

Issuer & Securities

Issuer/ Manager

SINGAPORE POST LIMITED

Security

SINGAPORE POST LIMITED - SG1N89910219 - S08

Announcement Details

Announcement Title

Annual General Meeting

Date & Time of Broadcast

21-Jul-2022 19:01:36

Status

Replacement

Announcement Reference

SG220622MEETPLZW

Submitted By (Co./ Ind. Name)

Jonathan Ooi Wei Hsin (Mr)

Designation

Company Secretary

Financial Year End

31/03/2022

Event Narrative

Narrative Type	Narrative Text
Additional Text	Please refer to the attachments.
Additional Text	Please refer to the attached Responses to Questions received from Shareholders and SIAS prior to the Company's Annual General Meeting to be held at The SingPost Auditorium, Singapore Post Centre, 10 Eunos Road 8 #05-30, Singapore 408600 and by way of electronic means on Thursday, 21 July 2022.
Additional Text	Please refer to the following attachments: <ol style="list-style-type: none"> 1. Results of AGM 2. Chairman Speech

3. Presentation Slides at the 30th Annual General Meeting

REPL::ANNUAL GENERAL MEETING::VOLUNTARY

Event Dates

Meeting Date and Time

21/07/2022 14:30:00

Response Deadline Date

18/07/2022 14:30:00

Event Venue(s)

Place

Venue(s)	Venue details
Meeting Venue	The 30th Annual General Meeting of Singapore Post Limited will be held at The SingPost Auditorium, Singapore Post Centre, 10 Eunos Road 8 #05-30, Singapore 408600 and by way of electronic means.

Attachments

[Results of AGM.pdf](#)[Chairman Speech.pdf](#)[FY22 AGM Presentation Slides.pdf](#)[Management Speeches.pdf](#)

Total size =2728K MB

Related Announcements

Related Announcements

[20/07/2022 17:57:27](#)[20/07/2022 17:36:39](#)[22/06/2022 07:22:46](#)

SINGAPORE POST LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199201623M)

RESOLUTIONS PASSED AT THE 30TH ANNUAL GENERAL MEETING

Pursuant to Rule 704(16) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), Singapore Post Limited (the “Company” or “SingPost”) wishes to announce that at the 30th Annual General Meeting (the “AGM”) of the Company held today, all resolutions referred to in the Notice of the AGM dated 22 June 2022 were put to the AGM and duly passed on a poll vote.

The results of the poll on each of the resolutions put to the vote at the AGM are set out below:-

(a) Breakdown of all valid votes cast at the AGM

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
Routine Business					
Ordinary Resolution 1 To receive and adopt the audited Financial Statements, Directors’ Statement and Independent Auditor’s Report	1,037,891,778	1,037,689,478	99.98	202,300	0.02
Ordinary Resolution 2 To declare a final tax exempt one-tier dividend of 1.3 cents per ordinary share	1,039,084,419	1,038,962,419	99.99	122,000	0.01
Ordinary Resolution 3 To re-elect Ms Chu Swee Yeok as director	1,037,380,319	1,034,054,054	99.68	3,326,265	0.32
Ordinary Resolution 4 To re-elect Mr Simon Israel as director	1,038,035,361	1,022,860,683	98.54	15,174,678	1.46
Ordinary Resolution 5 To re-elect Mrs Fang Ai Lian as director	1,037,159,678	1,033,663,225	99.66	3,496,453	0.34
Ordinary Resolution 6 To re-elect Ms Lim Cheng Cheng as director	1,037,159,678	1,033,688,425	99.67	3,471,253	0.33
Ordinary Resolution 7 To re-elect Mr Phang Heng Wee, Vincent as director	1,038,764,778	1,035,363,825	99.67	3,400,953	0.33
Ordinary Resolution 8 To approve directors’ fees payable by the Company	1,037,133,778	1,036,829,098	99.97	304,680	0.03

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
Ordinary Resolution 9 To re-appoint Deloitte & Touche LLP as Auditor of the Company and to authorise the directors to fix its remuneration	1,037,219,819	1,037,012,419	99.98	207,400	0.02
Special Business					
Ordinary Resolution 10 To authorise directors to issue shares and to make or grant instruments convertible into shares	1,037,090,778	1,031,286,139	99.44	5,804,639	0.56
Ordinary Resolution 11 To approve the proposed renewal of the Shareholders Mandate for Interested Person Transactions	543,172,998	542,928,810	99.96	244,188	0.04
Ordinary Resolution 12 To approve the proposed renewal of the Share Purchase Mandate	1,036,799,898	1,036,596,010	99.98	203,888	0.02
Ordinary Resolution 13 To approve the proposed extension of, and alterations to, the Singapore Post Restricted Share Plan 2013	1,036,960,300	1,016,880,238	98.06	20,080,062	1.94

(b) Details of parties who are required to abstain from voting on any resolution(s)

Resolution number and details	Name	Total number of shares
Ordinary Resolution 11 To approve the proposed renewal of the Shareholders Mandate for Interested Person Transactions	Singapore Telecommunications Limited ("Singtel")	494,000,000

- (1) The following persons were requested to abstain from voting on Ordinary Resolution 11 in respect of the renewal of the Shareholders Mandate for Interested Person Transactions:
- (i) Temasek Holdings (Private) Limited, Singtel and their respective associates; and
 - (ii) all Directors of the Company and their respective associates.

