2021/22.

Base Salary cuts of 30% for CEO and 25% for EVPs were implemented from 1 April 2020, and subsequently adjusted to 35% for CEO and 30% for EVPs from 1 August 2020. As of 1 August 2021, there was a company-wide restoration of 10% of Base Salary in respect of the MVC for all employees including Key Management Personnel. The remaining pay cuts of the Key Management Personnel were restored in tandem with network capacity restoration in FY2022/23.

21 Subsequent Events

On 25 October 2022, the Company announced its intention to fully redeem the \$3,496 million Rights Mandatory Convertible Bonds that were issued in June 2020 ("Rights 2020 MCBs") at the next semi-annual date of 8 December 2022. The accreted principal amount payable by the Company, being 110.408% of the principal amount of the Rights 2020 MCBs, will be \$3,860 million.

The Group raised \$865 million in October 2022 and early November 2022 through the completion of sale-and-leaseback transactions for six 737-8, two 787-8 and two 787-9 aircraft.

**OTHER INFORMATION
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022**

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 FY2022/23 – Profit and Loss

The SIA Group financial performance for the first half FY2022/23 is summarised as follows:

Group Financial Results	1 st Half FY2022/23 (\$ million)	1 st Half FY2021/22 (\$ million)	Better/ (Worse) (%)	2 nd Quarter FY2022/23 (\$ million)	1 st Quarter FY2022/23 (\$ million)	Better/ (Worse) (%)
Total Revenue	8,416	2,827	197.7	4,488	3,928	14.3
Total Expenditure	7,182	3,447	(108.4)	3,810	3,372	(13.0)
Net Fuel Cost	2,696	810	(232.8)	1,423	1,273	(11.8)
<i>Fuel Cost (before hedging)</i>	<i>3,113</i>	<i>862</i>	<i>(261.1)</i>	<i>1,638</i>	<i>1,475</i>	<i>(11.1)</i>
<i>Fuel Hedging Gain</i>	<i>(417)</i>	<i>(52)</i>	<i>701.9</i>	<i>(215)</i>	<i>(202)</i>	<i>6.4</i>
Fair Value Gain on Fuel Derivatives	-	(79)	(100.0)	-	-	-
Non-fuel Expenditure	4,486	2,716	(65.2)	2,387	2,099	(13.7)
Operating Profit/(Loss)	1,234	(620)	n.m.	678	556	21.9
Net Profit/(Loss)	927	(837)	n.m.	557	370	50.5

The SIA Group posted record operating profits in the first half and second quarter of FY2022/23, as the demand for air travel surged after Singapore fully reopened to vaccinated travellers in April 2022, and border restrictions eased across many key markets. This has largely come about because the Group was fast off the block in undertaking several initiatives. These include proactive fund raising, talent retention, and resource deployment in preparation for the recovery of air travel, putting it in a strong position to capture the pent-up demand. With strong support from many stakeholders, Singapore Airlines and Scoot were among the first carriers to launch flights and start sales to points served out of Singapore as the government took decisive action to reopen its borders to international travel, starting with the launch of the country's Vaccinated Travel Lane arrangements in September 2021.

As a result, SIA and Scoot carried 11.4 million passengers during the six months to 30 September 2022, a 13-fold jump from a year before. Passenger traffic and load factors were robust across all cabin classes and route regions, except in East Asia where border restrictions largely remained in place during the six months. The Group's passenger capacity rose to an average of 68% of pre-pandemic levels in the second quarter of FY2022/23.

During the first half, passenger flown revenue rose \$5,226 million (+694.0%) year-on-year to \$5,979 million. Traffic was 11-fold higher, significantly outpacing the capacity expansion of 118.7%. Consequently, passenger load factor rose 66.8 percentage points to 83.0%. Cargo flown revenue grew by \$224 million (+11.9%) to \$2,099 million, supported by higher yields (+18.6%), despite the decline in cargo loads (-5.6%). As a result, Group revenue rose \$5,589 million (+197.7%) to \$8,416 million.

3 Review of performance of the Group (continued)

GROUP FINANCIAL PERFORMANCE (CONTINUED)

First Half FY2022/23 – Profit and Loss (continued)

Expenditure increased by \$3,735 million (+108.4%) year-on-year to \$7,182 million. This consisted of a \$1,886 million jump (+232.8%) in net fuel cost, a \$1,770 million increase (+65.2%) in non-fuel expenditure, and the absence of the \$79 million gain that was recorded last year for fair value changes on fuel derivatives. Net fuel cost rose to \$2,696 million, mainly on the 93% increase in fuel prices (+\$1,467 million) and higher volume uplifted (+\$708 million), partially offset by higher fuel hedging gains (-\$365 million). The increase in non-fuel expenditure was lower than the increase in passenger capacity.

