

Staying Ahead, Shaping Tomorrow

Annual Report 2025/2026



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CHAIRMAN AND DIRECTOR-GENERAL'S MESSAGE



Mr Edmund Cheng
Chairman

Mr Han Kok Juan
Director-General

Singapore's air hub continued to perform strongly in 2025. Changi Airport handled close to 70 million passengers, a record high, while air cargo throughput grew to 2.08 million tonnes. These results underscore the strength and resilience of Singapore as a global aviation gateway. The long-term outlook for aviation remains promising, particularly in the Asia-Pacific, where air travel demand is expected to grow the fastest over the next 20 years.

Yet, the aviation sector is also navigating a more complex and demanding operating environment marked by geopolitical uncertainty, sustainability imperatives and evolving workforce needs. In this environment, remaining competitive requires more than responding to change; it requires anticipating it.

STAYING AHEAD THROUGH SAFETY, CAPABILITY AND RESILIENCE

For Singapore, staying ahead begins with safety. As air traffic continues to grow in volume and complexity, upholding the highest standards of safety remains fundamental. Even with one of the strongest aviation safety regimes globally, we continue to stay vigilant to ensure that safety underpins our growth.

Beyond safety, CAAS continued to invest in the capabilities needed to support the next phase of Singapore's growth as an air hub.

Long term infrastructure projects, including the development of Terminal 5 and the wider Changi East, will strengthen Singapore's position as a leading global aviation hub for decades to come.

As we build capacity on the ground, in parallel, we are also building capacity in the skies through continued investments in air traffic management capabilities and leveraging digitalisation and advanced operational concepts to manage growing traffic volumes safely and efficiently.

Looking ahead, the competitiveness of Singapore's air hub will increasingly hinge on how effectively the sector navigates two defining shifts: the move towards more sustainable aviation and rapid technological transformation. In this context, Singapore is advancing Sustainable Aviation Fuel (SAF) use through a pragmatic, system level approach, with key enablers such as a SAF levy and centralised demand aggregation to support emissions reduction. In tandem, we are strengthening partnerships and harnessing technology to enhance capacity, productivity and resilience across the sector.

Equally central to sustaining Singapore's aviation excellence is investment in people. As jobs and skills continue to evolve, CAAS is advancing workforce transformation, developing future aviation talent and creating new pathways to attract, develop and retain the professionals who will shape the future of Singapore aviation.

ADVANCING GLOBAL AVIATION THROUGH COLLABORATION

Aviation is inherently global, and its future growth cannot be achieved by any one country acting alone. As air travel becomes increasingly interconnected, addressing common challenges will require stronger collaboration across States, regions and industry partners.

Singapore remains firmly committed to a rules-based and collaborative international aviation system. Our re-election to both the Council of the International Civil Aviation Organization (ICAO) and the Air Navigation Commission reflects the confidence placed in Singapore's contributions to global aviation. Through platforms such as the High-Level Aviation Week and Changi Aviation Summit, as well as partnerships with ICAO and other international stakeholders, Singapore continues to contribute to aviation leadership development, capability building and the advancement of global aviation standards. In doing so, we seek not only to strengthen Singapore's aviation sector, but also to help shape a safer, more sustainable and more connected future for aviation worldwide.

MOVING FORWARD, TOGETHER

The task ahead of us is significant, but we approach it with confidence. Singapore's aviation sector has been built on strong fundamentals and a shared sense of purpose across the aviation community.

On this note, we warmly welcome Mr Ng Chee Khern, who was appointed Deputy Chairman during the year, and look forward to his leadership as CAAS continues its transformation and growth. We also express our sincere appreciation to all members of the Authority for their invaluable guidance and support. Our heartfelt thanks go to our tripartite partners, aviation stakeholders, international friends and partners and the broader OneAviation community for their continued collaboration and commitment. Above all, we thank our CAAS officers for their dedication, professionalism and tireless efforts in strengthening Singapore's air hub and positioning it for the future.

As one cohesive aviation community, we will continue to stay ahead of change, shape tomorrow's aviation landscape and ensure that Singapore remains a leading global aviation hub for generations to come.

“

As one cohesive aviation community, we will continue to stay ahead of change, shape tomorrow's aviation landscape and ensure that Singapore remains a leading global aviation hub for generations to come.

”

Mr Edmund Cheng
Chairman

Mr Han Kok Juan
Director-General

MEMBERS OF THE AUTHORITY

(as at 31 March 2026)



Mr Edmund Cheng
Chairman



Mr Ng Chee Khern
Deputy Chairman
(from 1 January 2026)



Ms Cham Hui Fong
Member



Adj A/Prof Helen Chen
Member



Ms Audrey Cheong
Member



Mr Mark Chong
Member



MG Kelvin Fan
Member



Mr Han Kok Juan
Member



Ms Christina Hon
Member



Mr Kong Chi-nang
Member



Mr Kwa Chin Lum
Member



Mr Patrick Ky
Member



Prof Lam Khin Yong
Member



Prof Phoon Kok Kwang
Member



Mr Sharael Taha
Member



Mr Yee Ping Yi
Member



Mr Bernard Lim
Alternate Member

THE AUTHORITY'S COMMITTEES

(as at 31 March 2026)

STAFF & REMUNERATION COMMITTEE

Chairman	Mr Edmund Cheng
Members	Mr Ng Chee Khern (from 1 Jan 2026) MG Kelvin Fan Mr Han Kok Juan Prof Phoon Kok Kwang Mr Yee Ping Yi
Secretary	Ms Joanne Low

INVESTMENT COMMITTEE

Chairman	Mr Kong Chi-nang
Members	Mr Han Kok Juan Ms Christina Hon
Secretary	Ms Chia Sin Yee

AUDIT AND RISK COMMITTEE

Chairman	Ms Christina Hon
Members	Mr Mark Chong Mr Kwa Chin Lum
Secretary	Mr Tan Kwang Wei

TENDERS COMMITTEE

Chairman	Mr Edmund Cheng
Alternate Chairman	Ms Cham Hui Fong
Members	Mr Han Kok Juan Mr Kwa Chin Lum
Alternate Member	Prof Lam Khin Yong
Secretary	Not applicable

CYBERSECURITY AND DATA GOVERNANCE COMMITTEE

Chairman	Mr Mark Chong
Members	Mr Baey Chin Cheng Mr Han Kok Juan Mr Keng Seng Wei Prof Lam Khin Yong Mr Sharael Taha Ms Shirley Wong
Secretary	Mr Ho Kee-Vin

CAAS BUILDINGS AND INFRASTRUCTURE COMMITTEE

Chairman	Mr Edmund Cheng
Alternate Chairman for CBIC Tender Approval	Mr Yee Ping Yi
Members	Mr Ng Chee Khern (from 1 Jan 2026) Adj A/Prof Helen Chen Mr Chow Kok Fong Mr Han Kok Juan Mr Yee Ping Yi
Secretary	Mr Peter Wee

CAAS AIR HUB DEVELOPMENT ADVISORY COMMITTEE

Chairman	Mr Edmund Cheng
Members	Mr Ng Chee Khern (from 1 Jan 2026) Ms Cham Hui Fong Ms Audrey Cheong Mr Mark Chong Mr Han Kok Juan Mr Patrick Ky Mr Mak Swee Wah Mr Ng Chin Hwee Mr Tan Chuan Lye Mr Yacoob Piperdi
Secretary	Ms Angela Ng

AVIATION SAFETY COMMITTEE

(from 1 July 2025)

Chairman	Mr Patrick Ky
Members	MG Kelvin Fan Mr Han Kok Juan Mr Ivan Neo Mr Quay Chew Eng
Secretary	Mr Ong Chun Yang

PRINCIPAL OFFICERS

(as at 31 March 2026)

DIRECTORATE

From left:

- 1 Mr Alan Foo**
1 Deputy Director-General /
Chief Risk Officer
- 2 Mr Han Kok Juan**
Director-General
- 3 Mr Ng Tee Chiou**
2 Deputy Director-General /
Singapore's Alternate Representative
on the Council of the ICAO
- 4 Ms Glory Wee**
Acting 3 Deputy Director-General





SAFETY REGULATION GROUP

From left:

- | | |
|--|--|
| <p>1 Mr Ong Chun Yang
Director (Safety Policy and Planning)</p> <p>2 Mr Dalen Tan
Senior Director (Safety Regulation Group)</p> <p>3 Mr Chew Choong Cheng
Director (Aerodrome and Air Navigation Services Regulation)</p> | <p>4 Mr Foong Ling Huei
Director (Flight Standards)</p> <p>5 Dr Chong Chun Hon
Chairman (Civil Aviation Medical Board)</p> |
|--|--|



AVIATION DEVELOPMENT GROUP

From left:

- | | |
|--|--|
| <p>1 Mr Sidney Koh
Director (Air Transport)</p> <p>2 Ms Angela Ng
Director (Aviation Industry)</p> <p>3 Mr Randy Ong
Director (Airport Operations Regulation and Aviation Security)</p> | <p>4 Ms Lydia Lau
Director (Airport Economic Regulation)</p> <p>5 Dr Kelvin Goh
Director (Airport Development and Planning)</p> <p>6 Mr Francis Ng
Director (Aviation Emergency Preparedness)</p> |
|--|--|



AIR NAVIGATION SERVICES GROUP

From left:

- | | |
|---|--|
| <p>1 Mr Victor Tan
Director (Air Navigation Services Safety)</p> <p>2 Ms Jean Yee
Director (Air Navigation Services Policy)</p> | <p>3 Mr Vincent Hwa
Director (Air Traffic Services)</p> <p>4 Mr Loo Chee Beng
Director (Air Navigation Services Engineering) / Director (Strategy), Next Generation Programme Office</p> |
|---|--|



UNMANNED SYSTEMS GROUP, TECHNOLOGY OFFICE, AND NEXT GENERATION PROGRAMME OFFICE

From left:

- | | |
|--|---|
| <p>1 Mr Maran Paramanathan
Director (Unmanned Systems Policy, Regulations and Operations)</p> <p>2 Mr Tan Kah Han
Chief Technology Officer / Senior Director (Next Generation Programme Office) / Senior Director (Unmanned Systems Group)</p> | <p>3 Mr Tan Yean Guan
Director (Projects)</p> <p>4 Mr Tan Chun Wei
Director (Unmanned Systems Technology, Engineering and Planning)</p> <p>5 Dr Ng Hsiao Piau
Director (Data and Performance)
<i>*Not pictured</i></p> |
|--|---|



CORPORATE GROUP

Seated from left:

- 1 Mr Peter Wee**
Director (Corporate Development) / Director (Transformation Office) / Corporate Secretary / CAAS Quality Service Manager
- 2 Ms Phua Puay Li**
Assistant Director-General (Corporate Group)

Standing from left:

- 4 Mr Ho Kee-Vin**
Director (Cybersecurity)
- 5 Mr Tan Kwang Wei**
Director (Internal Audit)
- 6 Ms Kelvina Lim**
Director (Legal)
- 3 Ms Joanne Low**
Director (Human Resource)
- 7 Ms Lydia Tan**
Director (Corporate Communications)
- 8 Ms Chia Sin Yee**
Director (Finance)





INTERNATIONAL RELATIONS AND SINGAPORE AVIATION ACADEMY

From left:

- 1 Ms Charmaine Liu**
Director (International Relations) /
Director (Singapore Aviation Academy)
- 2 Mr Tay Tiang Guan**
Senior Advisor, CAAS / Dean
(Singapore Aviation Academy)
- 3 Ms Eileen Poh**
Singapore's Representative on the
Council of the ICAO
**Not pictured*



SUSTAINABILITY OFFICE

From left:

- 1 Mr Christopher Tan**
Director (Sustainability Office)
- 2 Mr Daniel Ng**
Chief Sustainability Officer





Keeping the **AIR HUB** SOARING HIGH





In FY25/26, CAAS strengthened Singapore's position as a global air hub through expanded connectivity, deeper international partnerships, a future-ready aviation workforce and preparations for the next phase of growth. Collectively, these initiatives enhanced the air hub's resilience and competitiveness while laying a strong foundation for sustained growth.

The Singapore air hub continued to perform strongly, with Changi Airport welcoming close to 70 million passengers in 2025, a record high, while air cargo throughput reached 2.08 million tonnes, marking one of the airport's strongest cargo performances.



Groundbreaking ceremony for Changi Airport Terminal 5 (T5) on 14 May 2025, marking a major milestone in strengthening Singapore's future air hub capacity (Photo credit: Changi Airport Group)



The 3rd Changi Aviation Summit brought together over 350 government and industry leaders to discuss the way forward for the aviation sector



The Aviation Jobs Transformation Report provides a first-ever comprehensive stock-take of the Singapore aviation sector and identifies future trends that will impact jobs and skills



Mr Edmund Cheng, Chairman of CAAS, presenting "Celestial Flight" to Mr Salvatore Sciacchitano, President of the ICAO Council



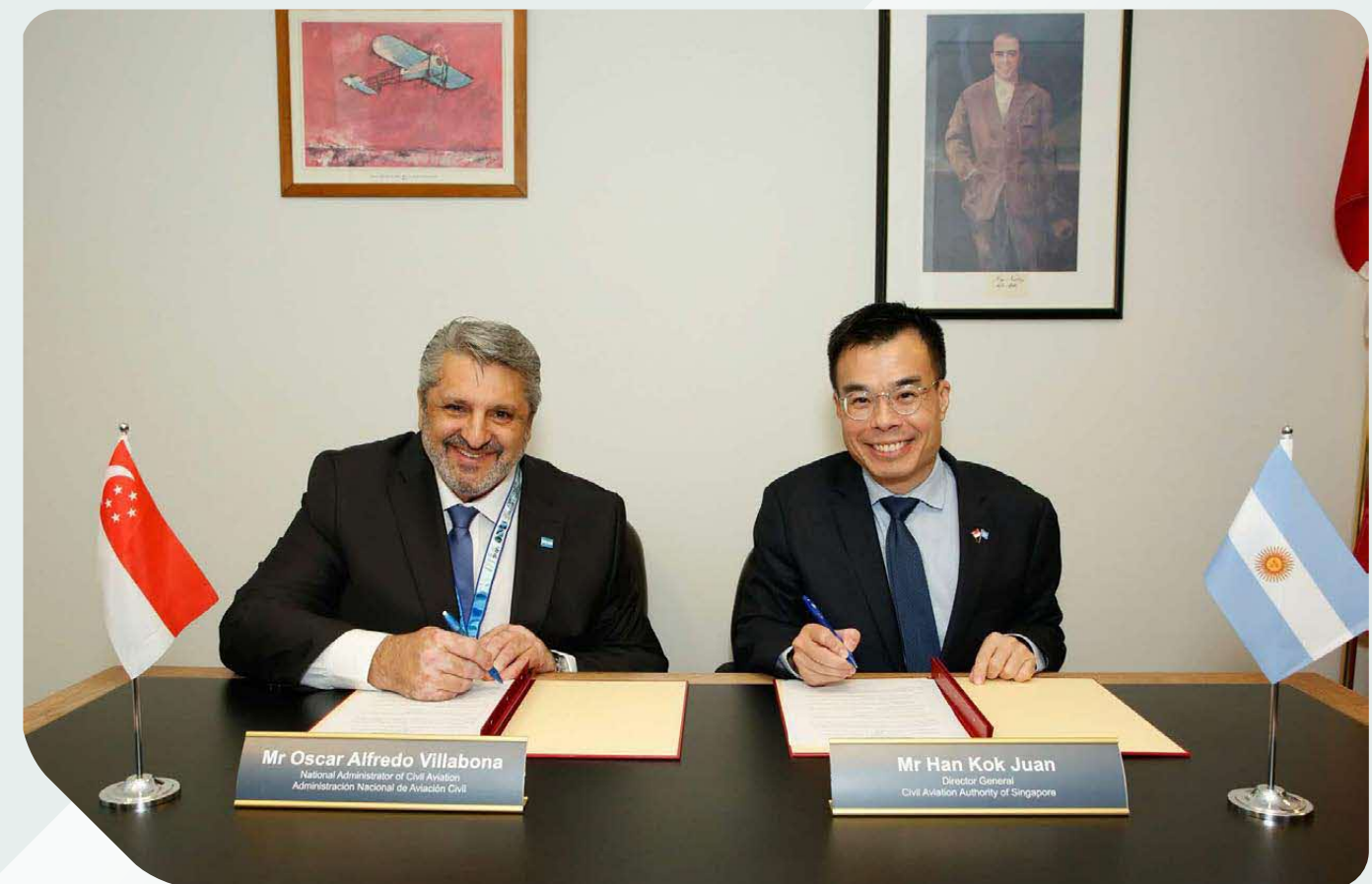
EXPANDING CONNECTIVITY TO GLOBAL MARKETS



Singapore further expanded its connectivity network, bringing people and businesses closer together while creating new opportunities for air travel, trade and economic growth through the signing and upgrading of additional Air Services Agreements (ASAs).