- (2) The following persons were requested to abstain from voting on Ordinary Resolution 13 in respect of the proposed extension of, and alterations to, the Singapore Post Restricted Share Plan 2013 (the “Plan”):
- (i) all Directors and employees of the SingPost group, who are eligible to participate in the Plan,
- (3) To demonstrate good corporate governance practices:
- (i) all the non-executive Directors of the Company, who are also shareholders, were requested to abstain from voting on Ordinary Resolution 8 in respect of the payment of Directors' fees for the financial year ended 31 March 2022.

(c) Name of firm and/or person appointed as scrutineer

RHT Governance, Risk & Compliance (Singapore) Pte. Ltd. was appointed as the Company's scrutineer.

Reappointment of Director to the Audit Committee

Ms Chu Swee Yeok has been re-elected as Director and will remain as a member of the Audit Committee. She is considered by the Board of Directors to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

Mrs Fang Ai Lian has been re-elected as Director and will remain as the Chairman of the Audit Committee. She is considered by the Board of Directors to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

Issued by Singapore Post Limited on 21 July 2022.

ADDRESS BY MR SIMON ISRAEL, CHAIRMAN OF THE SINGPOST BOARD OF DIRECTORS AT THE 30TH ANNUAL GENERAL MEETING, HELD 21ST JULY 2022

Welcome

I once again welcome shareholders both present and on-line for your attendance today. I thank those of you who have sent in questions in advance of the AGM and our responses have been posted on SGX.

Business

I believe you will appreciate that last year remained very challenging in the context of the operating environment, and in balancing the risks and opportunities.

Despite this, SingPost was able to maintain high public service standards in our Postal business, deliver a resilient Group performance, while continuing to execute on our transformation into a logistics business.

Logistics now contributes significantly to the Group's revenues and earnings and has helped to offset declines in Post and Parcel, which continues to be impacted by limited airfreight capacity and high costs amidst the pandemic.

Since the close of the financial year, challenges facing the business have intensified. Domestic Post and Parcel has seen further declines in traditional letter mail, while costs, particularly fuel, labour and utilities, have risen considerably.

Further supply chain disruptions, ongoing lock-downs of cities in China and elevated air conveyance costs are impacting our International Post and Parcel business.

While management is working to mitigate these challenges, some elements are beyond their control.

Our Logistics business, including Famous Holdings and Freight Management Holdings continue to perform well, while our Property business remains stable.

Our investment in FMH, together with Couriers Please, has seen Australia emerge as a key market for our growth and earnings. We are gaining scale and the market opportunity is large.

My comments highlight the importance of continuing to invest in transformation, including the necessary infrastructure and capabilities.

I will leave it to our Group CEO Vincent Phang and Group CFO Vincent Yik to give you more colour when they present the business and financial performance to you this afternoon.

Sustainability

I would like to touch on SingPost's commitment to sustainability. This has seen us launch a new company purpose "Making Every Delivery Count for People and Planet".

This is now a guiding principle for our business, embedded in our strategy, business models, investment decisions and management compensation. You will have a presentation this afternoon on this from our Head of Sustainability Michelle Lee.

Management

During last financial year the Board appointed Vincent Phang as the Group CEO. Vincent's appointment has ensured continuity in strategy and added drive to executing our transformation.

Vincent has since put in place an organisation structure and management team aligned with strategy and the growing importance of Logistics and Australia to the Group's business.

Appreciation

On behalf of the Board, I would like to express our appreciation to all SingPost staff for their commitment in making 'Every Delivery Count' and for their resilience throughout a challenging year. Their efforts have been the reason for our performance.

I would like to thank our Union who have worked closely with Management in addressing the challenges we have had to deal with.

I would also like to personally thank my fellow Directors who attended many unscheduled meetings during the year, and for their counsel and guidance to management.

Governance

The year concluded has also seen progress in Governance. SingPost was ranked 7th in the Singapore Governance and Transparency Index 2021 – an improvement of 5 ranks from the previous year. SingPost was also an ASEAN Corporate Governance Scorecard Award Winner. This reflects the Board and Management's commitment to continuous improvement and upholding the highest standards of Governance.

Simon Israel
Chairman



FY2021/22 Annual General Meeting Presentation

21 July 2022

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Group Overview

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Vincent Phang
Group CEO

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Resilient FY21/22 performance amid the COVID-19 pandemic

Resilient FY21/22 performance amid the COVID-19 pandemic and structural decline in core mail business

- Net Profit +74.5% YoY*
- Strong Growth in Logistics*
- Australia Acquisition Delivering*



