

BUSINESS OVERVIEW

OPERATING ENVIRONMENT

FY2025/26 was a demanding year for the postal and logistics sector. A subdued global economic outlook, compounded by geopolitical tensions and disruptions to international trade, weighed on customer demand and cross-border logistics volumes. These conditions underscored the importance of agility and operational discipline in navigating an increasingly complex environment.

GROUP PERFORMANCE AND FINANCIAL REVIEW

For the financial year ended 31 March 2026, the Group recorded revenue of S\$376.1 million, a decline of 23.1% YoY from S\$489.1 million. Revenue was impacted by a 55.2% contraction in International revenue amid a volatile global macroeconomic environment, as well as the continued decline in letter mail volumes.

Reflecting the softer international volumes, full-year operating profit fell 68.9% YoY to S\$11.8 million, down from S\$37.9 million.

Net profit was S\$60.9 million for the full year, boosted by exceptional items and the derecognition of aged trade payables. Underlying Net Profit, which excludes exceptional items and derecognition of aged trade payables, stood at S\$10.7 million for the year. Exceptional items of S\$19.2 million composed largely of a fair value gain on investment properties and a gain on the disposal of subsidiaries. The Group reviewed its process concerning the recognition and derecognition of liabilities (trade payables) with overseas postal administrators for international deliveries. Accordingly, S\$38.1 million was derecognised during the financial year.

OPERATIONAL PERFORMANCE

Against this backdrop, SingPost maintained its focus on execution and disciplined cost management. Operations were streamlined to improve efficiency and reduce structural costs, while major divestments were completed to sharpen the Group's focus on its core business.

These measures helped optimise the cost base while preserving service reliability. At the same time, SingPost continued to invest selectively in infrastructure to strengthen operational capabilities and enhance service levels.

To systematically reduce the structural cost-to-serve, SingPost committed S\$30 million into boosting small and medium parcel automated sorting capacity. This multi-million dollar transformation of its processing backbone will enable the consolidation of regional parcel processing at its Regional eCommerce Logistics Hub, increasing operational efficiencies.

This balanced approach — combining cost discipline with targeted investment — positions the Group to manage near-term pressures while building the foundations for future growth.

As the postal and logistics landscape evolves, the Group continues to strengthen its capabilities through technology. SingPost is well-positioned to advance automation, data-driven operations and sustainable logistics, while leveraging partnerships to improve reach and efficiency.

CHARTING A PATH FOR GROWTH

FY2025/26 marked a deliberate step toward a more focused, future-ready SingPost. During the year, the Group completed the mutually agreed unwinding of minority cross-shareholdings with Alibaba in QSI and 4PX, enabling SingPost to simplify its investment portfolio and pursue its strategic objectives. Concurrently, the divestment of Famous Holdings further sharpened the Group's focus on its core operations in logistics, postal services, and property.

Beyond cost management, SingPost is directing investment towards areas identified as critical for long-term growth, particularly in logistics infrastructure and network efficiency.

This next phase of transformation is supported by refreshed leadership. With the appointment of Chief Executive Officer Mark Chong, SingPost is advancing a Strategy Update aimed at modernising operations and improving service delivery.



SUSTAINABILITY INITIATIVES

SingPost continues to integrate sustainability into its operations, recognising that responsible service delivery is integral to its long-term business model.

Through its collaboration with DHL Express, customers are provided access to emission-reduced international shipping options, including participation in initiatives such as sustainable aviation fuel programmes. These solutions support reducing greenhouse gas emissions associated with air freight while maintaining service reliability and efficiency.

Customers are also offered more sustainable packaging options, including fully recyclable materials sourced from responsibly managed forests, supporting more environmentally conscious shipping practices.

PEOPLE & ORGANISATIONAL RESILIENCE

SingPost's people remain its greatest asset. Across the organisation, employees continue to play an active role in shaping its direction, contributing to a more agile and responsive business.

In FY2025/26, SingPost was recognised at the Singapore Retailers Association's Excellent Service Award (EXSA) 2025, receiving a total of 86 awards, including 9 Star Awards, 18 Gold Awards, and 59 Silver Awards. This achievement reflects the strong customer focus and service excellence demonstrated across its teams.

In March 2026, SingPost also recognised employees for their long years of service, ranging from 5 to 50 years, reflecting the depth of experience and dedication across the organisation.

SingPost continues to foster a positive and supportive workplace, maintaining open dialogue with its Union partners as it strengthens its organisational foundations through this period of transformation.