Singapore and Türkiye expanded their ASA



Singapore and Argentina upgraded their ASA to an Open Skies Agreement

PREPARING THE AVIATION WORKFORCE FOR THE FUTURE

As aviation jobs and skills evolve rapidly with advances in artificial intelligence (AI), automation and digitalisation, responding nimbly to emerging workforce needs and skills requirements will be critical to sustaining Singapore's air hub competitiveness. In July 2025, CAAS and the then-Workforce Singapore (now known as the Skills and Workforce Development Agency) published the first-ever Aviation Jobs Transformation Report, a comprehensive study of Singapore's aviation workforce of more than 60,000.

Drawing on insights from more than 200 aviation companies, the report identified 31 job functions critical to air hub operations and six megatrends that will impact aviation jobs and skills over the next five years. It highlighted that these megatrends would transform existing jobs and create new opportunities across the aviation sector for up to 30% of the workforce. The report also laid the foundation for future workforce planning and capability development and catalysed the development of platforms and strategies for employers, unions and educators to work together to support aviation jobs transformation.



STRENGTHENING TALENT PATHWAYS INTO AVIATION

To build a strong pipeline of aviation talent and enhance educational pathways into aviation careers for youth and mid-career job seekers, CAAS brought together industry and educational institutions to develop capabilities and programmes that prepare Singaporeans for employment in the sector.



CAAS signed a Memorandum of Understanding on Aviation Talent Development with nine Institutes of Higher Learning (IHL)

ONEAVIATION CAREERS & EDUCATION 2025

Memorandum of Understanding on
Strategic Collaboration in Aviation AI
Capability and Talent Development



CAAS signed an MOU with AI Singapore, Changi Airport Group, SATS and SIA for AI capability and talent development

RAISING AI CAPABILITIES AND PRODUCTIVITY ACROSS THE AVIATION SECTOR

AI, automation and digitalisation will play an increasingly important role in strengthening workforce capabilities and driving productivity across the aviation sector.

CATALYSING SECTOR WORKFORCE TRANSFORMATION WITH EMPLOYERS AND UNIONS

CAAS announced a \$200 million commitment towards the OneAviation Manpower Fund to support sector, employer and union efforts to attract, develop and retain aviation talent. The first three priority areas identified for support were:

- Working with IHLs to integrate professional training, such as for Air Traffic Control Officers and Licensed Aircraft Engineers, with undergraduate education, so that students graduate better prepared for the workplace and can embark on their aviation careers sooner;
- Enhancing the workplace environment and experience for the Changi workforce by upgrading infrastructure, improving transport accessibility and providing additional and enhanced rest facilities;
- Working with NTUC, aviation employers and unions to develop the OneAviation Early Careers Mentorship Programme that will empower employers to provide structured mentorship to Singaporeans entering the aviation sector and help them establish themselves during the early stages of their careers.

CONNECTING SINGAPOREANS WITH AVIATION CAREERS

Building a strong aviation workforce requires sustained efforts to attract talent, connect job seekers with opportunities across the sector and showcase new and evolving jobs and skills requirements. Apart from the sector-wide OneAviation Careers and Education fair typically held every two years, CAAS for the first time brought the fair to the community and heartlands, closer to job seekers, with the East Side OneAviation Careers organised in collaboration with the East Coast Group Representation Constituency and the South East Community Development Council.



The 3rd OneAviation Careers and Education fair held in July 2025 brought together more than 40 employers, educational institutions and partner organisations, attracting over 8,000 participants over three days



The first-ever community OneAviation Careers Fair at Heartbeat@Bedok in February 2026, featuring 18 organisations offering more than 2,000 vacancies

SHOWCASING THE VISION FOR TERMINAL 5

From January to March 2026, the Ministry of Transport, CAAS and Changi Airport Group (CAG) co-organised T5 In the Making, an immersive exhibition that invited visitors to discover the vision, design and innovations behind Changi Airport's Terminal 5 (T5) through interactive displays, scale models and experiential zones. The exhibition showcased Changi Airport's bold journey and future vision through five zones where visitors witnessed the technologies being explored to address challenges in manpower, ageing population and climate change.



CAAS AT THE SINGAPORE AIRSHOW 2026

At the Singapore Airshow in February 2026, CAAS showcased initiatives to strengthen Singapore's air hub through five areas: Singapore's global connectivity, sustainable aviation, technology and innovation partnerships, career opportunities in aviation and the development of future aviation leaders and professionals. The showcase also provided a platform for CAAS to connect with industry stakeholders and deepen collaboration across the aviation ecosystem.





AIR HUB HIGHLIGHTS

(as at 31 March 2026)



New Passenger Airlines

- MIAT Mongolian Airlines
- Pelita Air



Number of Airlines with Flights to Singapore

Around **100** airlines



New Passenger City Links

- | | |
|--------------|---------------|
| • Changchun | • Taiyuan |
| • Chiang Rai | • Semarang |
| • Kota Bharu | • Ulaanbaatar |
| • Nha Trang | • Vienna |
| • Nanchang | • Vijayawada |
| • Palembang | • Zhangjiajie |



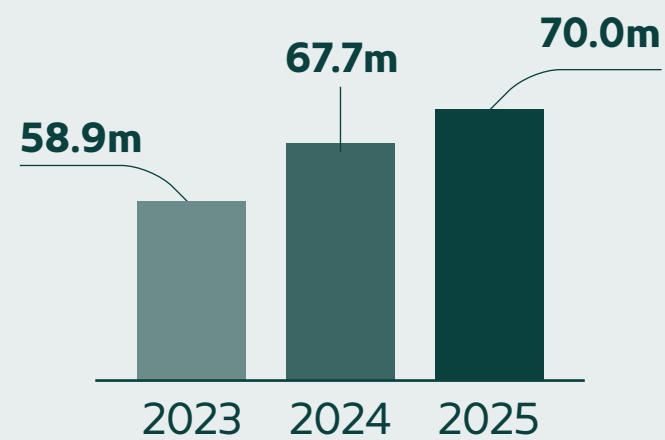
Total City Links

About **170** cities

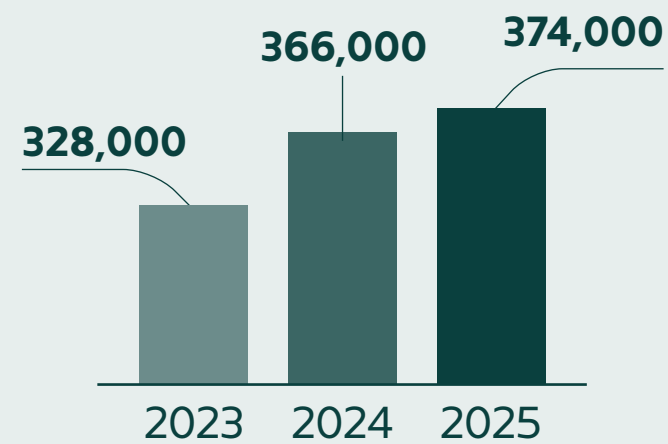
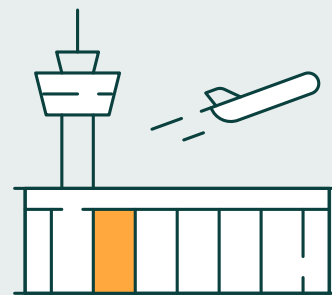


CHANGI AIRPORT KEY STATISTICS

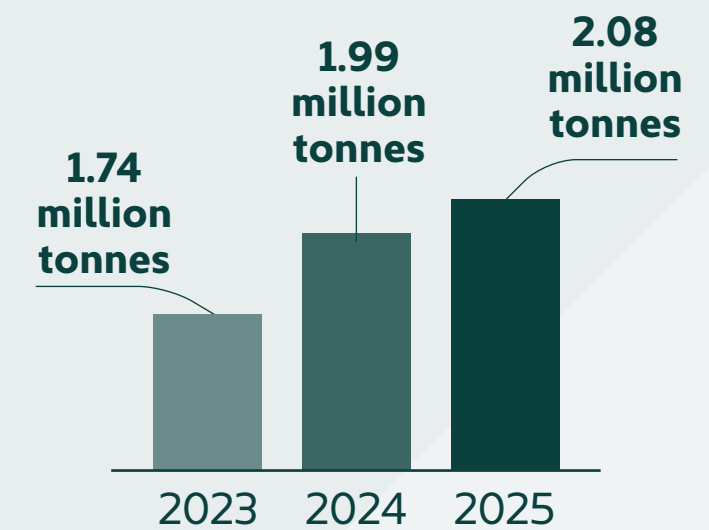
Passenger movement



Commercial aircraft movement



Airfreight movement





Maintaining a **STRONG SAFETY RECORD**



Upholding a safe aviation environment remains a top priority for CAAS. As Singapore's aviation safety regulator, CAAS oversees over 200 aviation companies, 240 aircraft and 25,000 aviation personnel, including pilots, air traffic controllers and engineers, involved in aviation operations in Singapore and around the world. In FY25/26, CAAS focused on enhancing its regulatory regime, safeguarding operational safety, strengthening the sector's safety culture and advancing international safety collaborations.



ENHANCING CAAS' REGULATORY REGIME

As aviation operations become more complex, CAAS regularly reviews its safety oversight regime, regulations and processes to address key risks and ensure they remain effective and relevant to the industry's evolving needs.

SINGAPORE'S NATIONAL AVIATION SAFETY PLAN 2025–2027

In September 2025, CAAS unveiled Singapore's National Aviation Safety Plan (NASP) for 2025–2027 to strengthen aviation safety as air passenger volume reached record levels and is expected to continue growing in the coming years. The NASP identifies the safety challenges in Singapore's aviation sector and sets out 45 actions the sector will take to address these challenges. Through the NASP, CAAS will work with other government agencies, international partners, aviation companies and personnel to review the operating environment, identify safety risks and develop coordinated actions to address them.





SAFEGUARDING OPERATIONAL SAFETY

With growing air traffic and increasing operational complexities, CAAS continued to maintain close safety oversight of Singapore's airports, airlines, industry and aviation professionals, with additional focus on key safety issues.

COMPREHENSIVE SAFETY REVIEW OF RUNWAY OPERATIONS AT CHANGI AND SELETAR AIRPORTS

Ensuring the highest standards of runway safety remains a key priority. CAAS commissioned an independent safety review of runway operations at Singapore's Changi and Seletar airports to obtain additional expert insights and further improve runway safety. The review was conducted by an international consortium comprising the Royal Netherlands Aerospace Centre and the United Kingdom Civil Aviation Authority International. The review affirmed the effectiveness of existing runway safety measures and operational procedures against national regulatory requirements and international standards, including Standards and Recommended Practices (SARPs) of the International Civil Aviation Organization (ICAO).

STRENGTHENING PREPAREDNESS AGAINST GLOBAL NAVIGATION SATELLITE SYSTEM RADIO FREQUENCY INTERFERENCE

As Global Navigation Satellite System (GNSS) Radio Frequency Interference (RFI) remains a concern in some areas of aviation operations, CAAS worked with partner agencies to enhance Singapore's readiness to respond to GNSS RFI incidents. Through a multi-agency task force, participating agencies affirmed the need for a comprehensive, whole-of-government response framework to oversee such incidents. CAAS also convened dedicated meetings with SIA, Scoot and regional air traffic service providers to assess the risks posed by GNSS RFI and identify appropriate mitigation measures.



STRENGTHENING SAFETY CULTURE ACROSS SINGAPORE'S AVIATION SECTOR

Beyond robust regulatory oversight and operational safeguards, a strong safety culture is critical to ensuring that safety remains embedded in day-to-day decision-making and operations across the aviation sector. Results from the 2nd Singapore Aviation Sector Safety Culture Survey, conducted in 2025, showed continued improvements in safety culture across the sector. Among nearly 5,000 respondents from around 400 aviation companies, 77% agreed that the Singapore aviation sector has a positive safety culture, a four percentage-point increase from the inaugural survey in 2023. Improvements were recorded across key job roles and all five safety culture dimensions measured – awareness, commitment, improvement, communication and trust. Administered every two years, the survey provides CAAS and the aviation industry with insights to identify emerging trends and guide future safety enhancement efforts.



IMPROVING MENTAL HEALTH AND WELLNESS SUPPORT FOR AVIATION PROFESSIONALS

In July 2025, CAAS and Changi General Hospital (CGH) signed a collaboration agreement to strengthen mental health and wellness support for aviation professionals, which is important in supporting safe and resilient aviation operations.



CAAS and CGH organised the inaugural OneAviation Wellness Festival as an initiative under this collaboration

ADVANCING INTERNATIONAL SAFETY COLLABORATION

During the year, CAAS worked with international regulators, industry partners and aviation stakeholders to strengthen safety collaboration, facilitate knowledge exchange and support regulatory cooperation, contributing to safer and more efficient aviation operations.

STRENGTHENING REGIONAL AVIATION SAFETY COLLABORATION

The Asia Pacific Summit for Aviation Safety (AP-SAS) serves as a key platform for aviation stakeholders to exchange perspectives, address emerging challenges and advance collective efforts to enhance aviation safety. CAAS and the Flight Safety Foundation hosted the 3rd AP-SAS from 15 to 17 July 2025 in Singapore. Themed Future-Proofing Aviation Safety: Adapt, Innovate, Excel, the annual summit brought together more than 500 aviation leaders, regulators, executives and experts from the Asia-Pacific region and beyond. Discussions focused on emerging aviation safety challenges arising from air traffic growth in the region and how States could build a safer and more resilient aviation ecosystem in the Asia-Pacific.



SUPPORTING SAFE INDUSTRY GROWTH THROUGH REGULATORY COOPERATION

In September 2025, CAAS concluded an enhanced Bilateral Aviation Safety Agreement – Implementation Procedures for Airworthiness (BASA-IPA) with the United States Federal Aviation Administration (FAA). The enhanced agreement streamlines the validation process for certain aircraft modification designs between the FAA and CAAS. Additionally, the FAA recognises CAAS approvals for minor aircraft modifications, all aircraft repairs and minor changes to article designs. These changes will significantly benefit Singapore-based companies that require U.S. approval or whose customers require U.S. approval for their work.





CAAS APPROVAL HOLDERS

(as at 31 March 2026)

242



Registered aircraft

3



Air operator certificate holders

2



Certified aerodromes

174



Maintenance, repair and overhaul organisations

28



Design and production organisations

6



Aviation training organisations

8



Maintenance training organisations

4,101



Flight crew licence holders

504



Air traffic controller licence holders

2,173



Aircraft maintenance licence holders





Building New Twin Engines: **SUSTAINABILITY AND TECHNOLOGY**





As the aviation sector grows, staying ahead requires continuous investment in the capabilities that will shape its future. During the year, CAAS took steps to support aviation decarbonisation, harness emerging technologies and strengthen the foundations for unmanned aircraft systems (UAS).



BUILDING A SUSTAINABLE AIR HUB

The Singapore Sustainable Air Hub Blueprint adopts a balanced approach to the long-term, sustainable growth of the aviation sector. It takes into account the need for environmental sustainability while ensuring that the Singapore air hub remains competitive and supports ICAO's Long-Term Aspirational Goal (LTAG) of achieving net-zero carbon emissions from international aviation by 2050. During the year, CAAS made progress on initiatives across the airport, airline and air traffic management domains to support the Blueprint's targets.

LAYING THE FOUNDATION FOR THE SAF ECOSYSTEM IN SINGAPORE

The use of Sustainable Aviation Fuel (SAF) is a critical pathway for the decarbonisation of aviation. Singapore aims to achieve a 1% SAF uplift for flights departing Singapore by 2027, with an ambition to increase this to 3–5% by 2030, subject to global developments and the wider availability and adoption of SAF.

To enable the implementation of Singapore's SAF policies for air transport, legislative amendments to the Civil Aviation Authority of Singapore Act 2009 were passed in October 2025.

INTRODUCTION OF SAF LEVY

CAAS thereafter announced the introduction of a SAF Levy. The SAF Levy will apply to all Origin-Destination passengers and general and business aviation flights, as well as air cargo shipments on flights departing Singapore.