Making every delivery count for people and planet



Adapting to COVID-19 and post-pandemic norm



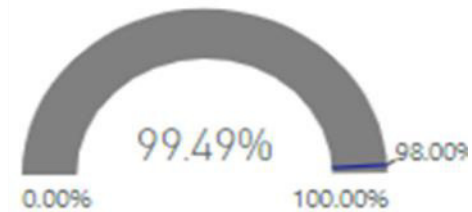
Continuing the Group's transformation

Domestic Post & Parcel: Committed to High Service Quality

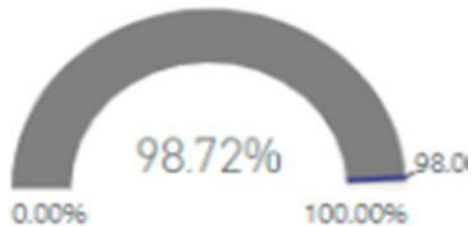


Maintaining high service quality despite rising operating costs

Postal SLA FY21/22

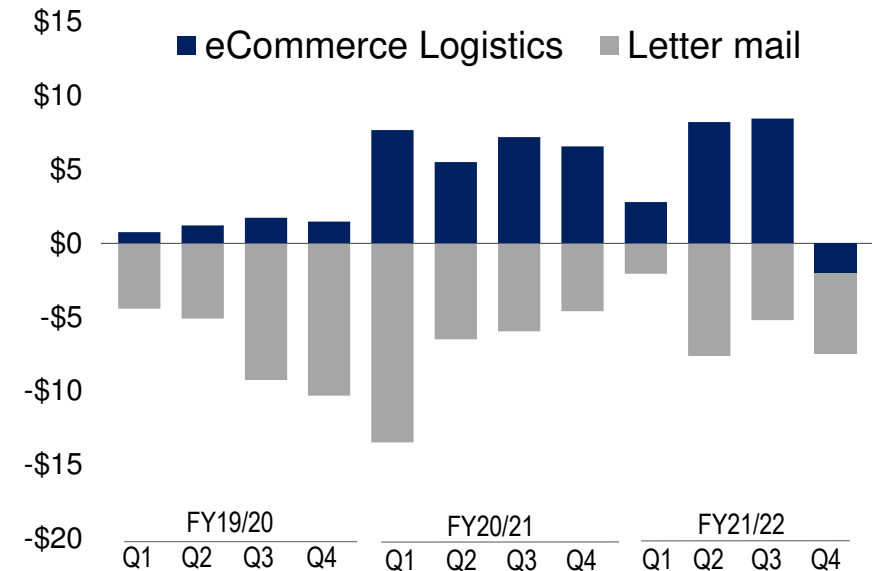


Parcel SLA FY21/22



Changing mail profile with structural decline in traditional letter mail

Change in Revenue (\$m)



Domestic Post & Parcel: Transforming to Serve Changing Needs



**Transforming Postal
for an effective, carbon efficient
and high quality service**

Investing in infrastructure:

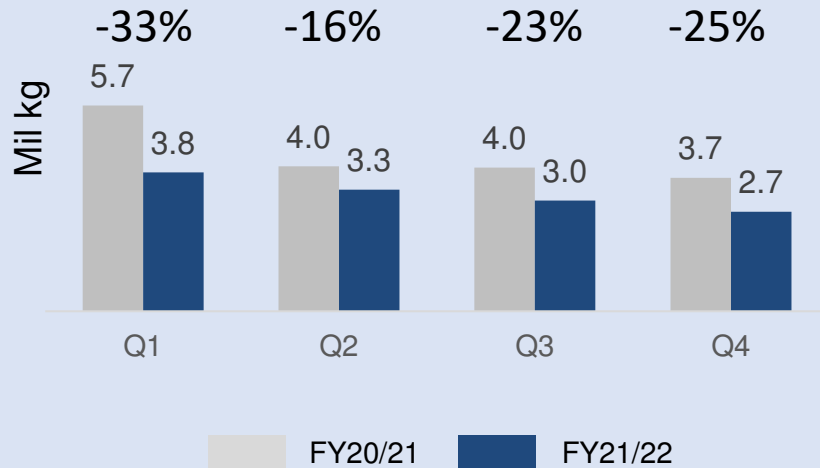
- PostPal smart letterbox trial
- Electrification of delivery fleet
- Automation/Sortation capabilities
- Expanded locker network
- SingPost Mobile App

International Post & Parcel: Re-engineering Assets to Connect Globally



Challenging conditions for IPP business with high conveyance costs

IPP Outbound Volume



Integration of International Businesses

Global Postal Network
(International Post & Parcel)



Cross Border & Last-mile
Transportation, Warehousing /
Fulfilment (Quantum Solutions)


- One-stop cross-border solutions
- Greater synergies, cost efficiency



Logistics: Further Expansion into Australia





**Integrating and Building Scale,
Developing End-to-end Capabilities**



17
Facilities

150+
Partner carriers

~253k
Footprint (sqm)



22
Facilities

>90%
Population coverage

~97k
Footprint (sqm)




QS (Australia)

~7k
Warehouse footprint (sqm)

Property: Resilient Business and Enabler for the Group



SingPost Centre in Paya Lebar comprising a retail mall, office tower and housing SingPost's headquarters and mail processing facility

Paya Lebar precinct envisaged by URA to be developed into a lively commercial centre

Transformation Into A Leading Ecommerce Logistics Solutions Provider In Asia Pacific



AUSTRALIA

Building Scale And Combining Capabilities

Establish a leadership position in the B2B2C logistics market

Build a comprehensive logistics platform differentiated by technology



SINGAPORE

Leveraging Infrastructure & Technology

Lead in eCommerce last-mile delivery

Develop a smart, environmentally sustainable urban logistics ecosystem



INTERNATIONAL

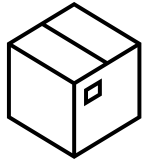
Re-engineering Assets To Connect Globally

