

**COMMITMENTS BY SINGAPORE AIRLINES LIMITED
AND MALAYSIA AIRLINES BERHAD TO THE
COMPETITION AND CONSUMER COMMISSION OF
SINGAPORE**

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COMMITMENTS TO THE COMPETITION AND CONSUMER COMMISSION OF SINGAPORE**SINGAPORE AIRLINES LIMITED AND MALAYSIA AIRLINES BERHAD****1. INTRODUCTION**

- 1.1** Singapore Airlines Limited (“**SIA**”) and Malaysia Airlines Berhad (“**MAB**”) propose to make voluntary commitments to CCCS pursuant to Section 60A(2) of the Competition Act 2004 of Singapore (the “**Act**”), in the context of CCCS’s assessment of the proposed commercial cooperation between Singapore Airlines Limited (“**SIA**” or “**SQ**”) and Malaysia Airlines Berhad (“**MAB**” or “**MH**”) (collectively, the “**Parties**”) (the “**Proposed Commercial Cooperation**”) under Section 44 of the Act.
- 1.2** The voluntary commitments for the Proposed Commercial Cooperation are made in the interests of assuring CCCS that it can holistically assess the Proposed Commercial Cooperation, and in particular that the Proposed Commercial Cooperation, if carried into effect, will either not infringe Section 34 of the Act, or that the Proposed Commercial Cooperation is excluded from consideration under Section 34 of the Act by reason of it being an agreement with net economic benefit (and meeting the requisite requirements set out in paragraph 9 of the Third Schedule to the Act).
- 1.3** The Parties will, at their own cost, appoint an independent auditor (“**Independent Auditor**”) to monitor compliance with these commitments. The Independent Auditor and the Parties shall provide reports to CCCS and MAVCOM in accordance with Section 4 of these commitments.

2. DEFINITIONS AND INTERPRETATION

- 2.1** In this document, unless the context otherwise requires, the following words, expressions and abbreviations have the following meanings ascribed to them:
- (a) “**Act**” means the Competition Act 2004 of Singapore;
 - (b) “**CCCS**” means Competition and Consumer Commission of Singapore;
 - (c) “**Effective Date**” shall refer to the date of receiving a positive decision from CCCS and MAVCOM in respect of the Proposed Commercial Cooperation between SIA and MAB, whichever is the later;
 - (d) “**IATA**” means the International Air Transport Association;
 - (e) “**Independent Auditor**” shall have the meaning ascribed to it in paragraph 1.3;
 - (f) “**LCCs**” means Scoot Pte. Ltd. and FlyFirefly Sdn Bhd;
 - (g) “**MAB**” or “**MH**” means Malaysia Airlines Berhad;
 - (h) “**MAVCOM**” means the Malaysian Aviation Commission, or its successor regulatory authority;

- (i) **“MI”** means SilkAir (Singapore) Private Limited, which ceased to operate as a separate carrier in 2021. Any flights operated by MI will be treated as being operated by SIA;
- (j) **“New Circumstances”** shall have the meaning ascribed to it in paragraph 5.5;
- (k) **“Parties”** shall have the meaning ascribed to it in paragraph 1.1;
- (l) **“PLF Trigger”** means the trigger threshold for the passenger load factor, which is determined by the formula below: [**CONFIDENTIAL INFORMATION**];
- (m) **“Proposed Commercial Cooperation”** shall have the meaning ascribed to it in paragraph 1.1;
- (n) **“RCM Trigger”** means the trigger threshold for [**CONFIDENTIAL INFORMATION**];
- (o) **“Relevant Commitments”** shall have the meaning ascribed to it in paragraph 5.5;
- (p) **“Report”** shall have the meaning ascribed to it in paragraph 4.2;
- (q) **“Report Year”** means twelve (12) calendar months from the Effective Date, unless specified otherwise;
- (r) **“SIA”** or **“SQ”** means Singapore Airlines Limited;
- (s) **“SIN-KUL v.v.”** relates specifically to the non-stop (i.e., direct) bidirectional air passenger transport services between Singapore and Kuala Lumpur, Malaysia;
- (t) **“Trigger Events”** shall have the meaning ascribed to it in paragraph 3.5;
- (u) **“v.v.”** is used to indicate services provided in either direction; and
- (v) **“Working Day”** means any day which is not a Saturday, Sunday or a public holiday in both Singapore and Kuala Lumpur, Malaysia.

