

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

ANNOUNCEMENT

PROPOSED RENOUNCEABLE RIGHTS ISSUE

The directors (the “**Directors**”) of Singapore Airlines Limited (the “**Company**”) refer to the announcement dated 26 March 2020 (the “**Announcement**”) in relation to the proposed renounceable rights issue (the “**Rights Issue**”) of new ordinary shares in the capital of the Company (the “**Rights Shares**”) and mandatory convertible bonds (the “**Rights MCBs**”). Unless otherwise stated, all defined terms used in this announcement shall have the same meanings as defined and used in the Announcement and the Circular (as defined below). Following the release of the Announcement, the Company has received some questions from its Shareholders in relation to the Rights Issue, and the Directors wish to provide further clarifications as set out below:

1. FURTHER CLARIFICATIONS

1.1 When will the Rights Issue take place?

The Company is currently in the process of preparations for the Rights Issue and will inform Shareholders of further details on the timeline for the transaction in due course. Having said that, it would be useful to note that the Rights Issue is subject to, among other things, the approval of Shareholders at an EGM to be convened. The Company has today issued a circular to Shareholders (the “**Circular**”) convening the EGM and containing additional details of the Rights Issue. The Rights Issue is expected to commence as soon as practicably possible after Shareholder approval is obtained.

1.2 Can an investor opt to subscribe for Rights Shares only and not Rights MCBs, or vice versa?

Essentially, the Rights Issue comprises two independent and separate rights offerings. The offer of the Rights Shares and the Rights MCBs under the Rights Issue will be made concurrently but Entitled Shareholders can accept their rights entitlements to the Rights Shares and the Rights MCBs independently of each other. Entitled Shareholders are not required to accept their Rights Shares in order to accept their Rights MCBs, and *vice versa*.

1.3 How much exactly is the Company raising?

The total amount being raised under the Rights Issue is approximately S\$8.8 billion. This can be broken down as follows:

- Rights issue of Rights Shares amounting to approximately S\$5.3 billion; and
- Rights issue of Rights MCBs amounting to approximately S\$3.5 billion.

In order to allow for future funding for the Company (if necessary), the Company will at the EGM also be seeking the approval of Shareholders for the further issuance of up to approximately S\$6.2 billion in aggregate principal amount of Additional MCBs. These Additional MCBs may be offered through one or more further rights issues in the future. The Company envisages that any such rights issue of Additional MCBs will take place (if at all) within 15 months from the date of the EGM. Such further funding headroom is not part of the current proposed Rights Issue – it simply allows the Company to raise further funding (up to an amount of approximately S\$6.2 billion) in the future by way of further rights issues of Additional MCBs.

1.4 Are bondholders entitled to participate in the Rights Issue? Who will be entitled to participate?

Bondholders will not be allocated rights entitlements. Only the Company's Shareholders and Depositors (i.e. Shareholders who have Shares credited to their Securities Accounts with The Central Depository (Pte) Limited) with registered addresses in Singapore as at the Record Date will be allocated rights entitlements. The Company may also, in line with market practice, extend participation to specific categories of Shareholders and/or Depositors in certain jurisdictions outside Singapore by relying on available exemptions under the laws of the relevant jurisdictions.

1.5 Are there any coupons/dividends from the Rights MCBs?

The Rights MCBs will be zero coupon instruments and therefore will not be interest-bearing.

1.6 Can the Rights MCBs be converted into Shares at any time prior to maturity?

The Rights MCBs are not convertible into Shares except at their maturity at the 10th anniversary of their issue, whereupon they will be mandatorily converted into new Shares (unless previously redeemed or purchased). No further cash will be required to be paid by a holder of Rights MCBs for such conversion at maturity. Prior to their maturity, the Rights MCBs may be redeemed at the option of the Company or repayment may 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.

2. JOINT LEAD MANAGERS

The Company would also wish to update that DBS Bank Ltd. is the Sole Financial Adviser for the Rights Issue and together with Morgan Stanley Asia (Singapore) Pte. are the Joint Lead Managers for the Rights Issue.

3. HELPLINE

Shareholders with questions in relation to the Rights Issue may contact the Company's Rights Issue Helpline at +65 6878 1375, which will be pleased to assist to the extent that information is available and its disclosure is permitted in accordance with applicable disclosure and publicity restrictions under Singapore and other applicable laws and the SGX-ST listing rules.

BY ORDER OF THE BOARD

Brenton Wu
Company Secretary

15 April 2020
Singapore

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