ESTABLISHMENT OF SAFCO TO SUPPORT CENTRAL SAF PROCUREMENT

CAAS set up the Singapore Sustainable Aviation Fuel Company Ltd. (SAFCo) in October 2025 to centrally procure SAF for the Singapore air hub and support the implementation of Singapore's national SAF policy. Through SAFCo, CAAS seeks to build a transparent and integrated demand market that brings together stakeholders across the aviation fuel chain in Singapore to aggregate regulatory and voluntary demand, stimulate investment and accelerate the use of SAF. Mr Han Kok Juan, Director-General of CAAS, chairs SAFCo's Board. Ms Tan Seow Hui, a seasoned leader in the energy and aviation industries, was appointed as SAFCo's founding Chief Executive Officer.



LAUNCH OF SINGAPORE'S FIRST VOLUNTARY SAF PROCUREMENT TRIAL

Encouraging voluntary participation is crucial to growing SAF demand. In February 2026, CAAS, SAFCo and nine companies launched Singapore's first voluntary SAF central procurement trial to test end-to-end procurement, commercial and accounting processes at the national level.



The MOU was signed by CAAS, SAFCo, Boston Consulting Group, Changi Airport Group, DBS Bank, GenZero, Google, OCBC, Temasek, Singapore Airlines and Scoot



DECARBONISING AIRPORT AND AIRSPACE OPERATIONS

During the year, CAAS progressed initiatives to reduce emissions from airport and airspace operations through cleaner energy solutions and more efficient operational practices.

EXPANDING SOLAR DEPLOYMENT TO POWER A MORE SUSTAINABLE AIR HUB

CAAS concluded a feasibility study to inform plans for phased deployment of solar photovoltaic (PV) systems across suitable airfield locations. This will enable the identification of new areas for solar deployment at the airport that were previously considered unsuitable or were not evaluated due to operational, safety or technical constraints. Once implemented, the solar PV systems will generate clean renewable electricity to reduce reliance on grid-supplied electricity and lower greenhouse gas emissions associated with airport operations.

ENHANCING AIR TRAFFIC MANAGEMENT EFFICIENCY TO REDUCE EMISSIONS

During the year, Direct Routing Operations continued to gain traction, with increased adoption by airspace users on eligible routes supporting more efficient flight operations. CAAS also strengthened regional collaboration on Trajectory-Based Operations (TBO) through the adoption of the Asia-Pacific Regional TBO Roadmap and the development of the Asia-Pacific Flight and Flow Information for a Collaborative Environment (FF-ICE/R1) Regional Implementation Plan. Together, these initiatives will enable more efficient route planning and air traffic management, reduce fuel burn and enhance the sustainability of flight operations across the region.





ADVANCING SUSTAINABLE AVIATION CAPABILITIES ACROSS THE ASIA-PACIFIC

In July 2025, CAAS established the Asia Pacific Sustainable Aviation Centre (APSAC) to advance sustainable aviation in the Asia-Pacific region through policy research, collaboration and capacity building. Mr Han Kok Juan, Director-General of CAAS, chairs the Centre's Board. Mr Philip Goh was appointed founding Chief Executive Officer. APSAC will support States in advancing their aviation sustainability goals by providing a range of policy options and instruments tailored to their national circumstances.

Following its establishment, APSAC organised a Roundtable on Advancing Sustainable Aviation in July 2025, which discussed priorities and plans of Asia-Pacific States and civil aviation authorities and how APSAC could support them. In February 2026, APSAC hosted a Sustainable Aviation Forum to discuss how to unlock the value of SAF and lessons from SAF policy development. APSAC has also worked with the Singapore Aviation Academy (SAA) to hold two rounds of a new Growing Aviation Sustainably course.

GLOBAL AVIATION AND MARITIME SYMPOSIUM

Shaping the Future of Transport

14 JULY 2025

Signing of the Memorandum of Understanding to Advance Sustainable Aviation through the Asia Pacific Sustainable Aviation Centre (APSAC)



SINGAPORE'S AVIATION EMISSIONS FOR 2025

(January to December 2025)

Total emissions from airport operations (ktCO₂)

291.9 *Domestic aviation emissions from Changi and Seletar Airports

Total CO₂ emissions from international flights (MtCO₂)

17.1 *International aviation emissions from Singapore-based operators



ADVANCING FUTURE AVIATION CAPABILITIES THROUGH TECHNOLOGY AND INNOVATION

Technology and innovation are increasingly critical to strengthening the capacity, productivity and resilience of Singapore's aviation ecosystem. During the year, CAAS launched a range of projects and partnerships to accelerate innovation, harness emerging technologies and build the capabilities needed to support the sector's long-term development.

DEVELOPING INNOVATIVE SOLUTIONS FOR SAFER AND MORE EFFICIENT OPERATIONS

DEVELOPING SPEECH AI CAPABILITIES TO IMPROVE AIR TRAFFIC MANAGEMENT OPERATIONS

CAAS collaborated with the Agency for Science, Technology and Research (A*STAR) to develop next-generation speech AI capabilities that can accurately interpret communications between pilots and air traffic control officers (ATCOs). This enables the automated detection of communication anomalies and the development of decision-support tools. By providing an additional layer of verification for voice communications, the project enhances overall aviation safety and supports ATCOs in managing growing traffic volumes.

IMPROVING AIRPORT CAPABILITY AND EFFICIENCY THROUGH THE TEN-X PLATFORM

CAAS partnered with A*STAR and the Singapore University of Technology and Design (SUTD) to develop the Total Environment for Next-generation Airport Management Experimentation Platform (TEN-X), a modular modelling, simulation and experimentation environment that enables airport stakeholders to test, evaluate and validate new operational concepts and optimisation approaches under controlled conditions before deployment. The project's first phase focused on airport towing and surface movement operations, helping stakeholders such as CAG and SIA Engineering Company identify opportunities to improve operational efficiency, optimise resource utilisation and strengthen overall airport performance.



STRENGTHENING AVIATION RESEARCH AND INNOVATION CAPABILITIES

During the year, CAAS established several strategic partnerships to advance research and technology development in support of future aviation capabilities.

ADVANCING AVIATION METEOROLOGICAL CAPABILITIES

To strengthen the sector's ability to anticipate and respond to weather-related challenges, CAAS worked with domestic and international partners to enhance aviation meteorology capabilities and deepen regional collaboration.

- CAAS and the National Environment Agency (NEA) established the Aviation Meteorological Programme to strengthen research and development and operational capabilities for better predicting, mitigating and managing the effects of weather on air traffic control, airlines and airport operations. One initiative under the programme is FLASH – Forecasting Lightning Alerts with Spatio-temporal and Hazard Adaptivity – which provides more precise, activity-specific guidance on the suspension and resumption of airside operations, reducing unnecessary disruptions and improving the safety of airside personnel.
- At the regional level, CAAS and NEA signed a Letter of Intent in December 2025 to collaborate with Air Navigation Service Providers (ANSPs), meteorology service providers (MET), the Civil Air Navigation Services Organisation (CANSO) and the International Centre for Aviation Innovation (ICAI) on research, capability development and data sharing.





BUILDING AVIATION INNOVATION CAPABILITIES THROUGH THE CAAS-THALES INTERNATIONAL AVIONICS LAB

In May 2025, CAAS, Thales, CAG, SATS, SIA and ICAI signed an MOU to establish the CAAS-Thales International Avionics Lab. The Lab will serve as a testbed for developing new solutions based on real-world operational scenarios involving airlines, ANSPs, airport operators and ground handlers. These solutions will enhance coordination and collaboration across the aviation ecosystem, improve efficiency and performance, reduce delays and optimise resources.

ADVANCING NEXT-GENERATION AVIATION AND AEROSPACE TECHNOLOGIES

In February 2026, CAAS, the Economic Development Board, GE Aerospace and ICAI established the Singapore Partnership for Aviation and Aerospace Research and Capability (SPAARC). Through the partnership, the parties will develop next-generation aviation and aerospace technology solutions focused on AI applications, airspace modernisation and advanced aerodynamic research.



Signing Ceremony

Memorandum of Understanding on Singapore Partnership for Aviation and Aerospace Research and Capability





ESTABLISHING SINGAPORE AS A GLOBAL TESTBED FOR NEXT-GENERATION PROPULSION TECHNOLOGIES

To support the introduction of next-generation aircraft technologies, CAAS is working with industry partners to prepare Singapore's aviation ecosystem for new propulsion systems. In February 2026, CAAS, CFM International and Airbus signed an MOU to establish Singapore as the world's first airport testing ground for operations involving CFM's next-generation Revolutionary Innovation for Sustainable Engines (RISE) technologies, with a focus on Open Fan engine architecture.



DEVELOPING A TECHNOLOGY AND INFRASTRUCTURE ROADMAP FOR THE AVIATION SECTOR

CAAS is developing a sector-wide technology and infrastructure roadmap, in consultation with industry partners and research institutes, to set priorities for the next 10 years and beyond. The roadmap will identify key focus areas and the critical technologies and infrastructure needed to strengthen the competitiveness and resilience of the Singapore air hub. It will provide a common strategic direction for the aviation ecosystem, support the coordinated deployment of technology and infrastructure and inform future investments across the sector.





ENABLING THE SAFE AND SCALABLE GROWTH OF UNMANNED AIRCRAFT SYSTEMS

Unmanned Aircraft Systems (UAS) continue to deliver new benefits and transform the way we live, work and play. During the year, CAAS advanced efforts to support safe and scalable unmanned aircraft (UA) adoption by simplifying rules for operators, strengthening oversight, bringing drone experiences closer to the public, expanding adoption across industry and government agencies and contributing to the international frameworks that will shape the future of unmanned aviation.

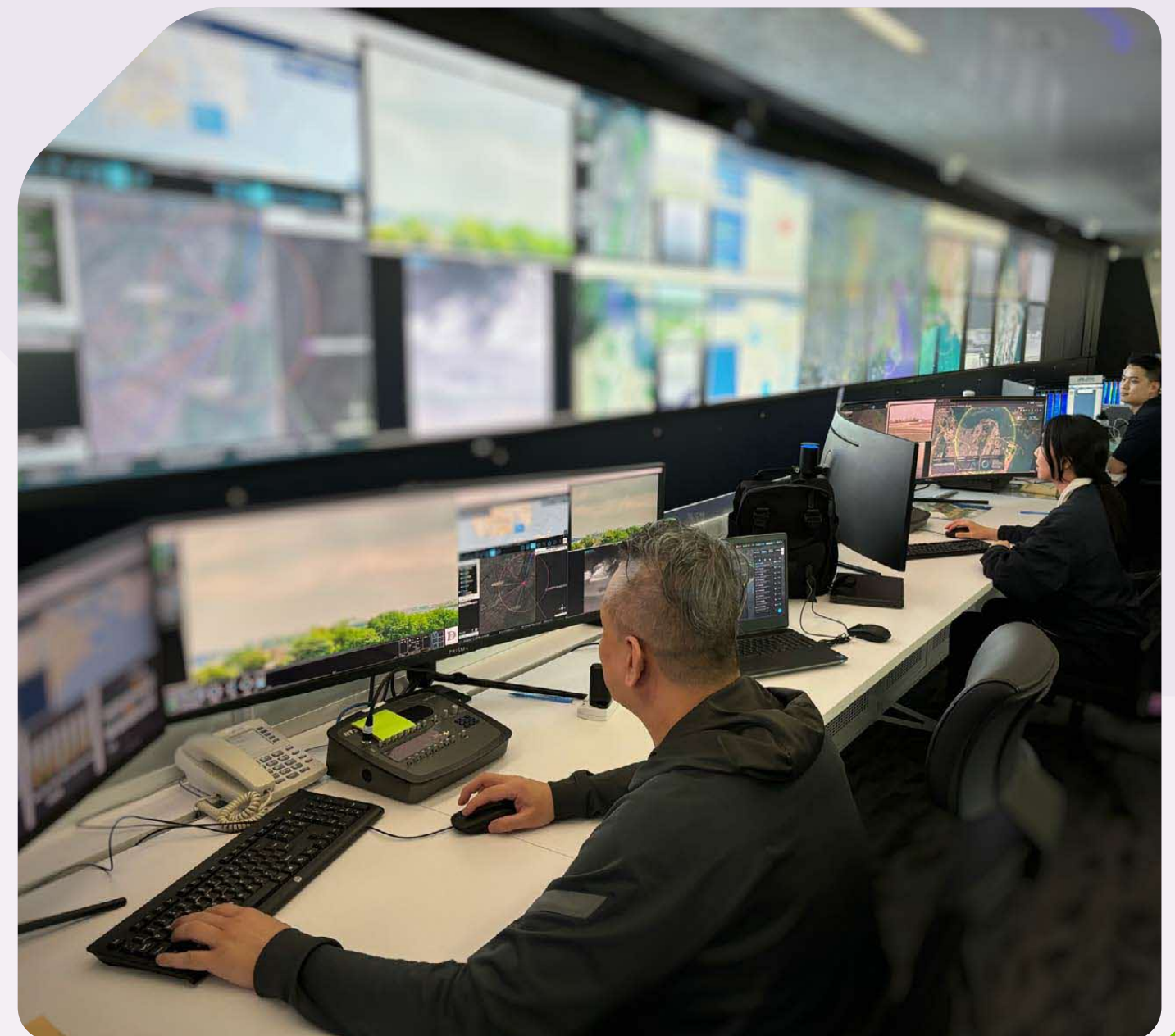
ENABLING SAFE AND SECURE UNMANNED AIRCRAFT OPERATIONS

STRENGTHENING COUNTER-UAS OPERATIONS TO SAFEGUARD AVIATION OPERATIONS

CAAS' Operations Command and Control Centre (OCC) continued round-the-clock counter-UAS operations to safeguard Changi Airport from unauthorised UAS activity. To enhance effective command and control, CAAS operationalised a Drone Defence Command, Control and Communications System to integrate counter-UAS assets deployed at Changi Airport, providing integrated situational awareness and improving coordination between agencies and response teams.

IMPLEMENTING BROADCAST REMOTE IDENTIFICATION (B-RID) REQUIREMENT FOR UNMANNED AIRCRAFT

The B-RID requirement came into effect on 1 December 2025 to enhance public and aviation safety. B-RID serves as a "digital licence plate" for UA, leveraging Wi-Fi and Bluetooth technology to transmit information such as the UA's position and serial number, the location of the UA operator and the operator's identification reference number. CAAS announced the requirement in November 2024 to allow operators more than a year to comply with the B-RID requirement. CAAS also supported the transition by providing free B-RID modules to early adopters.





FACILITATING THE SAFE CONDUCT OF UA LIGHT SHOWS

CAAS worked closely with the Singapore Tourism Board and the People's Association to facilitate UA light shows at tourist spots and in the heartlands. Major events, such as the Disney Cruise Line Sky Shows, attracted a large number of local and international spectators, who witnessed Singapore's first drone light show conducted concurrently with a fireworks display. CAAS also brought UA operations closer to the public through New Year's Countdown and National Day light shows at various heartland locations including Punggol, Woodlands and Eunos. For these events, CAAS conducted robust safety assessments, on-site audits and determined the appropriate safety mitigation measures and contingency procedures, ensuring that the events were conducted in a safe manner.

STRENGTHENING OVERSIGHT OF UA OPERATORS

As UAS operations become increasingly complex – including Beyond Visual Line of Sight operations, operations involving large UAS and flights over people and moving vehicles – CAAS sharpened its oversight of higher-risk activities to ensure that risks are effectively identified, mitigated and managed. This strengthened regulatory oversight supports the safe development of emerging models and ensures that operators have robust controls in place as they scale and expand their operations.

ADVANCING MARITIME APPLICATIONS OF UA TECHNOLOGIES

As part of efforts to encourage the wider adoption of UA technologies, CAAS and the Maritime and Port Authority of Singapore (MPA) co-organised the inaugural maritime drone workshop in November 2025. The workshop brought together regulators, UA operators and the shipping community to explore practical use cases and operational applications and examine how cross-sector collaboration can harness UA technology to complement traditional port operations, improving efficiency and reliability.



SHAPING THE FUTURE OF UA AND ADVANCED AIR MOBILITY INTERNATIONALLY

DEVELOPING AND ADOPTING REFERENCE MATERIALS FOR THE REGULATION OF AIR TAXIS AND DRONES

As advanced air mobility (AAM) technologies continue to evolve, regulators must keep pace while maintaining aviation and public safety. At the Second Meeting of Asia-Pacific Regulators on Advanced Air Mobility held in July 2025, civil aviation authorities from 24 Asia-Pacific States and Administrations launched the *"Reference Materials for Regulators to Facilitate the Regulation of Advanced Air Mobility Operations"*. This marked the first time that regulators had jointly developed a set of reference materials that could be considered, adapted and used to support the preparation for and facilitation of commercial operations of air taxis and drones. CAAS also coordinated with the ICAO AAM Study Group to incorporate the reference materials into the international guidance material currently under development.