3. COMMITMENTS

3.1 Subject to paragraph 5.2, the Parties hereby make the following commitments.

To maintain capacity levels for scheduled international air passenger transport services for the SIN-KUL v.v. route

3.2 SIA commits to maintain a minimum weekly scheduled air passenger transport capacity of [CONFIDENTIAL INFORMATION]¹ on the SIN-KUL v.v. route.

3.3 MAB commits to maintain a minimum weekly scheduled air passenger transport capacity of [CONFIDENTIAL INFORMATION]² on the SIN-KUL v.v. route during the IATA Summer seasons and [CONFIDENTIAL INFORMATION]³ during the IATA Winter seasons.

3.4 Without limitation to section 5 below, the commitments specified in paragraphs 3.2 and 3.3 would be deemed fulfilled where the committed capacity levels in paragraphs 3.2 and 3.3 on the SIN-KUL v.v. route are achieved in [CONFIDENTIAL INFORMATION] for each Report Year.

Capacity growth commitments for the SIN-KUL v.v. route

3.5 The Parties commit to develop and subsequently submit a business plan detailing the growth figures they have assessed they can feasibly achieve to CCCS and MAVCOM (if required by MAVCOM) on SIN-KUL v.v. upon conjunctively hitting the following trigger factors (“**Trigger Events**”):

- (a) achievement of [CONFIDENTIAL INFORMATION] passenger load factor on a 12-month rolling aggregated basis on the SIN-KUL v.v. route following the commitments taking effect (“**PLF Trigger**”); and
- (b) the achievement of RASK-CASK margin on a 12-month rolling aggregated basis between the parties of [CONFIDENTIAL INFORMATION] following the commitments taking effect (“**RCM Trigger**”).

3.6 The Parties shall monitor and notify the CCCS and MAVCOM (if required by MAVCOM) within [CONFIDENTIAL INFORMATION] following the Parties becoming aware that the Trigger Events have been conjunctively met.

3.7 These business plan must be submitted to the CCCS and MAVCOM (if required by MAVCOM) within [CONFIDENTIAL INFORMATION] of the Trigger Events being conjunctively met, or within a period otherwise agreed with CCCS or MAVCOM (if required by MAVCOM).

3.8 The Parties will commit to the capacity growth on SIN-KUL v.v. as set out in the business plan, subject to any further modifications that will be mutually agreed with CCCS and/or MAVCOM (if required by MAVCOM). The capacity commitments set out in the business plan, if deemed acceptable to the CCCS and/or MAVCOM (if required by MAVCOM), would take effect in the

¹ The seat capacity is calculated on a return basis.

² The seat capacity is calculated on a return basis.

³ The seat capacity is calculated on a return basis.

next corresponding IATA season unless agreed otherwise with CCCS and/or MAVCOM (if required by MAVCOM).⁴

- 3.9** Without limitation to section 5 below, upon the submitted business plan being deemed by the CCCS and/or MAVCOM (if required by MAVCOM) being acceptable, the Parties will be released from the commitments set out in clauses 3.5 to 3.7, and the committed capacity levels within clauses 3.2 and 3.3 would be varied accordingly in accordance with the approved business plan.

4. INDEPENDENT AUDITOR AND ANNUAL AUDIT REPORTS

- 4.1** The Parties will appoint, at their own cost, an Independent Auditor whose appointment (and the terms and conditions of that appointment) will be subject to the approval of CCCS and MAVCOM (if required by MAVCOM), within three (3) calendar months of a positive decision being issued by CCCS and MAVCOM in respect of the Proposed Commercial Cooperation under Section 58 of the Act and both the CCCS's and MAVCOM's acceptance of the commitments.

