

DIRECTORS' STATEMENT

For the financial year ended 31 March 2026

The directors present their statement to the members together with the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2026.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 105 to 217 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Ms Teo Swee Lian (Chairman)
Mr Mark Chong Chin Kok (Chief Executive Officer) (Appointed on 1 November 2025)
Mr Chng Lay Chew
Ms Chu Swee Yeok
Mr Gan Chee Yen
Ms Gan Siok Hoon
Mr Ng Chin Hwee
Ms Yasmin Binti Aladad Khan

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share Options" and "Restricted Share Plan" on pages 95 to 99 of this statement.

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DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

- (a) According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the directors holding office at the end of the financial year had any interest in the shares and debentures of the Company and its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.3.2026	At 1.4.2025	At 31.3.2026	At 1.4.2025
Company				
Singapore Post Limited				
<u>(No. of ordinary shares)</u>				
Mr Gan Chee Yen	10,000	10,000	2,000	2,000
Mr Chng Lay Chew	30,000	30,000	-	-

- (b) According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the directors holding office at the end of the financial year had interests in the options to subscribe for ordinary shares of the Company.

- (c) The directors' interests in the shares of the Company as at 21 April 2026 were the same as those as at 31 March 2026.

SHARE OPTIONS

The Singapore Post Share Option Scheme was adopted on 21 March 2003, and a new scheme, known as Singapore Post Share Option Scheme 2012 was adopted on 29 June 2012; collectively known as the "Scheme". The Scheme is administered by the Compensation Committee from 1 April 2025 to 23 July 2025 and subsequently the Nominations and Remuneration Committee from 23 July 2025 to 31 March 2026 during the financial year ended 31 March 2026.

Employees (including executive directors), subject to certain conditions, are eligible to participate in the Scheme. The Scheme provides a means to recruit, retain and give recognition to employees who have contributed to the success and development of the Company and / or the Group.

The principal terms of the Scheme are as follows:

- The exercise price of the granted options is equal to the average of the last dealt prices for the share on the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five (5) consecutive trading days immediately preceding the date of grant of that option.
- The value of the share option is determined using the Trinomial option pricing model (taking into account relevant assumptions).

DIRECTORS' STATEMENT

For the financial year ended 31 March 2026

SHARE OPTIONS (continued)

- Granted options shall be exercisable, in whole or in part, during the exercise period applicable to that option and in accordance with the vesting schedule applicable to that option or other conditions (if any) that may be imposed by the Compensation Committee in relation to that option. Options may be exercised, in whole or in part in respect of 1,000 shares or any multiple thereof, by a participant giving notice in writing, accompanied by a remittance for the aggregate subscription cost in respect of the shares for which that option is exercised. The method of settlement could be in cheque, cashier's order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company. There are no restrictions on the eligibility of the persons to whom the options have been granted to participate in any other share option or share incentive scheme, whether or not implemented by any of the other companies within the Group or any other company. The Group has no legal or constructive obligation to repurchase or settle the options in cash.
- The vesting schedule for the share options granted to eligible employees (including executive directors) effective from 20 May 2014 are as follows:

<u>Vesting period</u>	<u>Proportion of Total Share Options that are exercisable</u>
Before / On first anniversary of date of grant	0 per cent
After first anniversary and before second anniversary of date of grant	Up to 30.0 per cent of grant
On / After second anniversary and before third anniversary of date of grant	Up to another 30.0 per cent of grant OR Up to 60.0 per cent of grant if share options were not exercised after the first vesting year
On / After third anniversary till tenth anniversary of date of grant	Balance OR 100.0 per cent of grant if share options were not exercised after the first and second vesting years

- The share options granted to eligible employees (including executive directors) effective 26 June 2006 to 10 March 2014 have a four-year vesting schedule and the details are as follows:

<u>Vesting period</u>	<u>Proportion of Total Share Options that are exercisable</u>
Before / On first anniversary of date of grant	0 per cent
After first anniversary and before second anniversary of date of grant	Up to 25.0 per cent of grant
On / After second anniversary and before third anniversary of date of grant	Up to another 25.0 per cent of grant OR Up to 50.0 per cent of grant if share options were not exercised after the first vesting year
On / After third anniversary and before fourth anniversary of date of grant	Up to another 25.0 per cent of grant OR Up to 75.0 per cent of grant if share options were not exercised after the first and second vesting years
On / After fourth anniversary till tenth anniversary of date of grant	Balance OR 100.0 per cent of grant if share options were not exercised after the first, second and third vesting years

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SHARE OPTIONS (continued)

- On 11 May 2012, 17 January 2014, 7 March 2014 and 1 April 2014, performance share options were granted to key management staff. Vesting of these options is based on the Company's performance against a set of stretched targets on the Group's profit and the Company's target share price performance.
- The total number of shares over which options may be granted under the Scheme on any date, when added to the nominal amount of shares issued and issuable and in respect of all options granted under the Scheme, shall not exceed 5.0 per cent of the issued share capital of the Company on the day preceding that date.