The Group recorded an operating profit of \$1,234 million, an improvement of \$1,854 million from the \$620 million loss a year before.

The Group posted a first half net profit of \$927 million, versus a \$837 million loss in the previous year (+\$1,764 million). This was due to the better operating performance (+\$1,854 million), lower net finance charges (+\$69 million) and improvement in share of results of joint venture and associated companies (+\$46 million), partially offset by a tax expense versus a tax credit last year (-\$267 million).

The Group recorded an operating cash surplus¹ of \$2,514 million for the first half, a year-on-year improvement of \$2,620 million.

Second Quarter FY2022/23 – Profit and Loss

The strong operating performance in the first quarter of FY2022/23 accelerated into the second quarter. The demand for air travel was robust during the peak summer season across every route region except East Asia. The Group recorded an operating profit of \$678 million for the second quarter, an increase of \$122 million (+21.9%) from the previous quarter. This is the highest quarterly operating profit in the Group's history.

Group revenue rose \$560 million (+14.3%) quarter-on-quarter to \$4,488 million, which is the highest quarterly revenue for the Group. Passenger flown revenue increased by \$627 million (+23.4%) to \$3,303 million as traffic grew 22.0%, outpacing the 11.3% expansion in capacity. As a result, passenger load factor improved 7.6 percentage points to a record 86.6% for any quarter. Revenue per available seat-kilometre (RASK) was 10.3 cents, the highest quarterly RASK in the Group's history. While cargo flown revenue exceeded \$1 billion for the fourth quarter in succession, it dipped by 8.5% or \$93 million from the first quarter to \$1,003 million. This was due to a decrease in both loads and yields as air freight demand began to soften and as competition intensified in the industry, despite an 11.5% quarter-on-quarter increase in cargo capacity driven by the continued recovery of bellyhold capacity.

Group expenditure grew by \$438 million (+13.0%) quarter-on-quarter to \$3,810 million. This consisted of a \$150 million increase (+11.8%) in net fuel cost, and a \$288 million increase (+13.7%) in non-fuel expenditure. Net fuel cost rose to \$1,423 million, mainly on higher volume uplifted (+\$159 million), which was partially offset by higher fuel hedging gains (-\$13 million). The increase in non-fuel expenditure was in line with the increase in passenger and cargo capacity.

The Group posted a net profit of \$557 million for the second quarter, an increase of \$187 million (+50.5%) from the previous quarter. This was attributable to the better operating performance (+\$122 million), lower net finance charges (+\$44 million) and improvement in share of results of joint venture and associated companies (+\$29 million), partially offset by higher tax expense (-\$14 million).

¹ Includes net cash provided by operating activities and repayment of lease liabilities, and excludes proceeds from forward sales.

3 Review of performance of the Group (continued)

BALANCE SHEET REVIEW **(September 2022 vs March 2022)**

Equity attributable to owners of the company increased by \$775 million (+3.5%) to \$23,187 million as at 30 September 2022 largely due to the following:

- net profit attributable to owners of the company of \$927 million recorded for the financial period;
- currency translation differences (+\$35 million); partially offset by
- reduction in fair value gains (-\$197 million) which arose mainly from fuel hedges with the fall in average forward fuel prices.

Total Group assets increased by \$2,824 million (+5.8%) to \$51,495 million. The increase was mainly attributable to an increase in cash and bank balances (+\$3,688 million) and property, plant and equipment (+\$399 million), partially offset by a decrease in derivative assets (-\$1,205 million). The increase in cash and bank balances arose primarily due to net cash generated from operations (+\$4,911 million) and effects of foreign currency differences (+\$315 million), partially offset by capital expenditure (-\$916 million), lease payments (-\$344 million) and net repayment of borrowings (-\$291 million).

Total Group liabilities increased by \$2,032 million (+7.9%) to \$27,903 million, primarily arising from the increase in sales in advance of carriage (+\$2,053 million), trade and other creditors (+\$724 million) and deferred taxes (+\$90 million), partially offset by a decrease in derivative liabilities (-\$883 million).

Net Asset Value

	The Group		The Company	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
Net asset value per ordinary share (\$)	7.81	7.55	8.25	7.92

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 is expected to be strong as we head into the year-end peak travel season. With the recent relaxation of border controls in parts of East Asia, we expect demand to pick-up in Hong Kong, Taipei, and points in Japan especially over the holiday period. Forward sales are expected to remain buoyant in the coming months leading up to the Lunar New Year period.

Cargo demand in the third quarter of FY2022/23 is projected to be weaker year-on-year as this year's traditional air cargo peak period is expected to be muted. This is due to the anticipated impact of global economic headwinds on consumer demand, and fewer production orders as importers work on reducing high inventories. The progressive return of industry bellyhold capacity with the resumption of more passenger flights will also put downward pressure on cargo yields.

