FINANCIAL REVIEW AND OUTLOOK

GROUP	Financial Year ended 31-Mar 2025 S$'000	2024 S$'000	Change %
Revenue	**813,704**	879,212	(7.5)
Operating profit	**44,335**	33,896	30.8
Share of profit/(losses) of associate companies and a joint venture	**519**	(1,543)	N.M.
Profit after tax from continuing operations	**230,250**	45,416	@
Exceptional items, net of tax (1)	**222,160**	37,668	@
Net profit attributable to equity holder	**245,141**	78,333	212.9
Underlying net profit (2)	**24,757**	41,500	(40.3)
Basic earning per share (S cents)	**10.41**	3.00	247.0
Underlying earnings per share (S cents) (2)	**0.62**	1.36	(54.6)

(1) Exceptional items comprised one-off items such as asset impairment, fair value changes on investment properties, fair value loss on put option redemption liability, gains or losses on sale of subsidiaries and property, plant and equipment, M&A related expenses and others.
(2) Underlying net profit is defined as net profit before exceptional items, net of tax. Underlying earnings per share has been re-presented to exclude the underlying net profit attributable to perpetual securities holders of the Company.
N.M. Not meaningful
@ Denotes variance more than 300%

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

The Group deconsolidated the Australia business under SingPost Australia Investments Pty Ltd and its subsidiaries ("SPAI Group") on completion of the divestment on 27 March 2025.

For the year ended 31 March 2025, the consolidated income statement of the Group presented as "Continuing Operations" excludes SPAI Group. Profit from SPAI Group for the year prior to deconsolidation is presented as a single line item in the income statement – "Discontinued Operations". Comparative figures have been restated to the current year segment presentation.

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	Financial Year ended 31-Mar 2025 S$'000	2024 S$'000 (Restated)	Variance %
REVENUE			
Singapore	**326,695**	317,420	2.9
– Singapore business	**259,305**	258,708	0.2
– Property business	**86,933**	77,680	11.9
– Intra-segment eliminations[1]	**(19,543)**	(18,968)	3.0
International	**494,323**	556,426	(11.2)
– International business	**202,776**	300,545	(32.5)
– Freight forwarding business	**296,388**	263,100	12.7
– Intra-segment eliminations[1]	**(4,841)**	(7,219)	(32.9)
Australia	**12,528**	22,235	(43.7)
Inter-segment eliminations[1]	**(19,842)**	(16,869)	17.6
Total revenue	**813,704**	879,212	(7.5)
OPERATING PROFIT			
Singapore	**54,910**	44,123	24.4
– Singapore business	**6,474**	1,895	241.6
– Property business	**48,436**	42,228	14.7
International	**19,342**	23,473	(17.6)
– International business	**(1,083)**	2,410	N.M.
– Freight forwarding business	**20,425**	21,063	(3.0)
Australia	**(1,753)**	(1,728)	1.4
Corporate[2]	**(28,164)**	(31,972)	(11.9)
Total operating profit	**44,335**	33,896	30.8

1 Intra-segment and inter-segment eliminations relate to the elimination of intra-segment and inter-segment billings for internal services to better reflect the profitability of each business segment.
2 Corporate refers to unallocated corporate overhead items.

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Group Revenue

Group revenue was lower by 7.5% at S$813.7 million, compared to S$879.2 million for the previous year. This was attributed to the decline in revenues from the International cross-border and QS Australia businesses, which offset the improved revenues in the Singapore postal & logistics, Property and freight forwarding businesses.

Group Operating Profit

Group operating profit rose by 30.8% YoY to S$44.3 million from S$33.9 million. Higher profit from Singapore postal and logistics, and Property businesses offset the losses in the International cross-border and QS Australia businesses, and lower freight forwarding profit.

More details are provided below.

Singapore

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

1. **Singapore postal and logistics business**

   Revenue increased by 0.2% at S$259.3 million compared to S$258.7 million previously. Higher delivery revenues for the year, largely due to the benefit of the October 2023 postage rate increase, offset the decline in revenues from other services namely mailroom, warehousing and financial services.

