



MEDIA RELEASE

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SingPost First Half Net Profit up 66%

- Group revenue grew by 20% YoY, operating profit increased 63%
- Continued efforts to optimise business portfolio, enhance operational efficiency

Singapore, 6 November 2024 – Singapore Post Limited (SingPost) today announced its results for the first half ended 30 September 2024. Group revenue rose by 20.0% YoY to S\$992.4 million from S\$827.3 million, and net profit increased by 65.5% YoY to S\$22.2 million. SingPost's first half underlying net profit was S\$25.2 million, compared to S\$13.4 million in 1H FY2023/24, boosted by the higher revenues.

Vincent Phang, Group CEO, SingPost, said, "Our first-half results demonstrate the resilience across our businesses, despite the challenging market conditions. We are focused on executing our strategic initiatives to maximise shareholder value."

The Group's operating profit increased by 62.9% YoY to S\$51.2 million from S\$31.4 million previously.

Business Segment Performance

Australia

Revenue of the Australia business increased by 44.1% YoY to S\$574.9 million from S\$398.9 million in the first half, while operating profit rose by 30.2% to S\$30.4 million from S\$23.3 million. The growth was largely due to the consolidation of Border Express following its acquisition in March 2024.

The organic performance of the Australia business was resilient in the face of challenging business conditions, with the industry experiencing economic headwinds and reduced volumes in both the B2B and B2C sectors. Its 4PL business pipeline remained strong in the first half with the addition of new customers.

International

International segment consists of the 1) international cross-border delivery business and warehousing services, and the 2) freight forwarding business.

1) International cross-border business

The International cross-border business continued to face a difficult business environment. It has focused on improving operational efficiency to manage margins and profitability. Revenue of the International cross-border business amounted to S\$117.9 million, a decrease of 26.8% YoY from S\$161.1 million while operating profit was S\$4.3 million compared to S\$3.0 million previously.

2) Freight forwarding business

Freight forwarding revenue increased by 9.7% YoY to S\$148.7 million from S\$135.6 million due to higher sea freight rates. However, operating profit declined by 29.2% to S\$8.4 million from S\$11.9 million previously due to significant cost escalation in sea freight rates leading to margin compression.

Singapore

The Singapore segment consists of the 1) Singapore postal and logistics business, and the 2) property leasing business comprising mainly SingPost Centre.

1) Singapore postal and logistics business

Revenue of the Singapore postal and logistics business amounted to S\$129.6 million, an increase of 12.4% YoY from S\$115.3 million. The improvement was due to higher revenue from the delivery business arising from the postage rate increase implemented in October 2023, which offset the continued decline in letter mail volume.

While the delivery business has improved significantly, profitability continues to be impacted by the post office network which remains unprofitable. There were also one-off costs for investments in technology capabilities and upgrades of legacy systems in the first half. The Singapore business recorded an operating loss of S\$0.9 million compared to a loss of S\$14.7 million previously.

The Group is finalising an operating model with the authorities to ensure the long-term commercial viability of postal services, focusing on the optimisation of consumer touchpoints and transition of select post office services to alternate touchpoints.

2) Property leasing

Property revenue amounted to S\$43.0 million, an increase of 13.2% YoY from S\$38.0 million, while Property operating profit rose 11.7% YoY to S\$23.9 million from S\$21.4 million. The improved performance was driven by higher rental income from SingPost Centre. Overall occupancy rate at SingPost Centre was 98.2% as at 30 September 2024 compared to 96.2% as at 31 March 2024.

Interim dividend

The Board of Directors has declared an interim dividend of 0.34 cents per ordinary share (tax exempt one-tier) for the half year ended 30 September 2024. This amounts to 30% of H1 FY2024/25 underlying net profit and an increase of 89% YoY.

About Singapore Post Limited (SingPost)

Singapore Post (SingPost) is a leading postal and eCommerce logistics provider in Asia Pacific. The portfolio of businesses spans from national and international postal services to warehousing and fulfillment, international freight forwarding and last mile delivery, serving customers in more than 220 global destinations. Headquartered in Singapore, SingPost has over 4,900 employees, with offices in 13 markets worldwide. Since its inception in 1858, the Group has evolved and innovated to bring about best-in-class integrated logistics solutions and services, making every delivery count for people and planet.

Annex: Financial Highlights for H1 ended 30 September 2024

GROUP RESULTS	H1 FY24/25 (S\$M)	H1 FY23/24 (S\$M)	VARIANCE (%)
Revenue	992.4	827.3	20.0
Operating expenses	(943.4)	(797.4)	18.3
Operating profit	51.2	31.4	62.9
Share of profit/(loss) of associated companies	0.2	(0.6)	n/m
Exceptional items	(3.3)	(2.0)	63.2
Profit after tax	22.2	13.4	65.5
Net profit attributable to equity holders	22.6	11.5	97.3
Underlying net profit	25.2	13.4	87.6
Dividend per share (in cents)	0.34	0.18	88.9

n/m denotes not meaningful