Since the adoption of the Scheme to 31 March 2025, a total of 178,687,936 share options have been granted. Details of the options are set out in the Directors' Statement for the respective financial years.

During the financial years ended 31 March 2026 and 2025, no share options were granted. At the end of the financial year, details of the options granted and the number of unissued ordinary shares of the Company under options outstanding are as follows:

Date of Grant	Exercise Period	Exercise Price	Number of ordinary shares under options outstanding				
			Balance At 1.4.25 ('000)	Granted during financial year ('000)	Options exercised ('000)	Options forfeited ('000)	Balance At 31.3.26 ('000)
Options Granted Under Singapore Post Share Options Scheme							
For employees (including executive directors)							
19.05.15	20.05.16 to 19.05.25	S\$1.890	754	-	-	754	-
20.05.16	21.05.17 to 20.05.26	S\$1.570	812	-	-	-	812
Total Share Options			1,566	-	-	754	812

No option has been granted to controlling shareholders of the Company or their associates.

No key management personnel or employee has received options of 5% or more of the total number of shares available under the Scheme during the financial year. No other director or employee of the Company and its subsidiaries (as defined in the SGX-ST Listing Manual) has received options of 5% or more of the total number of shares available to all directors and employees of the Company and its subsidiaries under the Scheme during the financial year.

No option was granted at a discount during the financial year.

RESTRICTED SHARE PLAN

The Singapore Post Restricted Share Plan 2013 (the "Plan") was implemented with the approval of shareholders at the Extraordinary General Meeting held on 28 June 2013. The duration of the Plan is 10 years commencing from 28 June 2013 and was further extended for another 10 years up to 27 June 2033. The Plan allows fully paid shares to be granted to non-executive directors of the Group and associated companies.

Enhancements to have the flexibility to prescribe performance conditions or time-based service conditions were made to the Plan (the "Enhanced Plan") to reinforce the delivery of long-term growth and shareholder value, while ensuring that the Plan remains relevant and sustainable as a retention and motivation tool for senior management and key employees whose contributions are essential to the well-being and prosperity of the Group. The enhancements were duly approved by the shareholders at the Company's annual general meeting ("AGM") held on 20 July 2017.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2026

RESTRICTED SHARE PLAN (continued)

The release schedule for the shares granted to eligible employees (excluding non-executive directors) prior to financial year 2017/18 is as follows:

Vesting Period	Vesting Date	Percentage of Shares that will be Released on Vesting Date
From award date to date before first anniversary of award date	First anniversary of award date	30% (rounded to nearest whole share)
From first anniversary of award date to date before second anniversary of award date	On second anniversary of date of award	30% (rounded to nearest whole share)
From second anniversary of award date to date before third anniversary of award date	On third anniversary of date of award	Balance 40%

- 100% of the restricted shares granted to non-executive directors vest after one year from the date of grant.

Since the adoption of the Plan to 31 March 2025, a total of 5,839,118 restricted shares were granted.

During the financial year ended 31 March 2026, no restricted shares were granted under the Plan. There are no outstanding unvested restricted shares as at the start and end of the financial year.

ENHANCED PLAN

Following shareholders' approval to the Enhanced Plan at the Company's annual general meeting held on 20 July 2017, participants will receive fully paid SingPost shares that either met the prescribed performance targets within a prescribed performance period or time-based service conditions. Shares granted from financial year 2017/18 onwards comprises of two types of awards:

- Performance Share Award; and
- Restricted Share Award.

The Performance Share Award, granted to senior management, has three long-term performance measures: Return on Equity, Absolute Total Shareholder Returns and CO2 Reduction from financial year 2018/19 (added measure for Performance Share Award from financial year 2020/21 onwards).

The Restricted Share Award, granted to senior management and a broader group of key executives, has either time-based service conditions or performance conditions of (i) Underlying Net Profit measure or (ii) both Return on Equity and CO2 Reduction from financial year 2018/19 measures.

Vesting period of the awards depends on whether time-based service conditions or performance conditions is prescribed.

- Time-based service condition is cliff vest at end of three years; and
- Performance period for both types of awards is four years. Accelerated vesting may be activated upon early achievement of performance levels in Year 3, to motivate the senior management and key employees in attaining business priorities and shareholder value creation earlier.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2026

ENHANCED PLAN (continued)

The performance conditions for both awards incorporate stretched targets aimed at delivering long-term shareholder value. Depending on achievement of the respective performance hurdles, 0% to 188% of the awards may vest.