Integration of international businesses for one-stop cross-border solutions

Digital innovation to drive service quality and cost efficiency

Property As Enabler

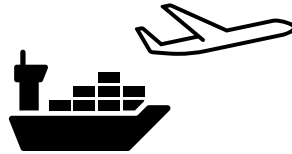
Key Challenges in FY2022/23



Letter mail decline; competitive eCommerce logistics market

Continued decline in traditional letter mail volumes

Highly competitive eCommerce logistics market; insourcing by a major customer

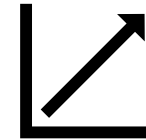


Global supply chain disruption

Further supply chain disruptions

Knock-on impact from ongoing lockdowns in cities in China due to COVID-19

Air freight capacity yet to recover to pre-pandemic levels



Inflationary pressures

Oil price volatility and impact on electricity and fuel expenses

Wage pressures amid labour crunch

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Sustainability Updates

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Michelle Lee

Head, Corporate Services and Sustainability

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Advancing Sustainability Goals



Purpose

Pillars

Material Matters

Making Every Delivery Count for People and Planet

Cherishing our Planet

Sustaining a liveable planet for future generations

Climate Action and Resilience
Resource Efficiency and Waste Management



Global Operations

Net-zero carbon (Scope 1, 2 and 3 emissions) by 2050

Collaborative Partnerships

Transforming markets and delivering value for our communities and customers

Responsible Supply Chain
Product and Service Innovation
Customer Experience
Community Investment

Culture of Trust

Caring for and doing the right thing for our stakeholders

Data Privacy and Cybersecurity
Ethical and Transparent Business Practices
Employee Engagement and Talent Practices
Health and Safety



Singapore Operations

Net-zero carbon (Scope 1 and 2 emissions) by 2030



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FY2021/22 Financial Highlights

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Vincent Yik
Group CFO

Group Performance – FY2021/22



Improved full year performance despite challenging environment amid pandemic

Supported by

- Acquisition of majority stake in Freight Management Holdings (FMH)
- Growth in freight forwarding and delivery volumes in Logistics segment

Offsetting impact in / from

- International Post & Parcel business
- Letter mail decline
- Absence of Jobs Support Scheme relief and other government grants
- Divestment of General Storage Company (GSC)