CONTRIBUTING TO INTERNATIONAL STANDARDS DEVELOPMENT FOR UNMANNED SYSTEMS

Beyond driving regional collaboration on AAM, CAAS continued to play an active role in shaping international standards and guidance for unmanned and AAM operations. CAAS was elected Vice-Chairman of the ICAO Remotely Piloted Aircraft Systems Panel which develops SARPs to enable the safe, secure and efficient integration of remotely piloted aircraft into

non-segregated airspace and aerodromes. CAAS also participated in the ICAO AAM Study Group, which is developing the roadmap for AAM. CAAS also contributed to the Joint Authorities for Rulemaking on Unmanned Systems (JARUS) as an active member to develop standards for UAS.





UNMANNED AIRCRAFT REGISTERED AND APPROVAL HOLDERS



UA registered

As at 31 March 2026	As at 31 March 2025
28,776	26,540

UA pilot licence holders

As at 31 March 2026	As at 31 March 2025
1,873	1,760

Operator permit holders

As at 31 March 2026	As at 31 March 2025
295	282

Activity permits issued

For period 1 Apr 2025 to 31 Mar 2026	For period 1 Apr 2024 to 31 Mar 2025
4,168	3,509

UA basic training certificate holders

As at 31 March 2026	As at 31 March 2025
9,090	5,833

UA basic training organisations

As at 31 March 2026	As at 31 March 2025
8	8

UA training & assessment organisation

As at 31 March 2026	As at 31 March 2025
18	18



Growing Capabilities **IN THE SKY**





As air traffic across the Singapore Flight Information Region (FIR) continues to grow, CAAS is investing in the people, systems and operational approaches – man-machine-method – needed to build capacity in the skies that keeps pace with investments in airport infrastructure on the ground.



AIR TRAFFIC MOVEMENTS IN FY25/26

In FY25/26, CAAS handled 742,000 air traffic movements, an increase of 6.6% from FY24/25. At Changi Airport, air traffic movements totalled 380,000 for the same period, representing a 1.3% increase from FY24/25.

MAN: BUILDING A SKILLED AND RESILIENT ANS WORKFORCE

REDESIGNING WORK ROLES FOR A FUTURE-READY WORKFORCE

CAAS reviewed and redesigned the Air Traffic Control Support Officer (ATCSO) role as part of its workforce transformation efforts to build a future-ready workforce. Under the first phase of the transformation, ATCSOs will transition to another scheme of service, providing better salary and career progression with greater flexibility to take on a broader range of roles and responsibilities. In the second phase, officers will have opportunities to pursue specialised career tracks and deepen their expertise. The transition will also provide enhanced career development and remuneration opportunities.

ENHANCING HUMAN PERFORMANCE AND WELLBEING IN ANS OPERATIONS

As part of its efforts to strengthen organisational safety, operational resilience and human performance capabilities, CAAS established the Human Performance & Wellbeing Section within the Air Navigation Services (Safety) Division. The section supports ANS staff, particularly ATCOs, in achieving safe and efficient operations by integrating human performance, wellbeing and safety disciplines to better understand how human, operational and organisational factors influence safety outcomes.





MACHINE: ANS SYSTEMS AND INFRASTRUCTURE UPGRADES

Modern and resilient systems are critical to supporting growing traffic demand while maintaining safe and efficient ANS. CAAS advanced key systems, platforms and infrastructure upgrades to strengthen operational resilience, enhance service continuity and support future traffic growth.

- CAAS strengthened the resilience and future readiness of Aeronautical Information Services operations through the implementation of the Digital-Notice to Airmen (NOTAM) which enables information to be processed and interpreted automatically by aviation systems, reducing reliance on the manual reading and interpretation of notices. By presenting users only with information relevant to their operations, it reduces the risk of important information being overlooked and minimises information overload.
- CAAS upgraded and renewed critical facilities and engineering infrastructure, including mechanical and electrical systems, to ensure continued operational readiness and system redundancy. The first phase of upgrades at the Singapore Air Traffic Control Centre, comprising new electrical substations and a multi-storey car park, was completed to support system modernisation while maintaining operational resilience.
- In parallel, CAAS upgraded communications, navigation and surveillance systems, including ground-to-ground and air-to-ground communication systems, to enhance the systems' reliability and support the safe, secure and uninterrupted flow of air traffic.



METHOD: INNOVATIVE APPROACHES TO PROVIDING ANS

IMPROVING AIRPORT SURFACE MOVEMENT SAFETY AND EFFICIENCY

CAAS commenced a Follow-the-Greens (FTG) trial at Changi Airport in March 2025 to enhance airside safety and operational efficiency. The trial leverages the airfield lighting system and Advanced Surface Movement Guidance and Control System (A-SMGCS) capabilities to guide aircraft along assigned taxi routes through progressive illumination of green taxiway centreline lights, in accordance with air traffic control clearances. FTG reduces taxiing errors and minimises the need for verbal taxi instructions, lowering radio transmissions between pilots and ATCOs.



EXTENDING AUTOMATIC DEPENDENT SURVEILLANCE BROADCAST COVERAGE ACROSS THE SINGAPORE FIR

Automatic Dependent Surveillance Broadcast (ADS-B) Out surveillance has been extended to cover the entire Singapore FIR, enabling air traffic control to use real-time flight information broadcast by aircraft for air traffic management across a larger area of airspace. The expanded coverage gives ATCOs more comprehensive visibility of aircraft movements, improves communication between ATCOs and pilots and improves situational awareness. The enhanced surveillance allows more direct routing where operationally feasible, improving airspace efficiency across the Singapore FIR.



ADVANCING TRAJECTORY-BASED OPERATIONS IN THE ASIA-PACIFIC

TBO is a new air traffic management concept that enables ANSPs to plan and optimise an aircraft's entire flight trajectory across multiple FIRs from take-off to touchdown, enhancing regional air traffic flow efficiency and airspace capacity, while reducing air travel costs, travel time and carbon emissions in support of a regional roadmap towards next-generation air traffic management.



In July 2025, eight ANSPs from Hong Kong China, Indonesia, Japan, New Zealand, Singapore, Thailand, United States and Viet Nam successfully conducted the first joint regional laboratory demonstration of TBO. The eight parties trialled automated exchanges of simulated flight management information including flight plans, weather conditions, air traffic restrictions and congestion

ENHANCING AIRSPACE SAFEGUARDS AND DEVELOPMENT FLEXIBILITY

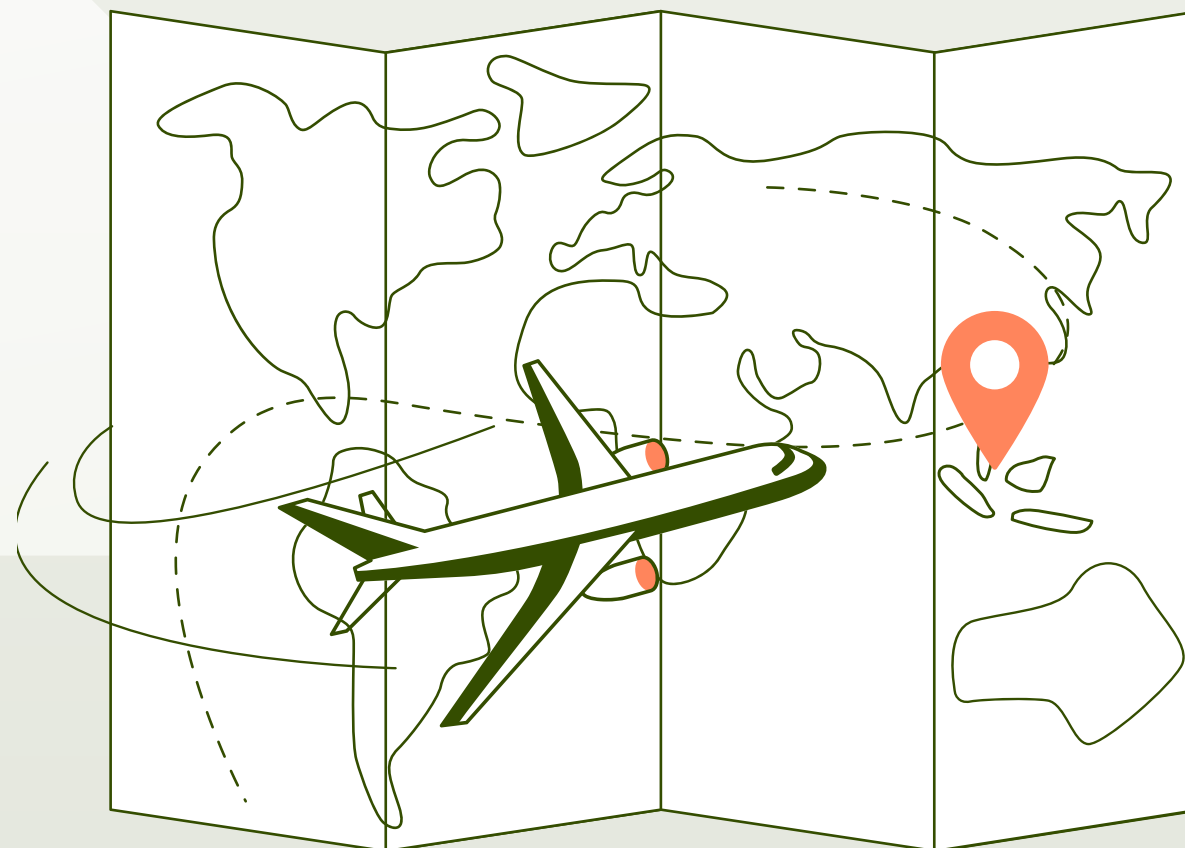
In August 2025, CAAS revised Singapore's civil aviation regulations to bring into effect the revised SARPs for Obstacle Limitation Surfaces (OLS) in Annex 14 to the Convention on International Civil Aviation. The revised regulations enable aircraft operations in Singapore to be safeguarded with more precision according to the specific type of operations conducted at each airport, while freeing up more airspace around airports in Singapore for development. This creates opportunities for building height limits and development intensity to be increased in certain parts of Singapore. Singapore contributed significantly to this review led by ICAO, including through its chairmanship of the ICAO OLS Task Force since 2017.

PARTNERING WITH STAKEHOLDERS TO SHAPE REGIONAL AND INTERNATIONAL AVIATION

CAAS continued to play an active role in shaping regional and international aviation by leading ANS-related initiatives at CANSO and the APAC Air Navigation Service Provider Committee and contributing to technical working groups under ICAO and the Asia-Pacific Air Navigation Planning and Implementation Regional Group. In April 2025, Mr Han Kok Juan, Director-General of CAAS, was re-appointed Chair of the Asia Pacific CANSO CEO Committee and member of the CANSO Executive Committee for a further two-year term.

AIR TRAFFIC MOVEMENTS MANAGED BY CAAS

Total Air Traffic Movement by FY



FY23/24



649,000

FY24/25



696,000

FY25/26



742,000



Contributing to **INTERNATIONAL AVIATION**





Singapore continued to play an active role in shaping the future of international aviation through global leadership, international cooperation and capability development. In FY25/26, CAAS brought together government and industry leaders to address key sectoral challenges and worked with ICAO and international partners to develop aviation capabilities and leadership worldwide.



REAFFIRMING SINGAPORE'S ROLE IN GLOBAL AVIATION LEADERSHIP

In September 2025, Singapore was re-elected to the Council of ICAO in the elections at the 42nd Session of the ICAO Assembly with record votes of 176 out of 184.

Singapore was also re-elected to the Air Navigation Commission (ANC) for the 2026–2028 term in November 2025. The ANC is responsible for reviewing and recommending global aviation SARPs and air navigation procedures. Having served on the ANC since 2006, Singapore's re-election is a confirmation of its contribution to the ANC in the past years.



Photo credit: Ministry of Transport

BRINGING AVIATION LEADERS TOGETHER TO SHAPE THE FUTURE OF THE INDUSTRY

During the year, CAAS strengthened Singapore's role as a global aviation convening hub by bringing together senior government, industry and international leaders to discuss key issues shaping the future of aviation.

In July 2025, CAAS hosted the High-Level Aviation Week (HLAW) in Singapore for the first time, providing a platform for government and industry leaders to collectively sense-make and formulate strategies for the future of aviation. HLAW comprised a series of seven events over a week, covering a broad range of topics, including the future of aviation, AAM, sustainability, aviation safety and human capital development. The week brought together around 800 participants, including ICAO Secretary-General Juan Carlos Salazar and Directors-General of Civil Aviation and senior executives from international organisations.

As part of the HLAW, Singapore and ICAO co-hosted the inaugural ICAO Asia Pacific Regional Training Symposium, attended by more than 400 participants to foster partnerships and explore innovative approaches to aviation training.

In February 2026, Singapore hosted the 3rd Changi Aviation Summit, bringing together over 350 government and industry leaders to discuss how the aviation sector can create growth in a disruptive world, reimagine air travel and redesign air connectivity.





CONTRIBUTING TO GLOBAL AVIATION DEVELOPMENT THROUGH TRAINING AND CAPABILITY BUILDING

WORKING WITH ICAO TO BUILD AVIATION TALENT AND CAPABILITIES

CAAS continued to advance global aviation development through its longstanding partnership with ICAO, supporting the safe, secure and sustainable development of global aviation.



CAAS, in collaboration with ICAO, conducted three runs of the DGCA Programmes on Aviation Safety and Aviation Security in 2025



Singapore and ICAO signed the Singapore-ICAO MOU on Cooperation in Leadership and Management Training – Annex 5 on Directors-General of Civil Aviation (DGCA) Programme on Aviation Security in July 2025



In February 2026, Singapore and ICAO signed an agreement to jointly develop and deliver a new global leadership programme – DGCA Programme on Air Navigation Services





CONTRIBUTING TO GLOBAL AVIATION DEVELOPMENT THROUGH TRAINING AND CAPABILITY BUILDING

NURTURING THE AVIATION LEADERS OF TOMORROW

Investing in the next generation of aviation leaders is another key focus area. Together with ICAO, CAAS launched the *Singapore-ICAO Next Generation of Aviation Professionals (NGAP) Scholarship Programme*, welcoming the first cohort of 10 young aviation professionals from 10 States: Belize, Colombia, Moldova, Pakistan, Eswatini, Namibia, India, United Kingdom, Spain and Saudi Arabia. Through a structured six-week programme, participants gained exposure to key aviation priorities, including innovation, safety, sustainability and international cooperation, complemented by industry visits and mentorship from SAA Senior Fellows.





CONTRIBUTING TO GLOBAL AVIATION DEVELOPMENT THROUGH TRAINING AND CAPABILITY BUILDING

BUILDING AVIATION CAPABILITIES ACROSS REGIONS AND STATES

Strengthening aviation capabilities through training in developing and emerging aviation markets remains a key pillar of Singapore's international aviation contributions.



In February 2026, SAA and France's École Nationale de l'Aviation Civile (ENAC) launched a joint *Advanced Master in Air Transport Management Programme*. This initiative was part of the enhanced framework agreement signed with France in May 2025



In August 2025, CAAS signed an MOU with the Latin American Civil Aviation Commission



CONTRIBUTING TO GLOBAL AVIATION DEVELOPMENT THROUGH TRAINING AND CAPABILITY BUILDING

In 2025, CAAS signed MOUs with:

1. Cameroon
2. Comoros
3. Guyana
4. North Macedonia





DEVELOPING AVIATION TALENT AND TRANSFORMING LEARNING AT SAA

To support States' capacity-building efforts, SAA also introduced 16 new training programmes, covering areas such as aviation safety, security and crisis management, and conducted 17 in-region training programmes that enabled greater participation across different parts of the world.

COMMEMORATING SINGAPORE'S LONG-STANDING PARTNERSHIP WITH ICAO

To commemorate Singapore's 60th anniversary of independence and its long-standing partnership with ICAO, CAAS presented "Celestial Flight", a specially commissioned sculpture crafted by Singaporean artist Ms Delia Prvački, to ICAO in July 2025. The sculpture celebrates enduring friendships that transcend borders and cultures, and human connections forged by a timeless rhythm of flights through the infinite sky.