High fuel prices, inflationary pressures across the supply chain, geopolitical issues, as well as macroeconomic uncertainties including the risk of a global recession, remain a concern beyond the Lunar New Year period. These could pose challenges to passenger and cargo demand across the SIA Group's key markets. The Group will keep a close watch on the impact of these developments on our business and respond as necessary.

The Group is committed to continue strengthening its operational resilience and financial sustainability, exercising cost discipline while seizing revenue and growth opportunities as they arise. Our Transformation programme has strengthened the Group's foundations to navigate future challenges. The Group will continue to invest in our products, services, digital capabilities, and people. We will remain steadfast and agile as we forge ahead to retain our leadership position in the industry.

6 Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	10 cents per ordinary share
Tax Rate	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?

No.

(c) Date payable

The interim dividend will be paid on 22 December 2022.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and the Register of Members of the Company will be closed on 12 December 2022 for the preparation of dividend warrants. Duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Share Registrar, M & C Services Private Limited, 112 Robinson Road, #05-01 Singapore 068902 up to 5:00 p.m. on 12 December 2022 will be registered to determine shareholders' entitlements to the interim dividend.

Shareholders (being depositors) whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with ordinary shares in the capital of the Company as at 5:00 p.m. on 12 December 2022 will be entitled to the interim dividend.

7 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

8 Interested Person Transactions

The aggregate values of all Interested Person Transactions (“IPTs”) entered into during the first half of the Financial Year 2022/23 are as follows:

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\$)
CapitaLand Investment Limited Group - Ascott International Management Japan Company Limited trading as Citadines Namba Osaka - CapitaLand Integrated Commercial Trust	#	- -	180,002 243,792
Gategroup Holding AG Group - Compagnie d'Exploitation des Services Auxiliaires Aériens - Gate Gourmet Amsterdam B.V. - Gate Gourmet Denmark APS - Gate Gourmet Services Pty Ltd - Gate Gourmet Switzerland GmbH - Gategroup Trading Hong Kong Ltd	#	- - - - - -	2,661,617 312,817 2,782,992 6,960,182 3,064,656 8,552,725
KrisShop Pte Ltd	#	12,000,000 *	5,137,342
SATS Ltd Group - Air India SATS Airport Services Private Limited - Asia Airfreight Terminal Co Ltd - MacroAsia Catering Services Inc. - Mumbai Cargo Service Centre Airport Private Limited - PT Jas Aero-Engineering Services - PT Jasa Angkasa Semesta Tbk - SATS Aero Laundry Pte. Ltd. - SATS HK Limited - SATS Ltd - SATS Saudi Arabia Company - SATS Security Services Private Limited - Taj Madras Flight Kitchen Private Limited - Taj SATS Air Catering Limited - TFK Corporation	#	- - - - - - - - 320,000 ^ - - - - -	3,325,935 1,543,217 3,563,870 1,032,267 1,123,117 3,625,419 53,618,594 2,164,651 207,654,378 132,221 12,002,339 318,346 2,119,237 241,629
SembCorp Industries Ltd Group - Sembcorp Solar Singapore Pte Ltd	#	-	160,586
Singapore Telecommunications Limited Group - Optus Networks Pty Limited - Singapore Telecommunications Limited	#	- -	379,747 722,395
StarHub Ltd	#	-	321,411
Temasek Holdings (Private) Limited and Associates - Certis CISCO Aviation Security Pte. Ltd. - SMM Pte Ltd - SPH Media Limited - Sydney Night Patrol & Inquiry Co Pty Ltd - UST Global (Singapore) Pte. Limited	#	- - - - -	1,479,697 3,624,902 314,325 112,266 269,392
Total Interested Person Transactions		12,320,000	329,746,066

* An unsecured shareholder loan provided by SIA to KrisShop in the amount of SGD12 million (being the sum of principal loan of SGD10.5 million and the estimated interest payable of SGD1.5 million).

^ Estimated interest payable by KrisShop to SATS for the unsecured shareholder loan of up to SGD2.25 million.

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
4 November 2022

Singapore Company Registration No.: 197200078R

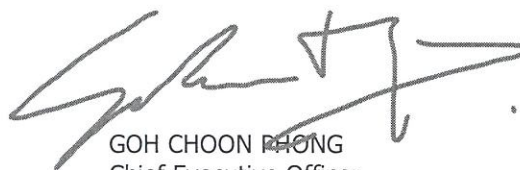
CONFIRMATION BY THE BOARD

We, Peter Seah Lim Huat and Goh Choon Phong, being two directors of Singapore Airlines Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the half year ended 30 September 2022 financial results to be false or misleading in any material respect.

On behalf of the Board,



PETER SEAH LIM HUAT
Chairman



GOH CHOON PHONG
Chief Executive Officer

4 November 2022