Revenue

S\$1,665.6m
+18.6% YoY

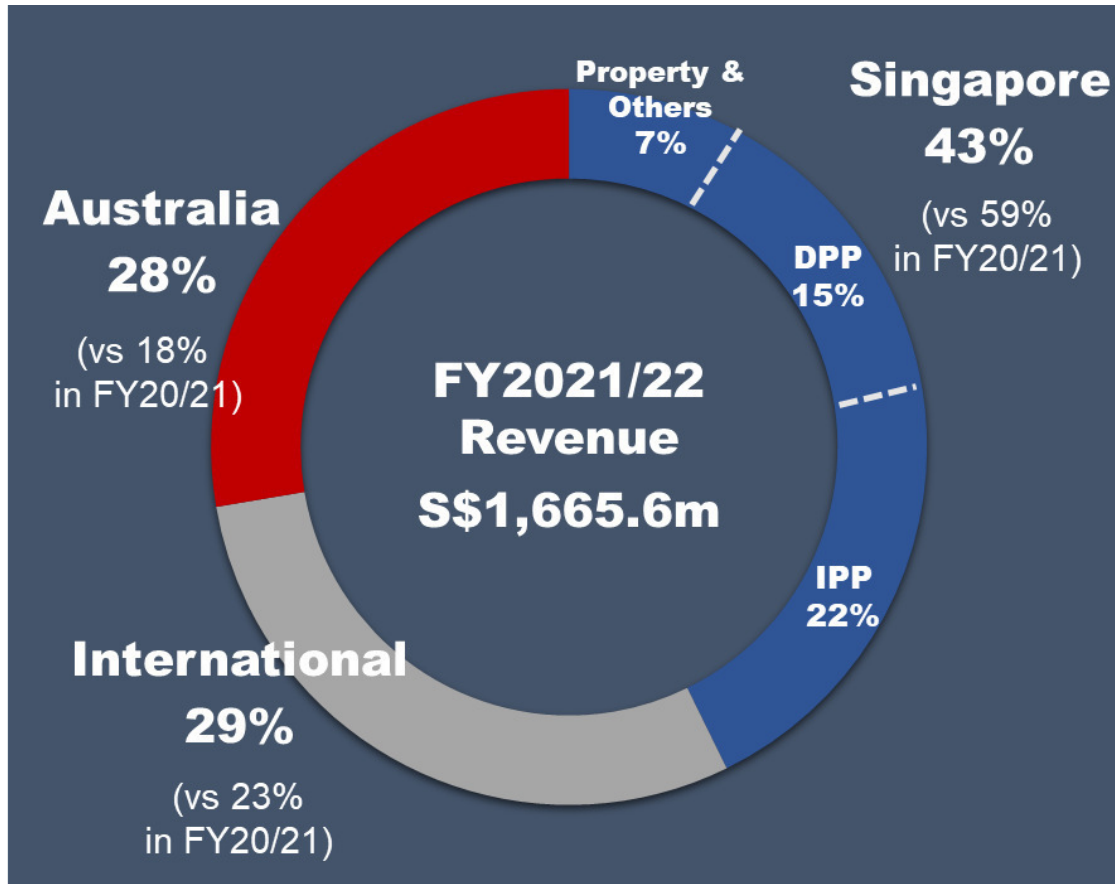
Operating Profit

S\$112.1m
+41.3% YoY

Underlying Net Profit

S\$81.3m
+35.2% YoY

Revenue Split by Markets



Growing contributions from Australia and International businesses

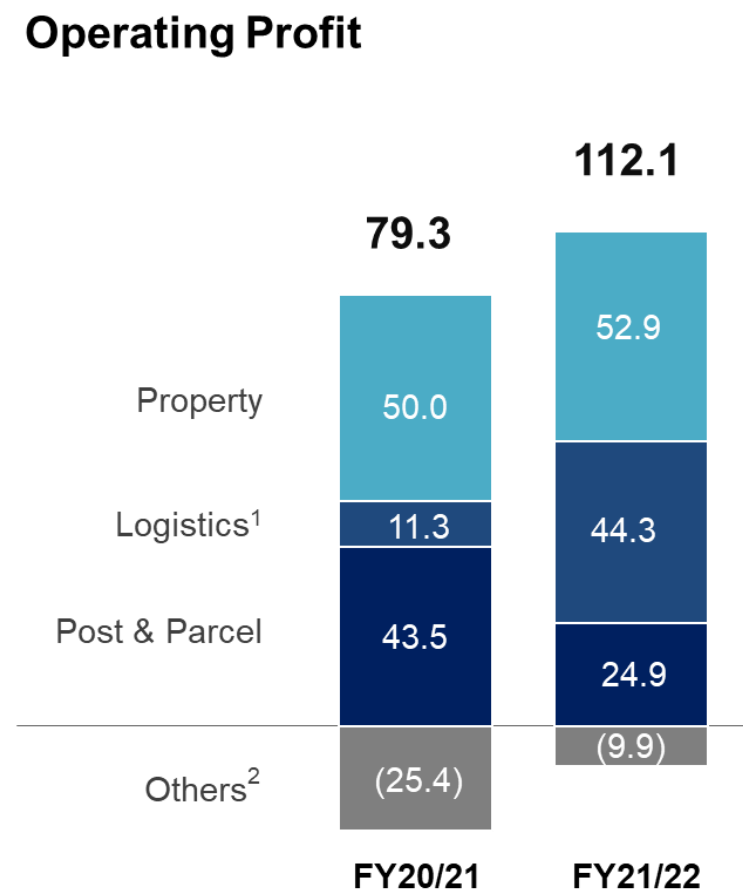
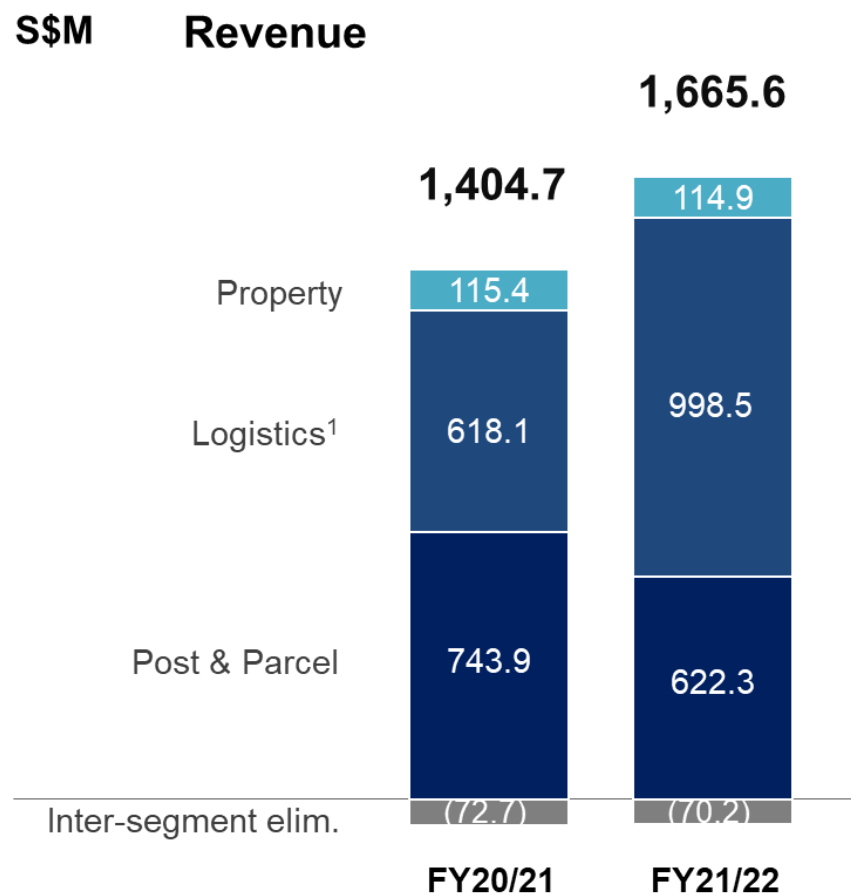
Shift in revenue contributions as the Group continues transformation to become a leading logistics player in Asia Pacific

Singapore: Includes Post & Parcel, Property, SP eCommerce and Singapore units of Quantum Solutions and Famous Holdings

Australia: Includes FMH, CouriersPlease and Australia units of Quantum Solutions and Famous Holdings

International: Includes Quantum Solutions and Famous Holdings

Performance by Segments



1. Includes CouriersPlease, Quantum Solutions, Famous Holdings, SP eCommerce and FMH which became a subsidiary in Nov 2021
 2. Refers to unallocated corporate overhead expenses
 Prior year numbers have been restated for comparative purposes