Performance Share Awards

Since the adoption of the Enhanced Plan to 31 March 2025, a total of 7,264,569 shares have been granted.

During the financial years ended 31 March 2026 and 2025, no share was granted. There are no outstanding unvested restricted shares as at the start and end of the financial year.

Restricted Share Awards

Since the adoption of the Enhanced Plan to 31 March 2025, a total of 20,461,560 restricted shares have been granted.

During the financial years ended 31 March 2026 and 2025, no shares were granted. Details of the grants are as follows:

Date of Grant	Balance As At 1.4.25 ('000)	Share Awards Granted ('000)	Share Awards Vested ('000)	Share Awards Cancelled ('000)	Balance As At 31.3.26 ('000)
20.01.22	402	-	-	402	-
03.06.22	1,126	-	-	-	1,126
08.06.23	2,625	-	901	251	1,473
Total	4,153	-	901	653	2,599

AUDIT COMMITTEE

At the date of this statement, the members of the Audit Committee are as follows:

Mr Chng Lay Chew (Chairman)
Ms Chu Swee Yeok
Mr Gan Chee Yen

All members of the Audit Committee were non-executive and independent directors.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967.

The Audit Committee has reviewed the overall scope, plans and results of both internal and independent audits and the assistance given by the Company's officers to the auditors. It has met with the Company's internal and independent auditors to discuss the results of their respective examinations and evaluations of the Company's system of internal accounting controls.

The Audit Committee has also reviewed the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2026 as well as the independent auditor's report thereon prior to their submission to the Board of Directors for approval.

DIRECTORS' STATEMENT

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AUDIT COMMITTEE (continued)

Pursuant to the requirements of the SGX-ST, the Audit Committee, with the assistance of the internal auditors, has reviewed the guidelines and procedures that were set up to identify, report and where necessary, seek appropriate approval for interested person transactions of the Group. Interested person transactions of the Group during the financial year have also been reviewed by the Audit Committee.

The Audit Committee has recommended to the Board of Directors that the independent auditor, Deloitte & Touche LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

AUDITOR

The auditor, Deloitte & Touche LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



Ms Teo Swee Lian
Chairman



Mr Mark Chong Chin Kok
Director

Singapore
Date: 10 June 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Singapore Post Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Singapore Post Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2026, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 105 to 217.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2026, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

To the Members of Singapore Post Limited

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

Our audit performed and responses thereon

Valuation of investment properties

Refer to Note 3.6 to the financial statements.

As at 31 March 2026, the Group's investment properties amounted to S\$1,034.9 million, representing 50.7% of the Group's total assets. These investment properties are stated at their fair values based on independent external valuations. The net fair value gain on investment properties recognised during the year amounted to S\$15.5 million.

The valuation of these investment properties located in Singapore is inherently subjective as it involves judgement in determining the appropriate valuation methodologies to be used, the underlying assumptions to be applied and consideration of terms and conditions and restrictions in the property agreements.

The assumptions on which the property values are based, are influenced by the tenure and tenancy details for each property, prevailing market yields, comparable market transactions and market conditions during the year.

We obtained an understanding of the Group's process for selection of the external valuer. We evaluated the qualifications and competence of the external valuer and read the engagement terms to determine whether there were any matters that might have affected their independence and objectivity or imposed a limitation on the scope of their work.

We held discussions with the valuer to understand the basis of valuation techniques and assumptions applied on the properties' valuations.

With the involvement of our internal valuation specialists, we evaluated the appropriateness of the valuation techniques used by the external valuer for the key investment properties. We benchmarked and challenged the key assumptions used in their valuation by reference to externally published industry data, where available, and we also considered whether these assumptions are consistent with the current market environment.

We also considered the adequacy of the disclosures in the financial statements regarding the key assumptions used in the valuation and the relationships between the key unobservable inputs and fair values and found them to be adequate.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

To the Members of Singapore Post Limited

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

To the Members of Singapore Post Limited

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Yang Chi Chih.