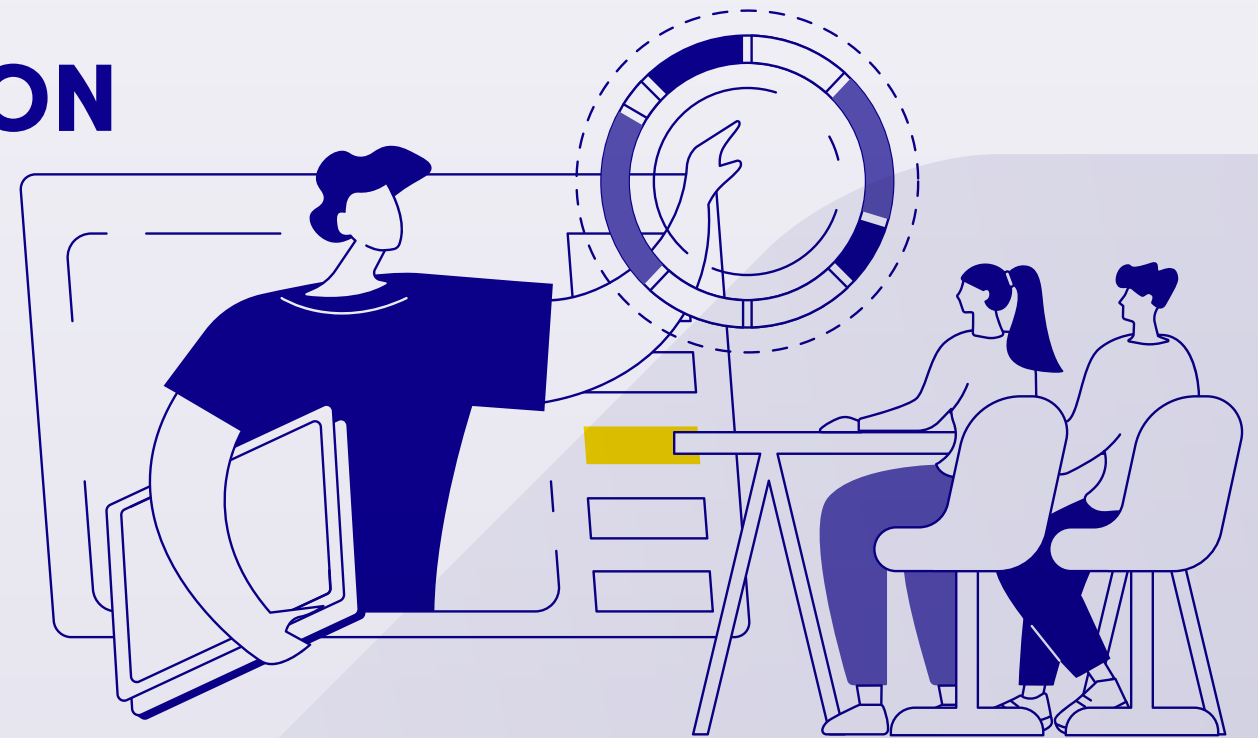


DEVELOPING THE NEXT GENERATION OF AVIATION PROFESSIONALS

(as at 31 March 2026)

16 New Programmes

- Advanced Airport Management Programme
- Growing Aviation Sustainably (Jointly organised with Asia Pacific Sustainable Aviation Centre)
- Basic Airport Firefighters Fitness Programme
- Customised Flashover, Pressure Fed Fire and Fuel Tank Firefighting Course
- Customised Smoke and Fire Practical Training
- Cybersecurity Primer for Civil Aviation (Jointly organised with the Singapore University of Technology and Design)
- Customised Live Fire Training Course
- Global Training Programme on Airports and Economic Development - Future-Proofing Airport Development (In partnership with United Nations Institute for Training and Research)
- IAASM-SAA Aviation Medicine for Medical Examiners and Assessors Refresher Course (Offered in collaboration with International Academy of Aviation and Space Medicine)
- ICAO Training Package: Obstacle Limitation Surfaces
- International Aviation Fire Protection Association Conference
- Next Generation of Aviation Professionals Scholars' Aviation Foundation Programme
- Safety Auditor
- Safety Case Development and Evaluation
- Safety Leadership Programme
- Women in Aviation Fireside Chat as part of SAA webinar series



158 Number of countries where participants hail from

235 Courses conducted

5,835 Total course participants

Local Participants: **3,648**

International Participants: **2,187**



Building a **FUTURE-READY** CAAS



In FY25/26, CAAS strengthened its organisational foundations across three dimensions: the workplaces that support its people, the workforce capabilities that will shape its future and the digital tools transforming how staff work. As at 30 September 2025, CAAS' total staff strength stood at 1,406.

CAAS is committed to fostering a workplace where staff feel valued, supported and empowered to grow, underpinned by a culture that promotes wellbeing, professional development and meaningful careers. This commitment has contributed to CAAS being recognised as a leading employer in Singapore, achieving strong rankings in national employer benchmarks:



- The Straits Times Best Employers 2026 (4th in Government Services; 83rd overall)



- Ministry of Manpower's Singapore Opportunity Index Top 300 Employers



- GradSingapore's Top 100 Leading Graduate Employers 2025

CREATING WORKPLACES THAT SUPPORT OUR PEOPLE

CAAS is committed to building people-centric operational workplaces that promote wellbeing, foster collaboration and sustain round-the-clock operational readiness. During the year, CAAS extended its workplace transformation efforts to operational sites by enhancing staff amenities and collaborative spaces at Singapore Air Traffic Control Centre and Changi Control Tower.





DEVELOPING PEOPLE FOR THE FUTURE

CAAS continued to invest in staff wellbeing, engagement and development to foster a supportive and inclusive workplace where staff can thrive. Guided by a new **CARES** framework, CAAS strengthened efforts to build a strong **C**ommunity, **A**ppreciate staff, facilitate their physical and mental **R**ejuvenation, **E**nable them with skills uplifting and **S**upport them with robust systems and tools.

STRENGTHENING COMMUNITY

CAAS brings staff together through organisation-wide events such as Family Day and Dinner & Dance, fostering stronger connections and a sense of belonging across divisions. These shared experiences help build a cohesive workforce and strengthen teamwork across the organisation.



SUPPORTING WELLBEING

Through regular wellness programmes such as Wellness Wednesday, Fruit Day and Chillax initiatives, CAAS provides staff with opportunities to recharge and maintain a healthy work-life harmony in a dynamic operating environment.



DEVELOPING PEOPLE FOR THE FUTURE

DEVELOPING OUR PEOPLE

CAAS Curious Conversations provides opportunities for leaders and staff to share insights, experiences and knowledge.



RECOGNISING OUR PEOPLE

Initiatives such as the annual Staff Awards Ceremony celebrate individual and team achievements, reinforcing a strong sense of purpose and pride across the organisation.





TRANSFORMING HOW WE WORK

As technologies such as AI continue to reshape the workplace, CAAS is strengthening its digital capabilities and integrating AI into work processes across the organisation. During the year, CAAS stepped up efforts to equip staff with the tools and skills needed to harness AI, enhance productivity and embrace new ways of working.

To build AI capability across the organisation, CAAS rolled out Microsoft Copilot to all staff in March 2026. Supported by organisation-wide training, outreach sessions and ongoing enablement initiatives, the rollout improved AI literacy and confidence among staff and senior management, laying a strong foundation for sustained adoption and lasting behavioural change.



FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

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STATEMENT BY THE AUTHORITY MEMBERS

We, Edmund Cheng and Han Kok Juan, being two of the Authority Members of Civil Aviation Authority of Singapore (the "Authority") and its subsidiaries (collectively, the "Group"), do hereby state that, in the opinion of the Authority Members:

- i) the accompanying consolidated financial statements of the Group are drawn up so as to present fairly, in all material respects, the state of affairs of the Group and of the Authority as at 31 March 2026 and the consolidated financial performance, changes in equity and cash flows of the Group for the financial year then ended in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the Civil Aviation Authority of Singapore Act 2009 (the "Act") and Statutory Board Financial Reporting Standards;
- ii) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the financial year are, in all material respects, in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority; and
- iii) the accounting and other records, including records of all assets of the Authority whether purchased, donated or otherwise, have been properly kept.

On behalf of the Authority Members

Edmund Cheng
Chairman

Han Kok Juan
Director-General

Singapore
30 June 2026

INDEPENDENT AUDITOR'S REPORT

MEMBERS OF THE AUTHORITY

CIVIL AVIATION AUTHORITY OF SINGAPORE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Civil Aviation Authority of Singapore (the "Authority") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Authority as at 31 March 2026, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Authority are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the Civil Aviation Authority of Singapore Act 2009 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Group and the Authority as at 31 March 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Statement by the Authority Members set out on page 1, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

MEMBERS OF THE AUTHORITY

CIVIL AVIATION AUTHORITY OF SINGAPORE

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Public Sector (Governance) Act, the Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Group or for the Group to cease operations.

Those charged with governance's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

MEMBERS OF THE AUTHORITY

CIVIL AVIATION AUTHORITY OF SINGAPORE

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

The financial statements of the Company for the year ended 31 March 2025 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 16 July 2025.

Report on Other Legal and Regulatory Requirements

In our opinion:

- the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the year are, in all material respects, in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority; and
- proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise.

INDEPENDENT AUDITOR'S REPORT

MEMBERS OF THE AUTHORITY

CIVIL AVIATION AUTHORITY OF SINGAPORE

Report on Other Legal and Regulatory Requirements (cont'd)

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the Group in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority. This responsibility includes monitoring related compliance requirements relevant to the Authority, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

The engagement partner on the audit resulting in this independent auditor's report is Tan Soon Seng.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

30 June 2026

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2026

	Note	Group		Authority	
		2025/26	2024/25	2025/26	2024/25
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	4	397,619	363,714	397,541	363,679
Right-of-use assets	5	5,379,558	5,457,281	5,379,198	5,456,443
Capital work-in-progress	6	234,715	206,499	234,715	206,499
Investment in subsidiaries	7	–	–	–	–
Investment in joint venture	8	43,186	42,989	43,186	42,989
Investment in associate	9	14,100	13,031	14,100	13,031
Long-term investment	10	150	150	150	150
Prepayments	11	13,853	16,649	13,853	16,649
Trade and other receivables	12	–	139	–	139
		6,083,181	6,100,452	6,082,743	6,099,579
Current assets					
Prepayments	11	11,857	8,371	11,740	8,331
Trade and other receivables	12	213,468	228,485	197,440	200,262
Investments held at amortised cost	14	–	498,308	–	498,308
Cash and cash equivalents	15	1,569,380	999,903	1,568,652	999,806
		1,794,705	1,735,067	1,777,832	1,706,707
Current liabilities					
Provision for pension benefits	16	389	619	389	619
Grants received in advance	17	34,400	27,669	34,400	27,669
Lease liabilities	18	9,382	9,280	9,004	8,804
Deferred income	19	410	410	410	410
Deferred capital grants	20	49,293	46,254	49,293	46,254
Trade and other payables	21	200,151	217,000	183,690	189,529
Contribution payable to Government Consolidated Fund	23	26,697	20,728	26,697	20,728
		320,722	321,960	303,883	294,013
Non-current liabilities					
Provision for pension benefits	16	7,364	8,044	7,364	8,044
Grants received in advance	17	75,400	90,736	75,400	90,736
Lease liabilities	18	32,419	41,509	32,419	41,131
Deferred income	19	3,868	4,278	3,868	4,278
Deferred capital grants	20	3,978,416	4,024,360	3,978,416	4,024,360
		4,097,467	4,168,927	4,097,467	4,168,549
Equity					
Capital account	24	2,804,375	2,797,824	2,804,375	2,797,824
Investment revaluation reserve	25	–	–	–	–
Accumulated surplus		655,322	546,808	654,850	545,900
Net assets		3,459,697	3,344,632	3,459,225	3,343,724
Changi Airport Development Fund: - net assets	26	11,958,136	7,410,136	11,958,136	7,410,136

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2026

	Note	Group	
		2025/26	2024/25
		S\$'000	S\$'000
Income			
Airport and aerodrome licence fee		7,414	5,600
Aviation levy		194,507	186,782
Annual ground rent		75,641	75,656
Fees for airport and related services		431,062	320,004
Aviation training programme fee		8,069	7,975
Certification, examination and licence fee		18,292	16,677
Other operating income		6,481	7,495
	27	741,466	620,189
Expenditure			
Salaries, wages and staff benefits	28	288,211	252,850
Maintenance of buildings and equipment		71,754	71,026
Rental expense		3,253	4,782
Depreciation of property, plant and equipment	4	68,019	59,045
Depreciation of right-of-use assets	5	78,884	78,175
Property tax		812	19,796
Services related expenses		75,009	68,202
Research expenses		45,491	54,377
Grants to industry		33,626	32,182
Other operating expenses		26,994	20,412
		692,053	660,847
Non-operating income, net	29	7,169	34,456
Interest expense on lease liabilities		(1,485)	(889)
Share of results of joint venture	8	136	689
Share of results of associate	9	2,769	(5)
Surplus/(Deficit) before Government grants		58,002	(6,407)
Government grants			
Deferred capital grants amortised	20	50,158	46,793
Operating grants	17	51,351	83,104
		101,509	129,897
Surplus before contribution to Government Consolidated Fund		159,511	123,490
Contribution to Government Consolidated Fund	23	(26,697)	(20,728)
Net surplus for the year		132,814	102,762
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of the pension and post-retirement medical benefit schemes	16	722	–
<i>Items that may be reclassified to profit or loss</i>			
Net fair value gain on investments in debt instruments measured at FVTOCI	25	–	2,042
Reclassification of loss on disposal to profit or loss	25	–	772
Total comprehensive income for the year		133,536	105,576

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2026

Group	Note	Capital account	Investment revaluation reserve	Accumulated surplus	Total
		S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2024		2,181,641	(2,814)	517,510	2,696,337
Net surplus for the year		–	–	102,762	102,762
Other comprehensive income		–	2,814	–	2,814
Total comprehensive income for the year		–	2,814	102,762	105,576
Equity contribution from Government	24	616,183	–	–	616,183
Dividends paid to Government	24	–	–	(73,464)	(73,464)
At 31 March 2025		2,797,824	–	546,808	3,344,632
Net surplus for the year		–	–	132,814	132,814
Other comprehensive income		–	–	722	722
Total comprehensive income for the year		–	–	133,536	133,536
Equity contribution from Government	24	6,551	–	–	6,551
Dividends paid to Government	24	–	–	(25,022)	(25,022)
At 31 March 2026		2,804,375	–	655,322	3,459,697

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2026

	Note	2025/26	Group 2024/25
		S\$'000	S\$'000
Cash flows from operating activities			
Surplus/(Deficit) before Government grants		58,002	(6,407)
Adjustments for:			
Share of results of joint venture		(136)	(689)
Share of results of associate		(2,769)	5
Depreciation of property, plant and equipment	4	68,019	59,045
Depreciation of right-of-use assets	5	78,884	78,175
Loss on disposal of property, plant and equipment	29	747	873
Provision for write off of capital work-in-progress	29	12,026	–
Loss on disposal of financial assets measured at FVTOCI	29	–	772
Foreign exchange loss on financial assets measured at FVTOCI	29	–	326
Interest income	29	(19,765)	(36,140)
Interest expense on lease liabilities	18	1,485	889
Provision for pension benefits	16	247	255
Amortisation of deferred income	19	(410)	(410)
Amortisation of prepaid lease	11	410	410
Write back of impairment on trade receivables	12a	–	(47)
Operating cash flows before changes in working capital		196,740	97,057
Changes in working capital:			
Trade and other receivables		(27,543)	47,721
Prepayments		(1,100)	32,034
Trade and other payables		(16,913)	(61,503)
Pension benefits paid		(435)	(647)
Cash generated from operations		150,749	114,662
Contribution paid to Government Consolidated Fund		(20,728)	(6,670)
Interest paid		(1,485)	(889)
Net cash flows from operating activities		128,536	107,103
Cash flows from investing activities			
Interest received		27,054	27,058
Dividend received from associate		1,700	–
Purchase of property, plant and equipment and payment for capital work-in-progress		(143,753)	(138,475)
Purchase of financial assets measured at FVTOCI		–	(77,710)
Proceeds from disposal of financial assets held at FVTOCI		–	159,875
Purchase of investments held at amortised cost		(746,485)	(1,242,328)
Proceeds from disposal of investments held at amortised cost		1,244,793	750,000
Net cash flows from/(used in) investing activities		383,309	(521,580)
Cash flows from financing activities			
Payments for principal portion of lease liabilities	22	(9,309)	(9,191)
Grants received from Government	22	85,412	52,358
Equity contributions received from Government	24	6,551	616,183
Dividend paid to Government	24	(25,022)	(73,464)
Funds held on behalf of Government	15	165	42
Net cash flows from financing activities		57,797	585,928
Net increase in cash and cash equivalents		569,642	171,451
Cash and cash equivalents at beginning of year		999,738	828,287
Cash and cash equivalents at end of year		1,569,380	999,738

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. DOMICILE AND ACTIVITIES

The Civil Aviation Authority of Singapore (the "Authority") was reconstituted under the Civil Aviation Authority of Singapore Act 2009, with its registered office at 4th level, Terminal 2, Singapore Changi Airport, Singapore 819643.