Balance sheet optimisation to support growth

Redeemed S\$350m outstanding perpetual securities in March 2022

Undertook financing activities

- S\$100m senior notes issued in March 2022
- S\$250m perpetual securities issued in April 2022



Divest non-strategic assets and focus on core business

Divested self-storage business GSC for ~S\$87m in December 2021

Proceeds redeployed towards transformation initiatives

Continually review asset portfolio to assess strategic fit with core business

Financial Position

Balance sheet optimisation

New S\$250m perpetual securities issued subsequent to financial year end

Higher coverage on improved EBITDA performance which offset higher finance expenses

Net Debt Position¹

S\$236.6m

vs S\$178.9m net cash in FY20/21

EBITDA to Finance Expenses

13.1x

vs 12.4x in FY20/21

1. Subsequent to financial year end, the new perpetual securities issued in April 2022 would bring the Group back to a net cash position on a pro forma basis based on the Group's balance sheet as at 31 March 2022

Operating Cash Inflow

S\$89.5m

vs S\$215.4m in FY20/21

Working capital changes

Investing Cash Outflow

S\$53.3m

vs S\$67.5m in FY20/21

FMH acquisition and PPE additions, partly offset by GSC divestment

Financing Cash Outflow

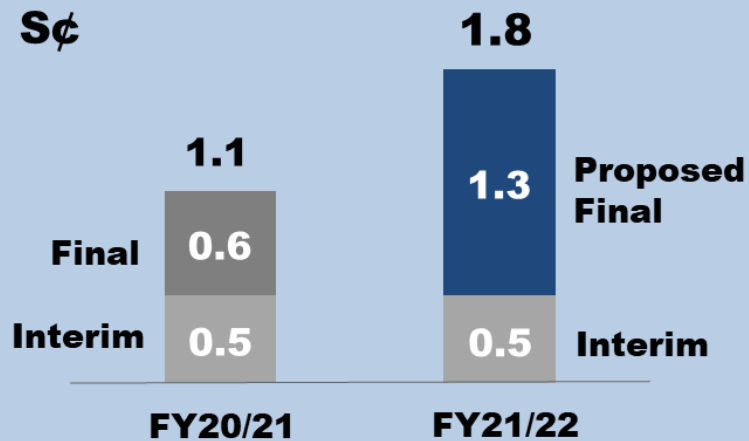
S\$255.8m

vs S\$139.7m in FY20/21

Redemption of outstanding perpetual securities partly offset by new senior notes

Proposed Dividend

Dividend per share



Proposed final dividend of 1.3 cents per share, bringing total dividend to 1.8 cents per share for FY2021/22

Represents 50% of FY2021/22 Underlying Net Profit, compared to 40% last year

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THANK YOU

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Speech by SingPost management at the 30th Annual General Meeting with accompanying presentation “FY22 AGM Presentation”

VINCENT PHANG, GROUP CEO

Good afternoon. I am honoured for this opportunity to lead SingPost as Group CEO as we continue the Group’s transformation journey.

I will provide a brief of the business and performance in the last financial year and our development plans. I will also give an assessment of the business and the way I see it evolving since I took on the role of GCEO.

FY2021/22 was the second year that we continued to adapt to the challenges brought about by the pandemic. The impact has been extremely profound. It has challenged our operations in many ways – in terms of how the business is managed, the revenues and cost structure, all this is on top of the continued structural decline in the traditional mail business.

The performance for FY2021/22 was resilient. The improved results came from a low base in the previous financial year, when we saw a significant impact in the first year of the pandemic. In addition, we also benefitted from the consolidation of FMH in Australia following the increase in our stake from 28% to 51%.

We are in the midst of our transformation and diversification journey, which is changing the profile of the Group – expanding from our legacy postal business to a global logistics enterprise. Our purpose, our job, is to make every delivery count for people and planet, to do this profitably and sustainably.

Domestic Post & Parcel: Committed to High Service Quality

We are committed to our national obligations in the Domestic Post & Parcel business as an essential service. Through the pandemic, we continued to uphold the high delivery service standards, at over 99.8% next day delivery as at December 2021. This is important to us, and we continue to do so, despite the continued challenges of declining letter mail volumes and increasing costs.

Over the year, eCommerce logistics contributions have helped to offset the letter mail declines, as volumes grew with the surge in eCommerce transactions during pandemic restrictions. Towards the end of the FY, we experienced a pullback in eCommerce logistics volumes as we transition out of COVID and traditional buying habits return.

In the operational update announced last Friday, we highlighted that conditions remain challenging for the Domestic Post & Parcel segment, particularly with the significant increase in costs such as fuel, utilities and labour.

However, the long-term trajectory for eCommerce is positive, and we continue to invest into this segment for growth. The structural decline in letter mail and increase in eCommerce

logistics volumes has led to a change in our traffic profile, and we are working to transform Domestic Post and Parcel operation to meet the changing needs of the market.

Domestic Post & Parcel: Transforming to Serve Changing Needs

Our objective is to ensure we have the most cost effective, efficient, and sustainable delivery service in Singapore, and we believe those attributes are important to win this market. We are investing in the infrastructure to offer a delivery service that gives customers a high service level and yet is cost effective and carbon efficient.