   Operating profit amounted to S$6.5 million for the year, an increase of 241.6% Year-on-Year from S$1.9 million as improved profit from the delivery business for the year offset losses in the post office network and other services.

   With the divestment of the Australia business and the reintegration of the International business into the Singapore postal and logistics business, the unallocated business corporate overheads will be allocated to the integrated business.

2. **Property leasing business**

   Property revenue for the year was higher, up by 11.9% Year-on-Year at S$86.9 million, compared to S$77.7 million previously, while operating profit grew by 14.7% to S$48.4 million from S$42.2 million previously.

   The improved revenue and profit performance was due to higher rental income from SingPost Centre. Overall occupancy rate of SingPost Centre remained high at 98.2% as at 31 March 2025 compared to 96.2% as at 31 March 2024. The retail mall was fully occupied compared to 99.6% previously, while the office space occupancy rate improved to 97.6% compared to 94.8% previously.

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International

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

1. **International cross-border business**

   The International cross-border business faces significant challenges in its sub-scale operation, competitive operating environment, currency volatility, fluctuations in air conveyance costs and geopolitical tensions. During the year, cross-border eCommerce logistics volumes continued to contract, declining by 33.6% Year-on-Year.

   For the year, the International cross-border business recorded a 32.5% Year-on-Year decline in revenue to S$202.8 million from S$300.5 million, and an operating loss of S$1.1million compared to an operating profit of S$2.4 million previously.

2. **Freight forwarding business**

   Full year revenue was higher at S$296.4 million, an increase of 12.7% Year-on-Year from S$263.1 million as a result of the higher sea freight rates. Operating profit however was lower by 3.0% Year-on-Year at S$20.4 million, compared to S$21.1 million in the previous year on margin compression.

Australia

Following the sale of SPAI Group, the Australia segment currently comprises the logistics operations of QS Australia. During the year, the Group streamlined QS Australia's business and ceased the QS New Zealand operation. This, along with the strong Singapore dollar vis a vis the Australian dollar, resulted in lower revenue and operating profit for the year.

Revenue fell by 43.7% Year-on-Year to S$12.5 million from S$22.2 million while operating loss amounted to S$1.8 million compared to a loss of S$1.7 million previously.

Corporate

Corporate, which refers largely to unallocated corporate overhead items, declined by 11.9% Year-on-Year to S$28.2 million from S$32.0 million for the full year. The decrease was largely due to the reversal of share option expenses arising from cancellation of share option grants, and lower costs at the corporate functions.

Operating Expenses

The Group recorded lower operating expenses for the year, largely due to reduced international business volumes and cost management measures. For the year, the drop was 9.0% Year-on-Year to S$772.2 million from S$848.4 million. The declines were in the categories of volume-related, labour and related, depreciation and amortisation, and selling related expenses.

Labour and related expenses fell by 4.0% to S$240.9 million from S$251.0 million. The decline was largely due to reduced contract labour costs, reversal of share option expenses arising from cancellation of share option grants, as well as contribution received from the Singapore government's wage credit scheme.

Volume-related expenses, which include conveyance costs and outpayments for international postal terminal dues, were down by 14.7% Year-on-Year to S$378.9 million from S$444.4 million. This was largely attributed to the declines in cross-border volumes and air freight rates in the international crossborder business, which offset higher conveyance charges arising from the increase in sea freight rates in the freight forwarding business.

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Administrative and other expenses rose by 9.4% Year-on-Year to S$110.8 million from S$101.3 million for the full year. This was largely due to increases in professional fees, repairs and maintenance costs, and other general administrative expenses. Depreciation and amortisation expenses decreased by 12.6% to S$37.8 million from S$43.3 million for the year.

Selling-related expenses declined by 49.1% to S$3.5 million from S$7.0 million for the year, due to reduced promotion and marketing activities and compensation received from delivery partners for non-deliveries.

Impairment loss was lower at S$0.3 million compared to S$1.5 million in the previous year.

Share of Profit of Associated Companies

Improved performance at the Group's associated companies contributed to a higher share of profit of associated companies of S$0.5 million for the year compared to a share of loss of S$1.5 million previously.