As a Statutory Board, the Authority is subjected to the control of its supervisory ministry, Ministry of Transport ("MOT"), and guided by with policies and instructions issued from time to time by the Ministry of Finance ("MOF") and other Government ministries.

The principal functions and duties of the Authority are:

- (a) to regulate safety and promote safety and security in civil aviation and to exercise safety regulatory oversight over civil aviation operations in Singapore and the operation of Singapore aircraft outside Singapore;
- (b) to exercise licensing and regulatory functions in respect of the operation of airports and the provision of airport services and facilities in Singapore;
- (c) to regulate and promote competition and fair and efficient market conduct in the operation of airports and the provision of airport services and facilities or, in the absence of a competitive market, to prevent the misuse or abuse of monopoly or market power;
- (d) to regulate, encourage, promote, facilitate and assist in the use, development and improvement of air services, airports and aerospace industries;
- (e) to ensure that there are, provided in every airport (whether by itself or by any airport licensee), adequate and efficient airport services and facilities on such terms as the Authority thinks expedient;
- (f) to provide air navigation services within the Singapore Flight Information Region and such other area as the Minister for Transport may authorise;
- (g) to provide or coordinate search and rescue services to aircraft in distress within the Singapore Search and Rescue Region;
- (ga) to cooperate with the Transport Safety Investigation Bureau of Singapore in relation to investigations under the Transport Safety Investigations Act 2018;
- (h) to encourage, promote, facilitate and assist in the development and improvement of civil aviation capabilities, skills and services in Singapore;
- (i) to provide technical, consultancy and management services relating to any of the matters referred to in this subsection;
- (j) to act internationally as the national authority or body representing Singapore in respect of matters relating to civil aviation;
- (k) to discharge or facilitate the discharge of international obligations of the Government as a Contracting State or otherwise in respect of civil aviation;
- (l) to collaborate and enter into agreements and arrangements with organisations in respect of any matter relating to civil aviation and any other matter as the Authority thinks expedient;
- (m) to foster appropriate education and provide training and training facilities in respect of any matter relating to civil aviation;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. DOMICILE AND ACTIVITIES (CONT'D)

- (n) to advise the Government on all matters relating to civil aviation;
- (o) to promote understanding of civil aviation policies and programmes;
- (p) to promote research and development on any matter relating to civil aviation; and
- (q) to carry out such other functions and duties as are conferred or imposed on the Authority by or under the Civil Aviation Authority of Singapore Act or any other written law.

The principal activities of the subsidiaries, joint venture and associate are disclosed in Notes 7, 8 and 9 respectively.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements are prepared in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the Civil Aviation Authority of Singapore Act 2009 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS"). SB-FRS includes Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General.

The financial statements have been prepared on the historical cost basis except as otherwise described in the accounting policies below.

The financial statements are presented in Singapore Dollars ("S\$") which is the functional currency of the Authority. All financial information presented in Singapore Dollar has been rounded to the nearest thousand (S\$'000), except when otherwise stated.

The preparation of the financial statements in conformity with the SB-FRS and the Group's accounting policies as described in Note 3 requires management to exercise judgements, make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from these estimates.

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.

Information about critical accounting estimates, assumptions and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in Note 3.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year, except in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

On 1 April 2025, the Group has applied all the new and revised SB-FRSs that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements except as below.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Standards issued but not yet effective

The following SB-FRS applicable have been issued but not yet effective for the reporting period ended 31 March 2026:

Description	Effective for annual periods beginning on or after
Amendments to SB-FRS 109 and SB-FRS 107: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
SB-FRS 118 <i>Presentation and Disclosures in Financial Statements</i>	1 January 2027
Amendments to SB-FRS 110 and SB-FRS 28 <i>Sale or Contribution of Assets between Investor and its Associate or Joint Venture</i>	To be determined

SB-FRS 118 is a new standard that replaces SB-FRS 1 Presentation of Financial Statements. SB-FRS 118 introduces new categories of subtotals in the statement of profit or loss. Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, wherein the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for the location, aggregation and disaggregation of financial information.

In addition, narrow-scope amendments have been made to SB-FRS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. SB-FRS 118 will apply retrospectively.

The amendments may have impact on the disclosure in the financial statements but not on the measurement or recognition of items in the Group’s and Authority’s financial statements.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Authority and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Authority. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses resulting from intra-group transactions and dividends are eliminated in full.

2.5 Foreign currency

Transactions in foreign currencies are measured in the respective functional currencies of the Authority and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Property, plant and equipment and capital work-in-progress

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the cost of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	15 to 50 years
Plant and equipment	7 to 20 years
Vehicles	5 to 10 years
Office/other equipment, furniture and fixtures	3 to 8 years
Capital improvements	5 to 20 years

No depreciation is provided on capital work-in-progress as these assets are not yet available for use. Capital work-in-progress is transferred to the various categories of property, plant and equipment and right-of-use assets, and depreciated upon the completion of the capital project.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. The gain or loss on disposal is recognised within non-operating income, net in the statement of comprehensive income.

2.7 Impairment of non-financial assets

The carrying amounts of the Group’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit (“CGU”) exceeds its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Impairment of non-financial assets

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use and are largely independent of the cash inflows of other assets or CGU.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in income and expenditure.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.8 Leases

(a) As lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the Group.

The incremental borrowing rate is defined as the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group has determined the incremental borrowing rate specific to each lease to approximate Singapore Government bond yield.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Leases

(a) As lessee (cont'd)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SB-FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*. The costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SB-FRS 36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.7.

As a practical expedient, SB-FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient for certain leases. For such leases where the contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) As lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the asset arising from the head lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as annual ground rent. The accounting policy for annual ground rent is set out in Note 2.19.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Subsidiary

A subsidiary is an investee that is controlled by the Authority. The Authority controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

2.10 Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Authority with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation.

To the extent the joint arrangement provides the Authority with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Authority recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2.11.

2.11 Joint ventures and associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The results and assets and liabilities of associates or joint ventures are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

The requirements of SB-FRS 36 *Impairment of Assets* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with SB-FRS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SB-FRS 36 *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

The financial statements of the associates and joint ventures are aligned to the same reporting date as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The Group only has debt instruments at amortised cost.

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party

to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.13 Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and accrued income. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, assessed individually for each debtor, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Impairment of financial assets

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The Group writes off a financial asset when there is information indicating that is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings or in the case of trade receivables, when they are over one year past due, whichever occurs earlier.

Measurement and recognition of expected credit loss

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with SB-FRS 116 *Leases*.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances and term deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.16 Employee benefits

Defined contribution plans

The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Defined benefit plans

The defined benefit liability is the present value of the defined benefit obligation (derived using a discount rate based on government bonds) at the end of the reporting period.

Provision is made for the payment of retirement benefits to those pensionable ex-employees who did not opt for transfer to the Central Provident Fund scheme. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the Projected Unit Credit Method.

Defined benefit costs comprise the following:

- Service costs
- Interest cost on defined benefits liability
- Re-measurements of defined benefit liability

Service costs which include past service costs and gains or losses on non-routine settlements are recognised as expense in income or expenditure. Past service costs are recognised when plan amendment or curtailment occurs.

Interest cost on defined benefit liability is the change during the period in the defined benefit liability that arises from the passage of time which is determined by applying the discount rate based on the Singapore Government bond yield to the defined benefit liability. Interest cost on the defined benefit liability is recognised in income or expenditure.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Employee benefits (cont'd)

Defined benefit plans (cont'd)

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the period in which they arise. Re-measurements are recognised in accumulated surplus within equity and are not reclassified to income or expenditure in subsequent periods.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

2.17 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Government grants issued for the construction or acquisition of non-current assets are recognised as deferred capital grants in the statement of financial position and transferred to income or expenditure on a systematic and rational basis over the useful life of the related assets. Grants that compensate the Group for expenses incurred are recognised in income or expenditure on a systematic basis in the same period in which the expenses are recognised.

Government grants received but not utilised are included in the "Grants received in advance" account.

2.18 Changi Airport Development Fund

The Changi Airport Development Fund (the "Fund") is a fund set up to account for moneys received and disbursed for the specific purpose of expanding Changi Airport. The net assets of the Fund are presented as a line at the bottom of the statement of financial position as prescribed by SB-FRS Guidance Note 3 Accounting and Disclosures for Trust Funds. Receipts and expenditure relating to the Fund are accounted for directly in this Fund on an accrual basis. Details of receipts, expenditure, assets and liabilities are disclosed in Note 26.

2.19 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

A non-exchange revenue is recognised when the Group receives resources and provides no or nominal consideration directly in return.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.19 Revenue recognition (cont'd)

Airport and aerodrome licence fee

Licence fee income is recognised on a straight-line basis over the term of the licences.

Aviation levy

Pursuant to the provisions in the Civil Aviation Group of Singapore (Aviation Levy) Order 2018, the aviation levy is payable and recognised as income upon every air passenger ticket that covers flights that departed from Changi Airport or Seletar Airport.

Aviation Levy is assessed to be a non-exchange revenue under SB-FRS 1001 Accounting and Disclosure for Non-Exchange Revenue.

Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

Fees for airport and related services

Fees for airport and related services is payable by the airport licensees of Changi Airport and Seletar Airport for services provided by the Group in connection with the airports. The fees for airport and related services are recognised as income as and when the services are rendered by the Group.

Aviation training programme fee

Income is recognised upon the completion of training courses.

Certification, examination and licence fee

Certification, examination and licence fee income are collected pursuant to regulatory requirements under the respective legislations. Income is recognised upon the issuance of certificates or licences.

Other service income

Income from services is recognised as and when services are rendered.

2.20 Income tax

The Group is a tax-exempted institution under the provisions of the Income Tax Act 1947.

2.21 Related parties

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group is a statutory board under the purview of the Ministry of Transport and is an entity related to the Government of Singapore. Accordingly, the Group's related parties include Government-related entities such as Ministries, Organs of State and other Statutory Boards.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Related parties (cont'd)

In accordance with Paragraph 25A of SB-FRS 24 *Related Party Disclosures*, the Group is exempted from disclosing transactions and outstanding balances with government-related entities other than Ministries, Organs of State and other Statutory Boards, unless there are circumstances to indicate that these transactions are unusual and their disclosure would be of interest to primary readers of the financial statements.

The Group also applies the exemption in Paragraph 26 of SB-FRS 24. Required disclosures of transactions and related outstanding balances with government-related entities are limited to the following information to enable users of the Group's financial statements to understand the effect of the related party transactions on the financial statements:

- The nature and amount of each individually significant transaction with Ministries, Organs of State and other Statutory Boards; and
- For other transactions with Ministries, Organs of State and other Statutory Boards that are collectively, but not individually, significant, a qualitative or quantitative indication of their extent.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Group's accounting policies, management is of the opinion that there is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The Group has assessed that there are no key sources of estimation uncertainty that are material to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. PROPERTY, PLANT AND EQUIPMENT

Group	Buildings	Plant and equipment	Vehicles	Office/other equipment, furniture and fixtures	Capital improvements	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cost						
At 1 April 2024	216,856	673,984	3,425	64,596	54,858	1,013,719
Additions	–	–	–	46	–	46
Transfers from capital work-in-progress (Note 6)	15,491	15,252	–	20,543	228	51,514
Reclassification	–	10,797	–	(10,797)	–	–
Disposals/write-off	–	(32,036)	–	(14,402)	(12,307)	(58,745)
At 31 March 2025	232,347	667,997	3,425	59,986	42,779	1,006,534
Additions	–	–	–	73	–	73
Transfers from capital work-in-progress (Note 6)	37,708	34,179	–	28,408	2,303	102,598
Disposals/write-off	(210)	(4,301)	(26)	(6,340)	(2,553)	(13,430)
At 31 March 2026	269,845	697,875	3,399	82,127	42,529	1,095,775
Accumulated depreciation						
At 1 April 2024	119,147	430,752	1,715	43,729	46,304	641,647
Depreciation for the year	5,599	45,926	340	6,178	1,002	59,045
Reclassification	–	5,273	–	(5,273)	–	–
Disposals/write-off	–	(31,826)	–	(14,375)	(11,671)	(57,872)
At 31 March 2025	124,746	450,125	2,055	30,259	35,635	642,820
Depreciation for the year	6,460	50,948	340	9,335	936	68,019
Disposals/write-off	(210)	(4,118)	(26)	(6,328)	(2,001)	(12,683)
At 31 March 2026	130,996	496,955	2,369	33,266	34,570	698,156
Carrying amount						
At 31 March 2026	138,849	200,920	1,030	48,861	7,959	397,619
At 31 March 2025	107,601	217,872	1,370	29,727	7,144	363,714

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Authority	Buildings	Plant and equipment	Vehicles	Office/other equipment, furniture and fixtures	Capital improvements	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cost						
At 1 April 2024	216,856	673,984	3,425	64,596	54,858	1,013,719
Additions	–	–	–	–	–	–
Transfers from capital work-in-progress (Note 6)	15,491	15,252	–	20,543	228	51,514
Reclassification	–	10,797	–	(10,797)	–	–
Disposals/write-off	–	(32,036)	–	(14,402)	(12,307)	(58,745)
At 31 March 2025	232,347	667,997	3,425	59,940	42,779	1,006,488
Transfers from capital work-in-progress (Note 6)	37,708	34,179	–	28,408	2,303	102,598
Disposals/write-off	(210)	(4,301)	(26)	(6,340)	(2,553)	(13,430)
At 31 March 2026	269,845	697,875	3,399	82,008	42,529	1,095,656
Accumulated depreciation						
At 1 April 2024	119,147	430,752	1,715	43,729	46,304	641,647
Depreciation for the year	5,599	45,926	340	6,167	1,002	59,034
Reclassification	–	5,273	–	(5,273)	–	–
Disposals/write-off	–	(31,826)	–	(14,375)	(11,671)	(57,872)
At 31 March 2025	124,746	450,125	2,055	30,248	35,635	642,809
Depreciation for the year	6,460	50,948	340	9,305	936	67,989
Disposals/write-off	(210)	(4,118)	(26)	(6,328)	(2,001)	(12,683)
At 31 March 2026	130,996	496,955	2,369	33,225	34,570	698,115
Carrying amount						
At 31 March 2026	138,849	200,920	1,030	48,783	7,959	397,541
At 31 March 2025	107,601	217,872	1,370	29,692	7,144	363,679

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. RIGHT-OF-USE ASSETS

The Group leases several leasehold land, office spaces and plant and equipment. The lease terms of each category of leases are as follows:

Leasehold land	2 to 94 years
Office spaces	2 to 5 years
Plant and equipment	2 to 15 years
Vehicles	3 years

The Group also made upfront payments to secure the right-of-use of certain leasehold land.

Group	Leasehold land S\$'000	Office spaces S\$'000	Plant and equipment S\$'000	Vehicles S\$'000	Total S\$'000
Cost					
At 1 April 2024	6,620,778	36,407	9,238	850	6,667,273
Additions	–	51,476	1,402	–	52,878
At 31 March 2025	6,620,778	87,883	10,640	850	6,720,151
Additions	840	321	–	–	1,161
Disposals	–	–	–	(850)	(850)
At 31 March 2026	6,621,618	88,204	10,640	–	6,720,462
Accumulated depreciation					
At 1 April 2024	1,145,356	34,293	4,196	850	1,184,695
Depreciation for the year	68,580	8,354	1,241	–	78,175
At 31 March 2025	1,213,936	42,647	5,437	850	1,262,870
Depreciation for the year	68,614	9,068	1,202	–	78,884
Disposals	–	–	–	(850)	(850)
At 31 March 2026	1,282,550	51,715	6,639	–	1,340,904
Carrying amount					
At 31 March 2026	5,339,068	36,489	4,001	–	5,379,558
At 31 March 2025	5,406,842	45,236	5,203	–	5,457,281
Right-of-use assets					

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. RIGHT-OF-USE ASSETS (CONT'D)

Authority	Leasehold land S\$'000	Office spaces S\$'000	Plant and equipment S\$'000	Vehicles S\$'000	Total S\$'000
Cost					
At 1 April 2024	6,620,778	36,407	9,238	850	6,667,273
Additions	–	50,518	1,402	–	51,920
At 31 March 2025	6,620,778	86,925	10,640	850	6,719,193
Additions	840	317	–	–	1,157
Disposals	–	–	–	(850)	(850)
At 31 March 2026	6,621,618	87,242	10,640	–	6,719,500
Accumulated depreciation					
At 1 April 2024	1,145,356	34,293	4,196	850	1,184,695
Depreciation for the year	68,580	8,234	1,241	–	78,055
At 31 March 2025	1,213,936	42,527	5,437	850	1,262,750
Depreciation for the year	68,614	8,586	1,202	–	78,402
Disposals	–	–	–	(850)	(850)
At 31 March 2026	1,282,550	51,113	6,639	–	1,340,302
Carrying amount					
At 31 March 2026	5,339,068	36,129	4,001	–	5,379,198
At 31 March 2025	5,406,842	44,398	5,203	–	5,456,443

6. CAPITAL WORK-IN-PROGRESS

	Group		Authority	
	2025/26 S\$'000	2024/25 S\$'000	2025/26 S\$'000	2024/25 S\$'000
At beginning of the year	206,499	119,584	206,499	119,584
Additions during the year	142,840	138,429	142,840	138,429
Transfer to property, plant and equipment (Note 4)	(102,598)	(51,514)	(102,598)	(51,514)
Provision for write off	(12,026)	–	(12,026)	–
	234,715	206,499	234,715	206,499

Certain capital work-in-progress were assessed to be obsolete during the year, and a provision for write-off was recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

7. INVESTMENT IN SUBSIDIARIES

	Authority	
	2025/26	2024/25
	S\$'000	S\$'000
Unquoted equity shares at cost	–	–

Detail of the subsidiaries are as follows:

Name	Principal activities	Place of business	Proportion of ownership interest and voting power held	
			2025/26	2024/25
			%	%
International Centre for Aviation Innovation Ltd. ⁽¹⁾	Supporting services to air transport and other related activities	Singapore	#	#
Asia Pacific Sustainable Aviation Centre Ltd. ⁽¹⁾	Supporting services to air transport and other related activities	Singapore	^	–
Singapore Sustainable Aviation Fuel Company Ltd. ⁽¹⁾	Supporting services to air transport and other related activities	Singapore	^	–

A company limited by guarantee incorporated in 2023.