During the year, we worked on various initiatives to develop this:

- 1) The Postpal smart letterbox trial was extended into Punggol last year, and we are looking to further extend the trial.
- 2) We started the electrification of our delivery fleet and target to complete by 2026.
- 3) We continue to explore automation capabilities in our processes.
- 4) We extended our parcel locker network further, with an added network into condominiums through the acquisition of Parcel Santa.
- 5) And we continue to enhance the SingPost Mobile App to connect our customers.

International Post & Parcel: Re-engineering Assets to Connect Globally

The International Post & Parcel segment continued to face significant challenges over the year. Air freight capacity out of Changi Airport was still limited over the year, affecting our international transshipment business. We rationalised volumes and focused on cost management, and managed the business at minimal margin despite the decline in volumes.

The challenges have intensified with significant headwinds from further supply chain disruptions due to recent lockdowns in a number of cities in China, where the majority of our cross-border volumes originate. Although air freight capacity out of Changi Airport has shown some improvements, this has yet to fully recover to pre-pandemic levels. Air conveyance costs remain high.

We recognise the importance of building resilience in our network to be able to deliver a consistent service and customer experience. We are working to re-engineer our various international operations – in International Post & Parcel and in Quantum Solutions. This will allow us to drive synergies and cost efficiency, and enable the Group to serve the cross-border eCommerce logistics market internationally.

Logistics: Further Expansion into Australia

Moving on to Logistics – This segment has performed well, offsetting the impact from the Post & Parcel segment.

During the year, we acquired a controlling interest in FMH, giving us a platform to capitalise on the growing logistics sector in Australia and work towards becoming a key logistics player in the market.

FMH is a technology driven 4PL logistics service operator focused on the B2B logistics market. The company has 800 employees, operates 17 facilities across the country and has over 150 partner carriers in its network. Its proprietary technology platform gives FMH the competitive advantage to manage and execute customers' supply chain and distribution needs. It employs analytics to enable supply chain efficiency – matching customers' freight profile with the optimal carrier, increasing efficiency, utilisation and profitability, and certainly reducing carbon emissions for both parties.

Our other significant asset on the ground is CouriersPlease, which is a B2C last-mile delivery service provider with significant reach in Australia, serving 90% of the population.

With both assets in combination, we expect to expand our reach in the logistics market and extract operational synergies. The logistics market in Australia is profitable and growing. We will build scale and develop our end-to-end capabilities between B2B and B2C, with the aim of becoming a significant operator in the market.

Property: Resilient Business and Enabler for the Group

Our Property business largely comes from SingPost Centre. This property houses our headquarters as well as the country's mail processing facility. The commercial areas comprise a retail mall and office tower.

Property contributions have been resilient despite the challenging leasing conditions over the year. Occupancy of our properties remained high at 96.6% as at 31 March 2022.

We recognise the potential of the Paya Lebar precinct with the government's latest urban development plans. We are examining options to improve the value and hence yield of the property.

Group Strategic Pillars

As we continue on the transformation journey, we have reorganised the Group to align with the strategic push in the three key pillars of the Singapore, Australia and International businesses.

In Singapore, Postal remains core. The postal infrastructure also serves our eCommerce logistics business. We are working to grow the eCommerce logistics market leveraging on our structural advantages and will transform and develop an urban logistics ecosystem that is most cost efficient, sustainable and digitally connected for Singapore.

In Australia, we are expanding into a market that is large and significant. We now have a full breadth of capability to develop an omni-channel logistics offering – one that will allow us to serve B2B2C, delivering to stores, malls, businesses and to homes.

In the final pillar, International – Just as Changi Airport and the port in Singapore serve the world, we need to look to serving the global market. We are leveraging on our group's assets into a global network to serve the cross-border eCommerce logistics market.

Finally, property is an enabler to the Group. Besides supporting our business and operations, our properties are also a stable income generator for us.

Key Challenges in FY2022/23

In our full year results announcement in May, we had highlighted the challenges in the outlook for FY2022/23. Following the first quarter, we now have some clarity - unfortunately, the conditions for our postal segment have worsened. In the operational update posted last Friday, we indicated that an operating loss is expected for the Post & Parcel segment for the first quarter of the FY.

The Domestic Post & Parcel segment continues to face challenges, with the continuing decline of letter mail volumes. With one of our customers insourcing part of their own logistics, this has also led to reduced e-commerce volumes. Operating costs have risen, particularly in fuel, utilities and labour.

In the International Post & Parcel business, we continue to face significant headwinds. At the end of last year, we were hopeful that the gradual opening of Changi and improving air capacity will help our revenues and earnings. However, this has not been the case as air capacity remains tight, with air conveyance costs elevated. The lockdowns in China have also disrupted our supply chains.

On the other hand, our Logistics segment has performed well. While we are hard at work to mitigate the challenges on the horizon, we remain committed to our journey ahead, to expand SingPost beyond being a postal centric business to an international logistics enterprise.

I will now hand over to our Head of Corporate Services and Sustainability Michelle Lee to update on our sustainability developments, and thereafter, our Group CFO Vincent Yik will give the financial highlights.

MICHELLE LEE, HEAD (CORPORATE SERVICES & SUSTAINABILITY)

Advancing Sustainability Goals

Thank you, Vincent. Good afternoon shareholders.