- 4.2** The Independent Auditor will prepare and provide to CCCS and MAVCOM (if required by MAVCOM), a report which monitors SIA's and MAB's respective compliance with the commitments outlined in paragraphs 3.2 to 3.4 (the "**Report**") on a yearly basis for each calendar year⁵, with the first Report Year beginning on the Effective Date.

- 4.3** Specifically, the Report for SIA and MAB will specify:

- (a) the weekly scheduled international air passenger transport capacity operated by SIA and MAB respectively on the SIN-KUL v.v. route;
- (b) the weeks of non-fulfilment of the committed capacity levels in paragraphs 3.2 to 3.4;
- (c) whether the non-fulfilment of the committed capacity levels in paragraphs 3.2 to 3.4 arises as a result of the circumstances listed in paragraph 5.2, or any other circumstances; and
- (d) where relevant and if required, reasons for any variations from the committed capacity levels in paragraphs 3.2 to 3.4 above.

- 4.4** The Report will also specify, for information purposes only and unconnected to the consideration of the achievement of the committed capacity levels:

- (a) **Individual capacity levels of LCCs:** the individual capacity levels operated by the Parties' low cost carriers on the SIN-KUL v.v. route; and
- (b) **Schedules of LCC flights:** the schedules of the flights operated by the Parties' low cost carriers on the SIN-KUL v.v. route.

⁴ For example, if the Trigger Event Thresholds were collectively met in January 2025 (Northern Winter 24/25) and accepted by the CCCS and/or MAVCOM (if required by MAVCOM) in Northern Winter 24/25, the proposed commitments in the business plan would commence in Northern Winter 25/26.

⁵ Within three months following the completion of the calendar year to which each Report relates. For example, the first Report will be provided to the CCCS and MAVCOM by 31 May 2026 (for the Report Year of February 2025 to January 2026), assuming that a positive decision was received from CCCS and MAVCOM on 1 February 2025.

5. COMMENCEMENT, SUSPENSION AND RELEASE OF THE COMMITMENTS

Commencement of the commitments

5.1 The commitments will commence on the Effective Date.

Suspension of the commitments

5.2 The committed capacity levels in paragraphs 3.2 to 3.4 would be temporarily suspended for the period where any of the following circumstances, insofar as they result from events, circumstances or causes beyond the reasonable control of the Parties, arise:

- (a) Force majeure, which directly or indirectly affect the SIN-KUL v.v. services for air passenger transport, including but not limited to:
 - (i) natural disasters;
 - (ii) war;
 - (iii) strikes (including airport or transport worker strikes etc);
 - (iv) terrorist attacks;
 - (v) disease outbreak;
 - (vi) airspace closures;
 - (vii) airport closures;
 - (viii) adverse weather conditions;
 - (ix) non-availability of insurance; or
 - (x) any other safety or security related developments which require cancellation of flights, or variations to flight schedules.
- (b) Aircraft maintenance requirements with regard to a specific aircraft as determined by either Party, or technical problems associated with a specific type of aircraft necessitating maintenance or repair as determined by the manufacturer and/or aviation authorities. For the avoidance of doubt, such requirements may arise in respect of aircraft deployed directly by the Parties on the SIN-KUL v.v. route for air passenger transport, or may arise in respect of other aircraft in the fleet of either Party (where such maintenance requirements indirectly affect the deployment, operation or sustainability of services, and or capacity, on the SIN-KUL v.v. route for air passenger transport). Where aircraft maintenance (affecting compliance with the committed capacity levels in paragraphs 3.2 to 3.4) is conducted by either Party, details of such maintenance shall be provided to CCCS and MAVCOM in the Report.
- (c) Delays in aircraft deliveries which impact the ability of the respective airlines to implement the committed capacity levels in paragraphs 3.2 to 3.4.
- (d) Worldwide, regional, or local grounding of any aircraft category, class, model or variant, arising from circumstances outside the control of the Parties (and which has an impact on the network of the Parties that could materially affect their ability to achieve the voluntary commitments).