^ A company limited by guarantee incorporated in 2025.

(1) Audited by Ernst & Young LLP, Singapore.

8. INVESTMENT IN JOINT VENTURE

	Group and Authority	
	2025/26	2024/25
	S\$'000	S\$'000
Cost of investment in joint venture	31,132	31,070
Share of post-acquisition results	12,054	11,919
	43,186	42,989

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

8. INVESTMENT IN JOINT VENTURE (CONT'D)

Name	Principal activities	Place of business	Group's interest	
			2025/26	2024/25
			%	%
Airport Logistics Park of Singapore ⁽¹⁾	Developing, marketing, managing and provision of facilities to the free trade zone logistics park	Singapore	20	20

(1) Unincorporated entity.

Airport Logistics Park of Singapore is structured as a separate vehicle and the Group has a residual interest in its net assets. The Group jointly controls the venture with other partner under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities. Accordingly, the Group has classified its interest in Airport Logistics Park of Singapore as a joint venture.

The summarised financial information in respect of Airport Logistics Park of Singapore, based on its FRS financial statements and reconciliation with the carrying amount of the investment in the financial statements are as follows:

	2025/26	2024/25
	S\$'000	S\$'000
Revenue	7,121	7,034
Interest income	2,627	4,179
Depreciation expense	(1,612)	(1,619)
Other expenses	(7,458)	(6,153)
Profit before tax	678	3,441
Income tax expense	–	–
Profit after tax	678	3,441
Other comprehensive income	–	–
Total comprehensive income	678	3,441

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

8. INVESTMENT IN JOINT VENTURE (CONT'D)

	2025/26	2024/25
	%	%
Cash and cash equivalents	127,647	126,885
Trade and other receivables	1,235	2,392
Total current assets	128,882	129,277
Non-current assets	109,333	110,604
Total assets	238,215	239,881
Current liabilities	(2,796)	(3,873)
Non-current liabilities	(19,492)	(21,063)
Total liabilities	(22,288)	(24,936)
Net assets	215,927	214,945
Net assets	215,927	214,945
Proportion of the Group's ownership	20%	20%
Group's share of net assets	43,186	42,989
Carrying amount of interest in joint venture	43,186	42,989

There are no other financial liabilities included in the current and non-current liabilities except for trade and other payables and provisions.

9. INVESTMENT IN ASSOCIATE

	Group and Authority	
	2025/26	2024/25
	S\$'000	S\$'000
Cost of investment in associate	9,446	9,446
Share of post-acquisition results, net dividend received	4,654	3,585
	14,100	13,031

Details of the associate are as follows:

Name	Principal activities	Place of incorporation and business	Effective interest held by the Group	
			2025/26	2024/25
			%	%
Experia Events Pte Ltd	Organising and management of conferences, exhibition and other related activities	Singapore	17	17

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

9. INVESTMENT IN ASSOCIATE (CONT'D)

Although the Group has 17% equity interest in Experia Events Pte Ltd, the Group determined that it has significant influence because it has representation on the board of Experia Events Pte Ltd.

The summarised financial information in respect of Experia Events Pte Ltd, based on its FRS financial statements and reconciliation with the carrying amount of the investment in the financial statements are as follows:

	2025/26	2024/25
	S\$'000	S\$'000
Revenue	64,381	19,972
Profit/(loss) after tax	16,285	(25)
Other comprehensive income	-	-
Total comprehensive income/(loss)	16,285	(25)
Current assets	85,024	69,828
Non-current assets	32,564	34,992
Current liabilities	(28,571)	(22,494)
Non-current liabilities	(6,076)	(5,671)
Net assets	82,941	76,655
Net assets	82,941	76,655
Proportion of the Group's ownership	17%	17%
Group's share of net assets	14,100	13,031
Carrying amount of interest in associate	14,100	13,031

10. LONG-TERM INVESTMENT

The long-term investment relates to the Group's corporate membership at the National Service Resort and Country Club.

11. PREPAYMENTS

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Prepaid lease	4,278	4,688	4,278	4,688
Prepayments	21,432	20,332	21,315	20,292
	25,710	25,020	25,593	24,980
Comprising:				
Non-current	13,853	16,649	13,853	16,649
Current	11,857	8,371	11,740	8,331
	25,710	25,020	25,593	24,980

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

Prepaid lease

Prepaid lease of the Group and Authority represents premium paid in advance to Singapore Land Authority for leasehold land. The land is leased to the Group's associate, Experia Events Pte Ltd, under a back-to-back lease arrangement and the amount received was recognised as deferred income (Note 19).

	S\$'000
Cost	
At 1 April 2024, 31 March 2025 and 31 March 2026	12,290
Accumulated amortisation	
At 1 April 2024	7,192
Amortisation charge for the year	410
At 31 March 2025	7,602
Amortisation charge for the year	410
At 31 March 2026	8,012
Carrying amount:	
At 31 March 2026	4,278
At 31 March 2025	4,688

As the net investment in this lease arrangement is S\$Nil, no finance lease receivable and lease liability are recognised upon the application of SB-FRS 116.

12. TRADE AND OTHER RECEIVABLES

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables:				
- Related parties	3,420	996	3,420	996
- Others	91,628	87,533	91,628	87,533
Accrued income	71,147	34,818	71,474	35,095
Grants receivable	32,359	85,400	-	34,676
Sundry receivables (as agent to the Government)	643	2,701	643	2,701
Other receivables:				
- Subsidiary	-	-	16,199	22,303
- Others	14,271	17,176	14,076	17,097
	213,468	228,624	197,440	200,401
Comprising:				
Non-current	-	139	-	139
Current	213,468	228,485	197,440	200,262
	213,468	228,624	197,440	200,401

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

(a) Trade receivables

As at 1 April 2024, trade receivables from contracts with customers amounted to S\$87,310,000.

In 2025/26, the average credit period for trade receivables ranges from 14 to 30 (2024/25: 7 to 123) days. No interest is charged on the trade receivables for payment received before due date of the invoice. Thereafter, the Group reserves the right to charge interest at 6.0% or 7.2% (2024/25: 8.0% or 8.1%) per annum on the overdue balance.

The Group's exposure to credit risk arises through its trade receivables. Due to the nature of the Group's operation, the Group has a concentration of credit risk of about 91% (2024/25: 98%) (Note 33 (a)) that were due from one of the Group's major customers and related party as at the end of the financial year.

A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over one year past due, whichever occurs earlier.

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses ("ECL") based on individual assessment of debtors. The ECL on trade receivables are estimated based on past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The movements in credit loss allowance are as follows:

	Individually assessed	
	2025/26	2024/25
	S\$'000	S\$'000
Balance at beginning of year	-	47
Loss allowance recognised in income or expenditure during the year on:		
- New trade receivables originated	-	-
- Reversal due to settlement of receivables	-	(47)
	-	(47)
Balance at end of year	-	-

Based on historical default rate, the Group believes that, apart from the above, no impairment allowance is necessary in respect of other trade receivables outstanding at the date of the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

(b) *Accrued income*

As at 1 April 2024, accrued income from contracts with customers amounted to \$36,550,000.

This pertains to services provided to customers for which invoices are not billed. Accordingly, none of the amounts due from debtors at the end of the reporting period is past due.

In the opinion of the management, the carrying amount of accrued income approximates their fair value at the date of the statement of financial position.

Accrued income is written off when there is information indicating that there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Loss allowance for accrued income has been measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on accrued income are estimated based on the past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

(c) *Grants receivable*

This pertains to accrued grants receivable from the Government that are not billed. Accordingly, none of the amounts due from the Government at the end of the reporting period is past due.

Grants receivable are considered to have low credit risk as they are not due for collection at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. The Group believes that no loss allowance is required.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

(d) *Other receivables*

This pertains to recoverable expenses from its subsidiary, interest receivables and other receivables.

The intercompany balances are unsecured, interest-free and repayable on demand.

Other receivables are considered to have low credit risk as they are not due for collection at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. The Group believes that no loss allowance is required.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group and Authority previously had investment in bonds that were held within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence, the bonds are classified as at FVTOCI.

In the previous financial year, these bonds were fully disposed on 31 March 2025 due to the completion of the contract with the external fund manager. The fair value of the bonds disposed during the previous financial year amounted to S\$159,875,000 and the proceeds were duly received. The cumulative loss previously recognised in the investment revaluation reserve under equity amounting to S\$772,000 was reclassified to profit or loss upon derecognition.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

14. INVESTMENTS HELD AT AMORTISED COST

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Investments in Fixed Rate Notes	–	250,000	–	250,000
Investments in MAS Bills	–	248,308	–	248,308
	–	498,308	–	498,308

As at 31 March 2026, the Authority does not hold any investments held at amortised costs.

During the financial year, all investments in Monetary Authority of Singapore (MAS) Bills and Fixed Rate Notes matured and were fully redeemed upon maturity. The proceeds were received in full and recognised within cash and cash equivalents.

In the previous financial year, these investments are held to collect contractual cash flows and are measured using the effective interest method, with interest income recognised in profit or loss over the holding period.

15. CASH AND CASH EQUIVALENTS

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Cash held with AGD – CLM scheme	1,069,712	999,068	1,069,712	999,068
Cash held with AGD – SBAF scheme	498,153	–	498,153	–
Bank and cash balances	1,515	670	787	573
Add: Restricted bank balances ⁽¹⁾	–	165	–	165
	1,569,380	999,903	1,568,652	999,806

(1) At the end of reporting period, included in the restricted bank balances are funds held on behalf for the Ministry of Transport.

The carrying amounts of cash and cash equivalents approximate their fair values.

Cash held with Accountant-General's Department ("AGD") under the Government's Centralised Liquidity Management ("CLM") scheme are centrally maintained at consolidated pool and are available upon request.

Cash held with AGD under Statutory Board Approved Funds ("SBAF") scheme relates to equity injection by MOF to fund specific projects. Under the SBAF scheme, the interest income generated will accrue to the Government.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

16. PROVISION FOR PENSION BENEFITS

The Group provides pension and post-retirement medical benefit schemes to certain of its retired employees who did not opt for transfer to the Central Provident Fund Scheme. The pension and post-retirement medical benefits schemes are closed to new entrants.

(a) Pension Scheme

An eligible employee, upon reaching his retirement date and who has completed at least 10 years of service, is entitled to opt for one of the three retirement benefit options:

Option (i) : Fully commuted pension gratuity

Option (ii) : Full annual pension

Option (iii) : Partial commutation of pension with gratuity

(b) Post-Retirement Medical Benefits Scheme

An eligible employee, upon reaching his retirement date and who has completed at least 10 years of service, is entitled to the following post-retirement medical benefits:

Option (i) : Hospitalisation benefits

Option (ii) : Outpatient benefits

Option (iii) : Dental benefits

The actuarial valuation of the present value of the defined benefit obligation was carried out in 2025/26 by a qualified independent actuary in accordance with SB-FRS 19 Employee Benefits. In assessing the plan's liabilities, the Projected Unit Credit actuarial methodology has been applied. For the purpose of ascertaining the obligation as of 31 March 2026, management has conducted a review of the bases and underlying assumptions used in the calculation.

The principal financial assumptions used for the purpose of the actuarial valuations were as follows:

	Valuation at			
	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Pension Scheme				
Discount rate	2.1	2.9	2.1	2.9
Average age	81.7 years	80.8 years	81.7 years	80.8 years
Post-Retirement Medical Benefit Scheme				
Discount rate	2.3	2.9	2.3	2.9
Medical inflation rate	4.8	4.8	4.8	4.8
Average age	77.5 years	80.8 years	77.5 years	80.8 years

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

The amount recognised in the statement of financial position in respect of the Group's defined benefit obligation is as follows:

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Current	389	619	389	619
Non-current	7,364	8,044	7,364	8,044
	7,753	8,663	7,753	8,663

Amounts recognised in income or expenditure in respect of the defined benefit plan are as follows:

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Interest cost (Note 28)	247	255	247	255

The charge for the year is included in salaries, wages and staff benefits expense in the statement of comprehensive income.

Changes in the present value of the defined benefit obligation are as follows:

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Opening defined benefit obligation	8,663	9,055	8,663	9,055
Interest cost	247	255	247	255
Actuarial gain recognised in other comprehensive income	(722)	–	(722)	–
Benefits paid	(435)	(647)	(435)	(647)
Closing defined benefit obligation	7,753	8,663	7,753	8,663

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

17. GRANTS RECEIVED IN ADVANCE

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
At beginning of the year	118,405	146,923	118,405	146,923
Operating grants received during the year (Note 22)	78,159	47,589	48,313	47,589
Movement in grant accruals (Note 22)	(35,413)	6,997	(34,677)	(32,238)
	42,746	54,586	13,636	15,351
Transfer to income or expenditure:				
- Grants for property tax	-	(16,517)	-	(16,517)
- Grants for industry	(14,078)	(14,581)	(14,078)	(14,581)
- Grants for research	(30,714)	(45,893)	(1,604)	(6,658)
- Others	(6,559)	(6,113)	(6,559)	(6,113)
	(51,351)	(83,104)	(22,241)	(43,869)
At end of the year	109,800	118,405	109,800	118,405
Comprising:				
- Current	34,400	27,669	34,400	27,669
- Non-current	75,400	90,736	75,400	90,736
	109,800	118,405	109,800	118,405

The Group received government operating grants for certain operating activities. These grants received in advance will be recorded in the income and expenditure statement when the expenses are incurred.

18. LEASE LIABILITIES

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Maturity analysis:				
Year 1	10,571	10,766	10,184	10,253
Year 2	10,625	10,467	10,625	10,079
Year 3	10,223	10,516	10,223	10,516
Year 4	9,898	10,139	9,898	10,139
Year 5	2,662	9,898	2,662	9,898
Year 6 and onwards	860	3,522	860	3,522
	44,839	55,308	44,452	54,407
Less: Unearned interest	(3,038)	(4,519)	(3,029)	(4,472)
	41,801	50,789	41,423	49,935
Comprising:				
- Current	9,382	9,280	9,004	8,804
- Non-current	32,419	41,509	32,419	41,131
	41,801	50,789	41,423	49,935

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

18. LEASE LIABILITIES (CONT'D)

The Group does not face significant liquidity risk with regards to its lease liabilities.