In the past year, Sustainability whether it's environmental, social or governance aspects went through major changes re-aligning to latest findings of the 6th Assessment Report released by the Intergovernmental Panel on Climate Change (IPCC) and discussions at COP26. These have got its implications requiring businesses like SingPost and the ecosystem we operate in to be

responding from risk mitigation to building resiliency and building upon opportunities that surface.

The business environment as it comes to terms with living with COVID in the new operating world with other major events affecting the world economy, SingPost took the effort to re-examine where our Sustainability material matters lie requiring focus. This was done in consultation with both internal and external stakeholders resulting in a refreshed sustainability framework of material matters embedded as part of business strategy and operations. Climate action and resiliency, Resource efficiency and waste management, Health and Safety and Employee Engagement and talent practices are new aspects which will help us in delivering towards our purpose of being as an organisation “Making every delivery count for people and planet”.

With a global footprint in 15 markets, we have embarked on a journey to update our sustainability targets in line to limit global warming to 1.5°C. We have set ourselves a target of net zero carbon for our scope 1 and 2 emissions for our Singapore operations by 2030 and net zero carbon scope 1, 2 and 3 emissions globally by 2050. We have refined our sustainability strategy to strengthen our decarbonisation efforts.

Additionally, to understand our climate risk and opportunities, we have adopted the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) to be incorporated into our climate action journey. A TCFD maturity assessment has been carried out with findings reported in the latest Sustainability Report that has been issued along with the Annual Report this year. We will continue to share our progress in this space as we also seek to build visibility to our scope 3 emissions this year.

Sustainability is not all about carbon and we have enhanced our focus on health and safety and talent management as it is our people who make it all possible making every delivery count. Total Recordable Injury Frequency Rate has seen a 23.7% improvement year-on-year in Singapore.

SingPost has been serving the community for over 160 years and we constantly seek new opportunities to be addressing the needs of the community and environment. During times of rapid digitalisation, global challenges brought about by the pandemic and increased frequency of extreme climate conditions, we have also refreshed our community investment framework focusing on building community resilience and wellbeing, digital inclusion and environmental stewardship.

We would like to thank our stakeholders who have journeyed along with us and as we work towards an ecosystem approach of achieving sustainability for the next generation.

I will now hand over our Group CFO, Vincent Yik, for the financial highlights.

VINCENT YIK, GROUP CFO

Group Performance – FY2021/22

Thank you, Michelle, and good afternoon.

The Group's performance for FY2021/22 showed an improvement, coming off a lower base in the previous year, which was severely affected by the pandemic disruptions. The improvement in the results was largely supported by the consolidation of FMH, as well as higher freight forwarding and delivery volumes in the Logistics segment.

This was partially offset by various factors:

- 1) The Group continued to face declines in the IPP business as well as in domestic letter mail volumes.
- 2) The relief from the Jobs Support Scheme and other government grants had ceased.
- 3) The self-storage business General Storage was de-consolidated following the divestment in December 2021.

Revenue Split by Markets

We are seeing a shift in the revenue breakdown as the Group transforms and diversifies.

For Singapore, the relative contribution to Group revenue is expected to reduce as the other strategic pillars continue to grow.

Australia accounted for 28% of Group revenue, up from 18% previously, with the consolidation of FMH and continued growth of CouriersPlease.

The international businesses, comprising Quantum Solutions and Famous Holdings, accounted for 29% of revenue compared to 23% previously, mainly due to higher freight forwarding revenue.

Going forward, contributions from the Australia and International businesses will continue to increase as we consolidate FMH's full year financials and re-engineer our International businesses as part of our transformation strategy.

Performance by Segments

As for the performance by business segments, Logistics was the key driver.

Revenue and operating profit growth were driven by the Logistics businesses, namely CouriersPlease, Famous Holdings and FMH. This offset the decline in the Post and Parcel segment, which was mainly due to the challenging IPP business.

Capital Management

During the year, we restructured our balance sheet financing to reduce costs and provide more headroom to support our transformation initiatives.

The \$350 million outstanding perpetual securities were redeemed in March this year. New senior notes of \$100 million were issued, also in March, while new \$250 million perpetual securities were issued in April.

The self-storage business was divested in December 2021, and the proceeds were redeployed towards our transformation initiatives as we focus on our core business. We will continue to review our asset portfolio to assess strategic fit with our business and strategy, and invest in strategic initiatives that support long-term growth.

Financial Position

On the financial position, there was a timing difference between the redemption of outstanding perpetual securities in March and the issuance of new perpetual securities subsequent to the financial year-end in April, resulting in a net debt position for the Group as at 31 March 2022. The Group has returned to a net cash position following the new issuance.

On the Group's cash flows, operating cashflow was lower mainly due to higher cash receipts from the settlement of outstanding trade receivables in the prior period.

Cash outflow from investing activities stood at \$53 million, mainly due to the FMH acquisition and additions to property, plant and equipment, partly offset by proceeds from the divestment of the self-storage business.

Cash outflow from financing activities increased to \$256 million, mainly due to the activities detailed earlier

Proposed Dividend

The Group continues to take a prudent approach to managing cash flows and conserving cash, taking into account our transformation initiatives.

For FY2021/22, a final dividend of 1.3 cents per share has been proposed for shareholders' approval.

Including the interim dividend of 0.5 cents per share, the total dividend for the financial year would be 1.8 cents. This represents a payout ratio of about 50% of underlying net profit, compared to 40% last year.

With that, I conclude my presentation. Thank you.