

Global Logistics Delivery

TRANSPORT
DELIVERY
INDUSTRIAL
DISTRIBUTION
PRODUCT
DESTINATION
INVENTORY
CARGO
MANUFACTURING
ANALYSIS
CUSTOMERS



Singapore
POST

H1 FY2024/25 Results Presentation

6 November 2024

Disclaimer



The following presentation contains forward looking statements by the management of Singapore Post Limited ("SingPost") relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial condition, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to the future performance of SingPost. In particular, such targets should not be regarded as a forecast or projection of future performance of SingPost. It should be noted that the actual performance of SingPost may vary significantly from such statements.

"\$" means Singapore dollars unless otherwise indicated.

Key Highlights for H1 FY24/25

S\$992.4m

↑ 20.0% YoY

Revenue

S\$51.2m

↑ 62.9% YoY

Operating Profit

S\$25.2m

↑ 87.6% YoY

Underlying Net Profit

0.34 cts

↑ 88.9% YoY

Interim Dividend



Delivering on strategic initiatives

Resilient performance amidst a difficult business environment

Higher interim dividend payout

Key Highlights for H1 FY24/25, Outlook



Driving synergies with Australia business integration

Integrated CouriersPlease and Border Express into FMH group; identified potential synergies over next few years



Rationalising and optimising International business

Focused on optimising operations, streamlining regional footprint



Ensuring sustainability of domestic postal services

Finalising operating model with authorities to ensure long-term commercial viability of postal services

Focusing on optimisation of customer touchpoints and transition of select post office services to alternate touchpoints

H1 FY24/25 Financial Highlights



Resilient performance

Challenging business conditions across the markets

Acquisition in Australia performing well; accretive to Group



Change in segment reporting with reorganisation of Group

Segments of Australia, International and Singapore, from Logistics, Post & Parcel and Property previously

Classification of freight forwarding business under International and property business under Singapore

↑ 3.1% YoY

Border Express
revenue growth

↑ 22.9% YoY

Border Express
operating profit growth

↑ 23.3% YoY

Singapore postal &
logistics revenue growth

H1 FY24/25 Segment Revenue

NEW SEGMENTS - REVENUE

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
Australia	574.9	398.9	+44.1%
International	263.9	292.3	(9.7%)
- <i>International Business</i>	117.9	161.1	(26.8%)
- <i>Freight Forwarding</i>	148.7	135.6	+9.7%
- <i>Intra-segment eliminations</i>	(2.7)	(4.4)	(38.1%)
Singapore	166.5	147.3	+13.0%
- <i>Singapore Business</i>	129.6	115.3	+12.4%
- <i>Property</i>	43.0	38.0	+13.2%
- <i>Intra-segment eliminations</i>	(6.0)	(5.9)	+2.3%
Inter segment eliminations	(12.9)	(11.2)	+15.2%
Total	992.4	827.3	+20.0%

PREVIOUS SEGMENTS - REVENUE

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
Logistics	764.8	566.3	+35.1%
Post & Parcel	233.6	246.1	(5.1%)
Property	43.0	38.0	+13.2%
Inter segment eliminations	(49.0)	(23.1)	+112.1%
Total	992.4	827.3	+20.0%

For reference only. Effective from 1 April 2024, the Group has revised its segment reporting structure to reflect the reorganisation of the Group into the business segments of Australia, International and Singapore.

H1 FY24/25 Segment Operating Profit

NEW SEGMENTS - OPERATING PROFIT

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
Australia	30.4	23.3	+30.2%
International	12.7	14.9	(14.7%)
- <i>International Business</i>	4.3	3.0	+43.3%
- <i>Freight Forwarding</i>	8.4	11.9	(29.2%)
Singapore	23.0	6.7	+243.5%
- <i>Singapore Business</i>	(0.9)	(14.7)	(93.8%)
- <i>Property</i>	23.9	21.4	+11.7%
Corporate	(14.9)	(13.5)	+10.4%
Total	51.2	31.4	+62.9%

PREVIOUS SEGMENTS - OPERATING PROFIT

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
Logistics	36.9	33.6	+9.9%
Post & Parcel	5.3	(10.0)	n/m
Property	23.9	21.4	+11.7%
Others*	(14.9)	(13.5)	+10.4%
Total	51.2	31.4	+62.9%

For reference only. Effective from 1 April 2024, the Group has revised its segmental reporting structure to reflect the reorganisation of the Group into the business segments of Australia, International and Singapore.

* Others refer to unallocated corporate overhead items

Australia Segment

AUSTRALIA BUSINESS

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
REVENUE	574.9	398.9	+44.1%
OPERATING PROFIT	30.4	23.3	+30.2%

Resilient organic performance

- Economic headwinds; reduced volumes in B2B and B2C sectors
- Continued strong business pipeline in Managed Services
- Linehaul & Network boosted by Border Express

Driving synergies

- Starting to realise business integration benefits
- Savings identified across revenue initiatives, procurement and property consolidation; bulk of benefits expected in following years

International Segment - International Business

INTERNATIONAL BUSINESS

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
REVENUE	117.9	161.1	(26.8%)
Logistics	115.1	157.6	(26.9%)
- Letters & printed papers	14.6	15.8	(7.6%)
- eCommerce	100.5	141.8	(29.1%)
Others¹	2.8	3.5	(20.0%)
OPERATING PROFIT	4.3	3.0	+43.3%

¹ Others comprise warehousing and other services

Challenging global eCommerce logistics market

- Difficult business conditions with lower volumes and increased competition

Focusing on rationalisation and optimisation of operations

- Cost management and focus on yields helped improve margins
- Continued rationalising of operations and network for greater operational efficiency