- (e) Need for return of or inability to obtain slots / traffic rights to aviation regulators which could have a direct or indirect impact on the commitments, including but not limited to seat capacity.
 - (f) Where either Party is instructed by any governmental or statutory body in Malaysia and/or Singapore to change its flight capacities for the SIN-KUL v.v. route or any other route between Malaysia and Singapore.
 - (g) Any development that, in the assessment of either Party, could result in an imminent decline (i.e., within the next financial year) of expected quarterly revenue on the SIN-KUL v.v. route by more than 5 per cent. compared to revenue from the same route during the equivalent quarter of the preceding year).
- 5.3** In the circumstances set out above in paragraphs 5.2(a) to 5.2(g), the Parties retain the right to effect any required changes immediately as determined by either Party, and to notify CCCS and MAVCOM (if required by MAVCOM) as soon as reasonably practicable.
- 5.4** In respect of notifications made to CCCS and MAVCOM (if required by MAVCOM) in accordance with paragraph 5.3 above, the Parties will seek the retroactive approval of CCCS and MAVCOM (if required by MAVCOM) for the variation from the committed capacity levels in paragraphs 3.2 to 3.4. In doing so, the Parties will inform CCCS and MAVCOM (if required by MAVCOM) of the background and impact of these circumstances and provide CCCS and MAVCOM with information (within the possession or custody or control of the Parties), that would support the stated impact (or aid in CCCS's and MAVCOM's assessment of such).
- 5.5** Other than in situations covered in paragraphs 5.2 and 5.3, where there are any circumstances that would materially affect the ability of the Parties to satisfy the committed capacity levels in paragraphs 3.2 to 3.9 and/or the commitments in paragraphs 4.1 to 4.4 (collectively, the **"Relevant Commitments"**) in any relevant Report Year (the **"New Circumstances"**), including, but not limited to, operational issues such as engine failure, bird strike, or partial damage of aircraft due to collision, in the Parties' view:
- (a) The Parties will notify CCCS and MAVCOM (if required by MAVCOM) within **[CONFIDENTIAL INFORMATION]**, or any other period as agreed upon with CCCS and MAVCOM, following the Parties becoming aware that the New Circumstances would result in the Parties not meeting (or being unlikely to meet) the Relevant Commitments.
 - (b) The Parties will notify CCCS and MAVCOM (if required by MAVCOM) within **[CONFIDENTIAL INFORMATION]** of the commencement of the variation to committed capacity levels, where variations to capacity are not restored to committed levels within **[CONFIDENTIAL INFORMATION]** of the commencement of the variation.
 - (c) When notifying CCCS and MAVCOM (if required by MAVCOM) in accordance with paragraph 5.5(a), the Parties will inform CCCS and MAVCOM (if required by MAVCOM) of the background and impact of the New Circumstances and provide CCCS and MAVCOM with information (within the possession or custody or control of the Parties), that would support the stated impact (or aid in CCCS's and MAVCOM's assessment of such).

- (d) The Parties may propose and discuss with CCCS and MAVCOM (if required by MAVCOM), in good faith, the possible variation, substitution or release of the Relevant Commitments, for the period in which the Parties are unlikely to meet the Relevant Commitments as a result of the New Circumstances.
 - (e) Where the New Circumstances result in the Parties not satisfying the Relevant Commitments, and the Parties have not gone through the process set out in paragraphs 5.5(a) to 5.5(d), the Parties acknowledge that CCCS and MAVCOM (if applicable) may make a determination that the Relevant Commitments has been breached, and take such action as CCCS and MAVCOM deem necessary in accordance with the Act and the Malaysian Aviation Commission Act 2015.
- 5.6** Other than in situations covered in paragraphs 5.2, 5.3 and 5.5, the Parties will notify the CCCS and MAVCOM (if required by MAVCOM) as soon as reasonably practicable after becoming aware that they have not met (or are unlikely to meet) the Relevant Commitments. In doing so, the Parties will inform CCCS and MAVCOM (if required by MAVCOM) of the background and impact of these circumstances and provide CCCS and MAVCOM with information (within the possession or custody or control of the Parties), that would support the stated impact (or aid in CCCS's or MAVCOM's assessment of such).