Exceptional Items

Exceptional gain amounted S$222.2 million for the year, compared to S$37.7 million in the previous year. The exceptional gain largely arose from the gain on disposal of SPAI Group amounting to S$302.1 million and fair value gain on SingPost Centre of S$15.2 million, partially offset by goodwill impairment on subsidiaries of S$77.9 million and restructuring expenses.

Investment Income (net)

Net investment income was lower by 32.4% Year-on-Year at S$6.3 million compared to S$9.3 million previously. The declines were largely due to foreign exchange loss and lower interest income.

Finance Expenses

Finance expenses rose by 16.2% Year-on-Year to S$26.9 million from S$23.1 million for the year. Interest expenses had increased on additional borrowings for the acquisition of the remaining stake in Freight Management Holdings ("FMH").

Following the sale of SPAI Group on 27 March 2025, the Group has repaid all Australian-dollar denominated borrowings.

Income Tax Expense

Income tax expense rose by 50.3% Year-on-Year to S$16.1 million from S$10.7 million, due to the Group's higher tax provisions.

Discontinued Operations

After tax profit on discontinued operations amounted to S$14.8 million compared to S$36.1 million previously. The lower profit for the year were largely attributed to higher interest costs on increased borrowings undertaken for the acquisition of Border Express.

FINANCIAL REVIEW AND OUTLOOK

Net Profit

Reflecting the Group's efforts to unlock value for shareholders, net profit rose to S$245.1 million, underpinned by the successful divestment of SPAI Group.

Full year underlying net profit declined by 40.3% Year-on-Year to S$24.8 million from S$41.5 million in the previous year, primarily due to the softer performance.

	Financial Year ended 31-Mar		
	2025	2024	Change
CASH FLOW	**S$'000**	S$'000	%
Net cash inflow from operating activities	**77,759**	93,388	(16.7)
Net cash provided by/(used in) investing activities	**538,117**	(145,907)	N.M.
Net cash (used in)/provided by financing activities	**(396,194)**	33,561	N.M.
Net increase/(decrease) in cash and cash equivalents	**219,682**	(18,958)	N.M.
Cash and cash equivalents at beginning of year	**476,738**	495,696	(3.8)
Cash and cash equivalents at end of year	**696,420**	476,738	46.1
Free cash flow	**128,847**	148,598	(13.3)
Cash capital expenditure as a percentage of revenue	**6.3%**	6.3%	
Additions to property, plant and equipment	**51,088**	55,210	(7.5)

Cash Flow

Operating cash flow before working capital changes was S$181.7 million for the year, compared to S$159.2 million in the previous year. Changes in net working capital of S$95.0 million were largely due to movements in trade and other payables. Net cash flow from operating activities was lower at S$77.8 million compared to S$93.4 million previously.

Net cash from investing activities was S$538.1 million, compared to net cash used of S$145.9 million previously. The increase was largely due to proceeds from the sale of SPAI Group, interest income, as well as proceeds from the disposal of property, plant and equipment and an associated company, which offset payments of deferred and contingent considerations for the acquisition of Border Express and additions to property, plant and equipment.

Net cash used in financing activities amounted to S$396.2 million, compared to net cash from financing activities of S$33.6 million last year. The increase was mainly due to repayments of Australian-dollar denominated borrowings, interest payments, repayment of principal portion of lease liabilities, dividend to shareholders, distribution to perpetual securities holders and the acquisition of additional interest in FMH during the year.

Consequently, cash and cash equivalents grew by S$219.7 million to S$696.4 million as at 31 March 2025 from S$476.7 million as at 31 March 2024.