Singapore Segment - Singapore Business



SINGAPORE BUSINESS

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
REVENUE	129.6	115.3	+12.4%
Postal & Logistics	109.5	88.8	+23.3%
- Letters & printed papers	74.0	49.1	+50.7%
- eCommerce	35.5	39.7	(10.6%)
Post Office Network	6.7	7.1	(5.9%)
Others¹	13.5	19.4	(30.4%)
OPERATING PROFIT	(0.9)	(14.7)	(93.8%)
Postal & Logistics, Others¹	9.1	(5.8)	n/m
Post Office Network	(8.1)	(9.0)	(10.0%)
Transformation costs	(1.9)	-	n/m

Growth in postal & logistics (delivery) contributions

- Benefit of postage rate increase in October 2023
- Excluding one-off deliveries last year, eCommerce revenue improved

Profit impact from continued post office network loss and one-off costs

- High operating costs of post office network
- One-off costs for investments in information technology capability and upgrades of legacy systems
- Finalising operating model with authorities to ensure long-term commercial viability of postal services

¹ Others comprise warehousing, mailroom services, financial services, philately and others

Property, Freight Forwarding

PROPERTY

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
REVENUE	43.0	38.0	+13.2%
OPERATING PROFIT	23.9	21.4	+11.7%

FREIGHT FORWARDING

S\$ million	H1 FY24/25	H1 FY23/24	YoY % change
REVENUE	148.7	135.6	+9.7%
OPERATING PROFIT	8.4	11.9	(29.2%)

Higher SingPost Centre contributions

- Improved rental income from SingPost Centre
- Overall occupancy at 98.2% vs 96.2% at 31 March 2024; retail mall and office space occupancy at 100% and 97.6% respectively (vs 99.6% and 94.8% previously)

Impact of higher sea freight rates

- Significant cost escalation from higher sea freight rates leading to margin compression

Financial Position, Dividend

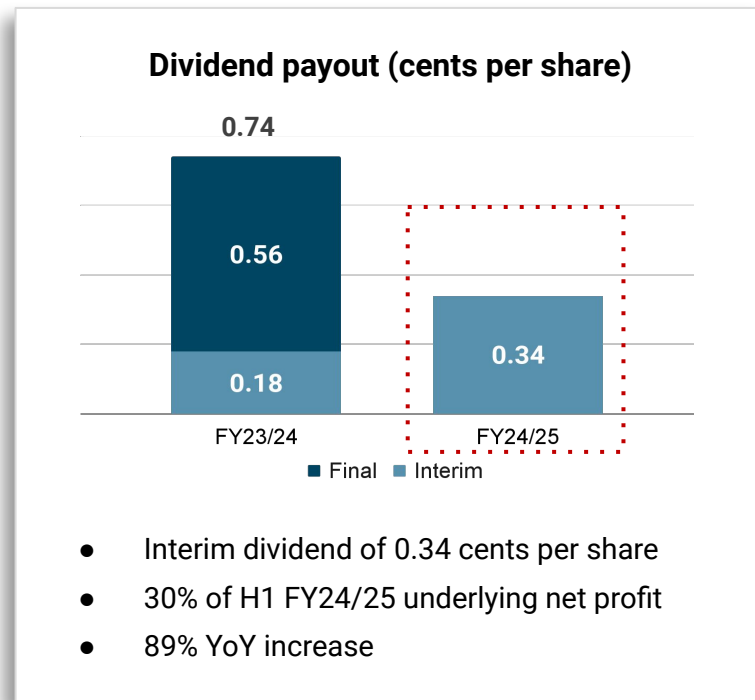
CASH FLOW HIGHLIGHTS

S\$ million	H1 FY24/25	H1 FY23/24
Cash flow from operating activities	44.2	18.1
Cash flow used in investing activities	(87.3)	(6.4)
Cash flow used in financing activities	(5.2)	(57.9)
Net decline in cash and cash equiv.	(48.4)	(46.3)

BALANCE SHEET HIGHLIGHTS

S\$ million	As at Sep 24	As at Mar 24
Cash and cash equivalents	428.4	476.7
Borrowings	891.6	827.1

DIVIDEND





Annex

- Sustainability Highlights
- Operating Statistics

Annex

- Sustainability Highlights for H1 FY24/25

Journeying on Making Every Delivery Count for People & Planet



QUEST Partnership

New “Queen Bee Enabled Sustainability Transition” (QUEST) programme launched to support SingPost’s suppliers with sustainability efforts

WSH Advocate



One of 18 leading pioneer companies to be part of Workplace Safety & Health (WSH) Council’s WSH Advocate Program enhancing WSH standards in Singapore



Further Solar Implementation

Completed solar ppanel installation at SingPost Centre

Annex

- Operating Statistics

Volumes	H1 FY24/25	Q2 FY24/25	Q1 FY24/25	H1 FY23/24	Q2 FY23/24	Q1 FY23/24
Australia ('000 items)	20,784	10,704	10,080	18,245	9,429	8,816
Singapore ('000 items)	190,494	95,744	94,750	209,901	107,575	102,326
- eCommerce related	13,243	6,277	6,966	16,056	9,285	6,771
- Letter mail and printed papers	177,251	89,467	87,784	193,846	98,291	95,555
International ('000 kg)	5,301	2,551	2,750	6,965	3,357	3,608
- eCommerce related	4,746	2,273	2,473	6,284	3,035	3,249
- Letter mail and printed papers	553	276	277	681	322	359



Thank You

Please refer to the SGXNET announcement dated 6 November 2024 for details.