Full release or substitution or variation of the Relevant Commitments

- 5.7** The Relevant Commitments will be released with immediate effect should the Proposed Commercial Cooperation expire, or be terminated for any reason, at any time.
- 5.8** The Parties may make an application to CCCS and MAVCOM (if required by MAVCOM), supported by reasons, for any or all of the Relevant Commitments to be varied, substituted or released.
- 5.9** Without prejudice to paragraph 5.8, where either Party consider that there has been, or is likely to be, a material change in market conditions or operating circumstances or competitive conditions in respect of the SIN-KUL v.v. route traffic levels arising from any circumstance or development directly or indirectly connected to the routes not contemplated in paragraphs 5.1 to 5.5, the Parties may make an application to CCCS and MAVCOM (if required by MAVCOM), and supported by reasons, for any of the Relevant Commitments to be varied, substituted or released. Material changes would include, but are not limited to, long-term changes to the Parties' operational fleets, such as the retirement of certain aircraft types.

Inability to meet the commitments within paragraphs 3.2 and 3.3

- 5.10** Where the Parties have not met, or are of the view that they are unlikely to be able to meet one of the commitments specified in paragraphs 3.2 to 3.3 for each Report Year subject to paragraph 5.2 above:
- (a) the Parties will notify the CCCS and MAVCOM (if required by MAVCOM) as soon as reasonably practicable following the Parties becoming aware that they have not met (or are unlikely to meet) the relevant commitment;
 - (b) when notifying the CCCS and MAVCOM (if required by MAVCOM) in accordance with paragraph 5.10(a), the Parties will inform the CCCS and MAVCOM (if required by

MAVCOM) of the reasons why the relevant commitment has not been met, and provide the CCCS and MAVCOM with information (within the possession or custody or control of the Parties) that would support the stated reasons (or aid in the CCCS's and MAVCOM's assessment of such);

- (c) where the Parties have not met a relevant commitment, the Parties may discuss with the CCCS and MAVCOM (if required by MAVCOM), in good faith, the possible release of the commitment for the period in which the Parties did not meet the relevant commitment;
- (d) where the Parties are unlikely to meet a relevant commitment, the Parties may discuss with the CCCS and MAVCOM (if required by MAVCOM), in good faith, a possible variation, substitution or release of the relevant commitment, for the period in which the Parties are unlikely to meet the relevant commitment;
- (e) where the CCCS and MAVCOM (if applicable) is satisfied that the relevant commitment has not been met (or is unlikely to be met) due to a circumstance or development outside the control of Parties, the Parties acknowledge that the CCCS and MAVCOM (if applicable) may accept a proposed variation, substitution or release of the relevant commitment;
- (f) where the CCCS and MAVCOM (if required by MAVCOM) is not satisfied that the failure to meet the relevant commitment is due to a circumstance or development outside the control of Parties, the Parties acknowledge that the CCCS and MAVCOM (if applicable) may make a determination that the relevant commitment has been breached, and take such action as the CCCS and MAVCOM (if applicable) deems necessary in accordance with the Act and the Malaysian Aviation Commission Act 2015; and
- (g) where the CCCS and MAVCOM (if required by MAVCOM) has accepted a variation, substitution or release of a relevant commitment, unless specified otherwise by the CCCS and MAVCOM at the point at which it makes such a determination known to the Parties, the varied, substituted or released commitment shall apply to the period for which the Parties have not met or are unlikely to meet the relevant commitment.

In witness whereof these commitments have been entered into on 19 June 2025

Ng Yung Han

SIGNED by Ng Yung Han

Vice President, Partnerships and International Relations

for and on behalf of

SINGAPORE AIRLINES LIMITED

In witness whereof these commitments have been entered into on 19 June 2025

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line that loops back under the 'A'.

SIGNED by **Aude-Lise Combier**

General Manager Airline Joint Business and Partnership

for and on behalf of

MALAYSIA AIRLINES BERHAD