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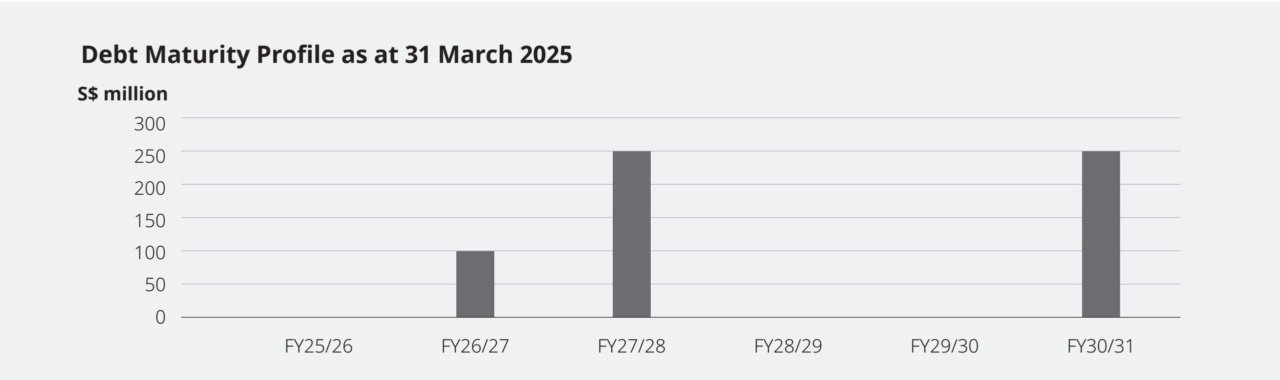
CAPITAL MANAGEMENT

The Group remains committed to an optimal capital structure and regularly reviews its capital structure to balance capital efficiency and financial flexibility. The Group issued S$250 million of perpetual securities in April 2022, as part of its exercise to restructure its debt and equity profile, so as to manage overall financing costs and optimise the balance sheet for the financing of future growth and investments. As the Group invests further for long-term growth, it regularly reviews its assets for strategic fit and financial returns considerations, as well as opportunities to unlock value.

	Financial Year ended 31-Mar		
	2025	2024	Change
GROUP DEBT AND PERPETUAL SECURITIES	**S$'000**	S$'000	%
Total debt	**349,559**	827,133	(57.7)
Cash	**696,420**	476,738	46.1
Net cash/(debt)	**346,861**	(350,395)	N.M.
Total shareholders' equity	**1,607,478**	1,420,965	13.1
Perpetual securities	**251,504**	251,534	(0.0)
Net debt plus perpetual securities to total shreholders' equity (%)*	**5.9%**	-42.4%	
EBITDA to finance expenses (number of times)	**11.3**	4.9	

Total borrowings were lower at S$349.6 million from S$827.1 million with the repayment of all Australian-dollar denominated borrowings following the sale of SPAI Group.



	Financial Year ended 31-Mar
DIVIDEND	Cents per share
Interim dividend	0.34
Proposed special dividend*	9.00
Total dividends paid and proposed in relation to FY2024/25	**9.34**

FINANCIAL REVIEW AND OUTLOOK

OUTLOOK

The global economic outlook remains clouded by ongoing trade tensions following the imposition of U.S. tariffs and retaliatory measures by key trading partners. These developments have disrupted international trade flows, created greater volatility in supply chains and weakened global economic forecasts. In the logistics sector, the impact has been particularly pronounced. Cross-border logistics volumes have come under pressure. This, along with geo-political tension, has led to a more uncertain and challenging operating environment. These challenging conditions intensified in the second half of FY24/25 and are expected to persist into the coming financial year (FY25/26).

After the divestment of the Australia business, the Group has taken steps to sharpen its focus on its core business including streamlining its operations to right size the cost base. Following the review of the International cross-border business by the Board, it has been reintegrated into the Singapore postal and logistics business to achieve business synergies and drive operational efficiencies. The cross-border business will continue to be part of SingPost's product offering, leveraging the international postal network.

Efforts are also underway to strengthen the Singapore postal and logistics operations for greater efficiency, with a S$30 million investment in a new automation system to expand processing capacity for small parcels at the Regional eCommerce Logistics Hub facility, creating a pathway for future growth. SingPost remains engaged with the Singapore Government on the future operating model that will place the postal service on a profitable and sustainable footing.

The Property business continues to generate steady income and cashflows.

The Group remains committed to disciplined capital management, safeguarding cash flow, and exercising cost prudence to preserve financial strength. The Group also continues to explore opportunities to progressively divest and unlock the value of non-core businesses and assets.