Amounts recognised in consolidated statement of comprehensive income

	Group	
	2025/26	2024/25
	S\$'000	S\$'000
Depreciation of right-of-use assets	78,884	78,175
Interest on lease liabilities	1,485	889
Expenses relating to leases of low-value assets and short-term assets	3,253	4,782

Amounts recognised in consolidated statement of cash flows

	Group	
	2025/26	2024/25
	S\$'000	S\$'000
Total cash outflow for leases	10,794	10,080

19. DEFERRED INCOME

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
At beginning of the year	4,688	5,098	4,688	5,098
Amortisation for the year	(410)	(410)	(410)	(410)
At end of the year	4,278	4,688	4,278	4,688
Comprising:				
- Current	410	410	410	410
- Non-current	3,868	4,278	3,868	4,278
	4,278	4,688	4,278	4,688

Deferred income represents amount received from the land leased to the Group's associate, Experia Events Pte Ltd. The land lease amount is amortised over 30 years effective September 2006.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

20. DEFERRED CAPITAL GRANTS

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
At beginning of the year	4,070,614	4,112,638	4,070,614	4,112,638
Capital grants received during the year (Note 22)	7,253	4,769	7,253	4,769
Amortisation for the year	(50,158)	(46,793)	(50,158)	(46,793)
At end of the year	4,027,709	4,070,614	4,027,709	4,070,614
Comprising:				
- Current	49,293	46,254	49,293	46,254
- Non-current	3,978,416	4,024,360	3,978,416	4,024,360
	4,027,709	4,070,614	4,027,709	4,070,614

The Group received government capital grants mainly for the alienation of land and related construction cost. There is no unfulfilled condition or contingency attached to the grants.

21. TRADE AND OTHER PAYABLES

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables:				
- Related parties	1,748	2,914	1,748	2,914
- Others	4,907	6,310	4,792	6,310
Income billed in advance	81,965	82,598	81,965	82,598
Accrued expenses	83,736	94,650	67,258	67,181
Accrued payroll expenses	26,979	24,157	26,591	24,157
Sundry and other payables	4	4,908	524	4,906
Sundry payables (as agent to the Government)	212	811	212	811
Deposits received	600	652	600	652
	200,151	217,000	183,690	189,529

The average credit period on purchases of goods and services is 1 month (2024/25: 1 month).

As at 1 April 2024, income billed in advance amounted to S\$80,768,000.

Contract liabilities related to the Group's obligation to provide rental services, airport license, aerodrome certification for which the Group has received or yet to receive the consideration from customer. Contract liabilities are recognised as revenue when control of a product or service has transferred to a customer.

There were no significant changes in the contract liability balances during the reporting period.

The following table shows how much of the revenue recognised in the current reporting period that relates to brought forward contract liabilities. There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

Group's revenue recognised that was included in the contract liabilities balance at the beginning of the period is as follows:

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For the financial year ended 31 March 2026

21. TRADE AND OTHER PAYABLES (CONT'D)

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Contract liabilities in prior reporting period recognised as income in current reporting period	82,598	80,768	82,598	80,768

22. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

Group	1 April 2025	Financing cash flows (i)	Non-cash changes				31 March 2026
			Grants utilised	Grants accruals	Grants Amortised	New Lease liabilities	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities (Note 18)	50,789	(9,309)	-	-	-	321	41,801
Grants received in advance (Note 17)	118,405	78,159	(51,351)	(35,413)	-	-	109,800
Deferred capital grants (Note 20)	4,070,614	7,253	-	-	(50,158)	-	4,027,709
Cash at bank - Restricted balance (Note 15)	(165)	165	-	-	-	-	-
	4,239,643	76,268	(51,351)	(35,413)	(50,158)	321	4,179,310

Group	1 April 2024	Financing cash flows (i)	Non-cash changes				31 March 2025
			Grants utilised	Grants accruals	Grants Amortised	New Lease liabilities	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities (Note 18)	7,283	(9,191)	-	-	-	52,697	50,789
Grants received in advance (Note 17)	146,923	47,589	(83,104)	6,997	-	-	118,405
Deferred capital grants (Note 20)	4,112,638	4,769	-	-	(46,793)	-	4,070,614
Cash at bank - Restricted balance (Note 15)	(207)	42	-	-	-	-	(165)
	4,266,637	43,209	(83,104)	6,997	(46,793)	52,697	4,239,643

(i) The cash flows made up of repayment of lease liabilities and operating/capital grants received in the statement of cash flows.

23. CONTRIBUTION PAYABLE TO GOVERNMENT CONSOLIDATED FUND

The contribution to the Government Consolidated Fund is payable in accordance with Section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The contribution is based on a percentage of the net surplus as specified by the Minister for Finance. The contribution rate is pegged to the prevailing corporate tax rate and the applicable rate for 2025/26 is 17% (2024/25: 17%).

The Group's contribution to consolidated fund for FY2025/26 is S\$26,697,000 (2024/25: S\$20,728,000) due to a net surplus position.

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For the financial year ended 31 March 2026

24. CAPITAL ACCOUNT

This represents the net value of assets and liabilities transferred from the former Department of Civil Aviation when the Authority was established, and any subsequent equity contribution from or return of assets to the Government.

During the financial year, the Authority received an equity injection of S\$6,551,000 (2024/25: S\$616,183,000) from the Ministry of Finance.

Dividends

Under the Capital Management Framework for Statutory Boards, the Minister for Finance, the body incorporated by the Minister for Finance (Incorporation) Act 1959, as the ultimate shareholder of the Group, expects an annual return in the form of dividends in return for the Government's equity injections.

In respect of the financial year ended 31 March 2025, the Authority declared and paid dividends amounting to \$25,022,000 on 13 January 2026 (2024/25: \$73,464,000 on 21 January 2025).

25. INVESTMENT REVALUATION RESERVE

The investment revaluation reserve comprised the investment in debt instruments classified as at FVTOCI, net of cumulative loss allowance recognised on these investments and cumulative gain/loss reclassified to profit or loss upon disposal or reclassification of these investments. As described in Note 13, these investments are dully disposed in the previous financial year on 31 March 2025.

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at beginning of year	–	2,814	–	2,814
Net fair value gain on investments in debt instruments classified as at FVTOCI	–	(2,042)	–	(2,042)
Cumulative loss on investments in debt instruments classified as at FVTOCI				
– Reclassified to profit or loss upon disposal	–	(772)	–	(772)
Balance at end of year	–	–	–	–

26. CHANGI AIRPORT DEVELOPMENT FUND

- (a) The Changi Airport Development Fund (the "Fund") was established in accordance with Section 25A and Section 25B of the Civil Aviation Authority of Singapore Act 2009 which came into effect on 1 September 2015. The moneys in the Fund may be withdrawn by the Authority only for the specific purpose of expanding Changi Airport. The Authority was given the authority to administer the Fund under Sections 25A and 25B of the Civil Aviation Authority of Singapore Act 2009. Upon dissolution of the Fund, the remaining balance would be transferred back to the Consolidated Fund and the past reserves of the Government.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

26. CHANGI AIRPORT DEVELOPMENT FUND (CONT'D)

- (b) The results of the Fund for the year are as follows:

	Group	
	2025/26	2024/25
	S\$'000	S\$'000
Income		
Funds from Government	5,000,000	–
Airport development levy	293,928	283,410
Interest income	196,762	198,013
Others	141	63
	<u>5,490,831</u>	<u>481,486</u>
Expenditure		
Grants disbursed to a third party	942,831	1,047
Net surplus for the year	4,548,000	480,439
Accumulated surplus as at 1 April	7,410,136	6,929,697
Accumulated surplus as at 31 March	<u>11,958,136</u>	<u>7,410,136</u>

- (c) The assets and liabilities of the Fund as at 31 March are as follows:

	Group	
	2025/26	2024/25
	S\$'000	S\$'000
Accumulated fund	<u>11,958,136</u>	<u>7,410,136</u>
Non-current assets		
Investment in Special Singapore Government Securities	6,241,373	6,605,112
Current assets		
Cash placed with Accountant-General's Department under CLM scheme	5,301,391	695,453
Airport development levy receivable	50,293	48,148
Advances paid	344,200	–
Interest receivable	60,740	61,423
	<u>5,756,624</u>	<u>805,024</u>
Current liabilities		
Disbursement payables	39,861	–
Net assets	<u>11,958,136</u>	<u>7,410,136</u>

The assets and liabilities of the Fund are excluded from the assets and liabilities of the Group and Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

27. REVENUE

Timing of revenue recognition

SB-FRS 115 Revenue

At a point in time:

Aviation training programme fee
Certification, examination and licence fee

Over time:

Fees for airport and related services
Airport and aerodrome licence fee
Other service income

Non SB-FRS 115 Revenue

SB-FRS 116 Leases:

Annual ground rent
Other rental income

SB-FRS 1001 Non-exchange revenue:

Aviation levy

2025/26	2024/25
S\$'000	S\$'000

8,069	7,975
18,292	16,677
431,062	320,004
7,414	5,600
5,639	6,683

75,641	75,656
842	812

194,507	186,782
741,466	620,189

28. SALARIES, WAGES AND STAFF BENEFITS

The following are included in salaries, wages and staff benefits:

Pension benefits cost (Note 16)
Employer's contribution to Central Provident Fund

Group	
2025/26	2024/25
S\$'000	S\$'000
247	255
22,260	20,242

29. NON-OPERATING INCOME, NET

Non-operating income

Gain on foreign exchange
Interest income
Others

Group	
2025/26	2024/25
S\$'000	S\$'000
–	34
19,765	36,140
363	511
20,128	36,685

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

29. NON-OPERATING INCOME, NET (CONT'D)

Non-operating expense

Loss on foreign exchange

Foreign exchange loss on financial assets measured at FVTOCI

Loss on disposal of property, plant and equipment

Loss on disposal of financial assets measured at FVTOCI

Provision for write off on capital work-in-progress

Others

Non-operating income, net

2025/26	2024/25
S\$'000	S\$'000

(63)	–
–	(326)
(747)	(873)
–	(772)
(12,026)	–
(123)	(258)
(12,959)	(2,229)

7,169	34,456
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30. COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

Group	
2025/26	2024/25
S\$'000	S\$'000

Capital commitments in respect of property, plant and equipment

486,824	492,024
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(b) Operating lease commitments - as lessor

Maturity analysis of operating lease receivables:

Group	
2025/26	2024/25
S\$'000	S\$'000

Year 1
Year 2
Year 3
Year 4
Year 5
Year 6 and onwards

76,379	76,354
76,054	76,311
75,663	76,011
75,659	75,644
75,651	75,644
3,307,056	961,914
3,686,462	1,341,878

31. GRANTS TO AVIATION INDUSTRY

To support the aviation industry during the COVID-19 pandemic, the Government provided grants to the aviation industry to reduce the impact of COVID-19 on their operations. The Group supports the Government in implementing these measures by acting as an agent to the Government and administered these grants on behalf of the government. In the previous financial year, S\$84,606,000 was disbursed as part of these initiatives.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

32. FINANCIAL INSTRUMENTS

The following table sets out the financial instruments at the end of the reporting period:

	Group		Authority	
	2025/26	2024/25	2025/26	2024/25
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Financial assets at amortised cost:				
- Cash and cash equivalents	1,569,380	999,903	1,568,652	999,806
- Trade and other receivables	209,102	228,485	193,072	200,262
- Investments held at amor-tised cost	-	498,308	-	498,308
	<u>1,778,482</u>	<u>1,726,696</u>	<u>1,761,724</u>	<u>1,698,376</u>
Financial liabilities				
Financial liabilities at amortised cost:				
- Trade and other payables	(97,582)	(110,273)	(81,510)	(82,802)
Lease liabilities	<u>(41,801)</u>	<u>(50,789)</u>	<u>(41,423)</u>	<u>(49,935)</u>

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk.

This note represents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

Risk management framework

Risk management is integral to the operations of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 March 2026, the Group's maximum exposure to credit risk, without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

The Group has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group manages these risks by monitoring credit-worthiness and limiting the aggregate risk to any individual counterparty. Therefore, the Group does not expect to incur material credit losses on its financial instruments. The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

At the end of the reporting period, the Group has a concentration of credit risk as about 91% (2024/2025: 99%) of the trade receivables were due from one of the Group's major customers and related party.

Further details of credit risk on trade and other receivables are disclosed in Note 12.

The Group's current credit risk framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses ("ECL")
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	Amount is > 1 year past due or there is information indicating that the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs earlier.	Amount is written off

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk management (cont'd)

The table below details the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

Group	Note	External/Internal credit rating	12-month or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
31 March 2026						
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	95,048	–	95,048
Accrued income	12	(i)	Lifetime ECL (simplified approach)	71,147	–	71,147
Grants receivable	12	Performing	12-month ECL	32,359	–	32,359
Sundry receivables (as agent to the Government)	12	Performing	12-month ECL	643	–	643
Other receivables	12	Performing	12-month ECL	14,243	–	14,243
					–	
31 March 2025						
	Note	External/Internal credit rating	12-month or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	88,529	–	88,529
Accrued income	12	(i)	Lifetime ECL (simplified approach)	34,818	–	34,818
Investments held at amortised cost	14	Performing	12-month ECL	498,308	–	498,308
Grants receivable	12	Performing	12-month ECL	85,400	–	85,400
Sundry receivables (as agent to the Government)	12	Performing	12-month ECL	2,701	–	2,701
Other receivables	12	Performing	12-month ECL	17,039	–	17,039
					–	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk management (cont'd)

Authority	Note	External/Internal credit rating	12-month or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
31 March 2026						
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	95,048	–	95,048
Accrued income	12	(i)	Lifetime ECL (simplified approach)	71,474	–	71,474
Sundry receivables (as agent to the Government)	12	Performing	12-month ECL	643	–	643
Other receivables	12	Performing	12-month ECL	30,247	–	30,247
					–	
31 March 2025						
	Note	External/Internal credit rating	12-month or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
Trade receivables	12	(i)	Lifetime ECL (simplified approach)	88,529	–	88,529
Accrued income	12	(i)	Lifetime ECL (simplified approach)	35,095	–	35,095
Investments held at amortised cost	14	Performing	12-month ECL	498,308	–	498,308
Grants receivable	12	Performing	12-month ECL	34,676	–	34,676
Sundry receivables (as agent to the Government)	12	Performing	12-month ECL	2,701	–	2,701
Other receivables	12	Performing	12-month ECL	39,263	–	39,263
					–	

(i) For trade receivables and accrued income, the Group has applied the simplified approach to measure the loss allowance at lifetime ECL and in determining, has taken into account the estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Non-derivative financial liabilities

The following table details the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the contractual cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Group	Weighted average effective interest rate	Within 1 year	Between 1 year and 5 years	More than 5 years	Total
	%	S\$'000	S\$'000	S\$'000	S\$'000
2025/26					
Trade and other payables	–	97,582	–	–	97,582
Lease liabilities	2.65	10,571	33,408	860	44,839
		108,153	33,408	860	142,421

2024/25

Trade and other payables	–	110,273	–	–	110,273
Lease liabilities	2.65	10,766	41,020	3,522	55,308
		121,039	41,020	3,522	165,581

Authority	Weighted average effective interest rate	Within 1 year	Between 1 year and 5 years	More than 5 years	Total
	%	S\$'000	S\$'000	S\$'000	S\$'000
2025/26					
Trade and other payables	–	81,510	–	–	81,510
Lease liabilities	2.62	10,184	33,408	860	44,452
		91,694	33,408	860	125,962

2024/25

Trade and other payables	–	82,802	–	–	82,802
Lease liabilities	2.62	10,253	40,632	3,522	54,407
		93,055	40,632	3,522	137,209

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

34. FAIR VALUES OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for leasing transactions that are within the scope of SB-FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in SB-FRS 36 *Impairment of Assets*.

Financial instruments whose carrying amount approximates fair value

Management has determined that the carrying amounts of all other financial assets, which comprise trade and other receivables, cash and cash equivalent, and trade and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

35. CAPITAL MANAGEMENT

The Group reviews its capital structure at least annually to ensure that the Group will be able to continue as a going concern.

The capital structure of the Group comprises capital and accumulated surplus. The Group's overall strategy remains unchanged from 2024/25.

36. RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties. The related party balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Key management personnel compensation

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

Key management personnel compensation is as follows:

	Group	
	2025/26	2024/25
	S\$'000	S\$'000
Salaries and other short-term employee benefits	5,610	4,512
Central Provident Fund contributions	128	91

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

36. RELATED PARTY TRANSACTIONS (CONT'D)

Other related party transactions

During the financial year, other than those disclosed elsewhere in the financial statements, there were the following significant related party transactions between the Authority and related parties:

	Group	
	2025/26	2024/25
	S\$'000	S\$'000
Meteorological services from National Environment Agency	12,826	12,369

In the Authority's role as an agent to the Government, it manages and provides oversight of the funding provided by the Government for Changi East development projects and grants to industry. During the year, S\$602,000 (2024/25: S\$471,203,000) was received on behalf of the Government of which S\$Nil (2024/25: S\$165,000) was held on behalf by the Authority as part of restricted bank balances (Note 15) as at the end of the reporting period.

37. COMPARATIVE INFORMATION

The financial statements for the year ended 31 March 2025 were audited by another firm of Public and Chartered Accountants whose report dated 16 July 2025 expressed an unqualified opinion on those financial statements.

38. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2026 were authorised for issue by the Authority members on 30 June 2026.