Public Accountants and
Chartered Accountants
Singapore

Date: 10 June 2026

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2026

		Group	
	Note	2026 S\$'000	2025 S\$'000
Continuing operations			
Revenue	2.2	376,052	489,070
Labour and related expenses	2.3	(178,661)	(191,369)
Volume-related expenses	2.4	(66,114)	(132,173)
Administrative and other expenses	2.5	(82,655)	(95,277)
Depreciation and amortisation	2.6	(30,746)	(31,957)
Selling-related expenses		(3,328)	(2,351)
(Impairment loss) / Reversal of impairment on trade and other receivables		(3,920)	414
Operating expenses		(365,424)	(452,713)
Other income		1,144	1,510
Operating profit		11,772	37,867
Share of profit of associated companies and a joint venture	6.2	70	519
Exceptional items	2.7	19,224	225,840
Derecognition of aged trade payables	2.8	38,102	–
Earnings before interest and tax		69,168	264,226
Investment income (net)	2.9	10,521	6,252
Finance expenses	2.10	(10,583)	(26,678)
Profit before income tax		69,106	243,800
Income tax expense	2.11	(7,087)	(8,779)
Profit for the year from continuing operations		62,019	235,021
Discontinued operations			
(Loss) / Profit for the year from discontinued operations	2.14	(2,480)	10,072
Profit after tax		59,539	245,093
Profit / (Loss) attributable to:			
Equity holders of the Company		60,875	245,141
Non-controlling interests		(1,336)	(48)
		59,539	245,093
Basic and diluted earnings per share attributable to ordinary shareholders of the Company			
From continuing and discontinued operations:			
– Excluding distribution to perpetual securities holders	2.13	2.22 cents	10.41 cents
– Including distribution to perpetual securities holders	2.13	2.70 cents	10.89 cents
From continuing operations:			
– Excluding distribution to perpetual securities holders	2.13	2.33 cents	9.96 cents
– Including distribution to perpetual securities holders	2.13	2.81 cents	10.45 cents

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2026

	Note	2026 S\$'000	Group 2025 S\$'000
Profit after tax		59,539	245,093
Other comprehensive income / (loss) (net of tax):			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences:			
– Gain on translation of foreign operations		9,133	2,706
– Deconsolidation of foreign subsidiaries	6.3	11,140	(12,890)
– Disposal of an associated company		139	198
Cash flow hedges:			
– Fair value changes arising during the year		-	1,438
– Realised and transferred to profit or loss		-	(1,354)
Items that will not be reclassified subsequently to profit or loss:			
Equity investments at fair value through other comprehensive income			
– Fair value (loss) / gain	4.4	(7,205)	14,216
– Loss on fair value hedge of an equity instrument designated at FVTOCI	4.2	-	(12,526)
– Revaluation of property, plant and equipment upon transfer to investment properties	3.7	2,541	-
Other comprehensive income / (loss) for the year (net of tax)		15,748	(8,212)
Total comprehensive income for the year		75,287	236,881
Total comprehensive income / (loss) attributable to:			
Equity holders of the Company		77,199	235,357
Non-controlling interests		(1,912)	1,524
		75,287	236,881

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2026

	Note	Group		Company	
		2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents	3.1	534,353	696,420	446,714	529,934
Trade and other receivables	3.2	51,297	100,193	50,793	114,546
Derivative financial instruments	4.3	382	514	382	514
Financial assets	4.4	69,460	95,465	69,460	-
Inventories		14	14	5	5
Other current assets	3.4	7,668	17,079	7,344	7,717
		663,174	909,685	574,698	652,716
Assets held for sale	3.5	6,360	-	6,360	-
		669,534	909,685	581,058	652,716
Non-current assets					
Trade and other receivables	3.3	-	135	87,339	170,856
Financial assets	4.4	3,287	7,324	-	-
Investments in subsidiaries	6.1	-	-	354,544	361,313
Investments in associated companies and a joint venture	6.2	21,336	21,890	21,891	21,891
Investment properties	3.6	1,034,904	1,016,583	1,015,781	997,734
Property, plant and equipment	3.7	295,635	320,289	214,665	226,924
Right-of-use assets	3.8	9,481	17,145	15,132	19,645
Intangible assets	3.9	3,743	90,198	-	-
Deferred income tax assets	2.12	-	793	-	-
Other non-current assets	3.4	3,416	6,382	3,416	5,005
		1,371,802	1,480,739	1,712,768	1,803,368
Total assets		2,041,336	2,390,424	2,293,826	2,456,084
LIABILITIES					
Current liabilities					
Trade and other payables	3.10	181,841	333,610	509,990	492,931
Current income tax liabilities		17,528	21,175	16,886	14,053
Contract liabilities	3.11	19,069	17,548	18,270	16,803
Lease liabilities	3.8	2,143	7,197	8,928	8,435
Derivative financial instruments	4.3	698	83	698	83
Borrowings	5.2	99,972	-	-	-
		321,251	379,613	554,772	532,305
Non-current liabilities					
Trade and other payables	3.10	10,373	14,245	504,773	608,162
Borrowings	5.2	249,679	349,559	-	-
Contract liabilities	3.11	3,355	4,460	3,355	4,460
Lease liabilities	3.8	10,990	13,476	6,865	12,024
Deferred income tax liabilities	2.12	19,470	21,593	19,375	20,741
		293,867	403,333	534,368	645,387
Total liabilities		615,118	782,946	1,089,140	1,177,692
NET ASSETS		1,426,218	1,607,478	1,204,686	1,278,392
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	5.3	638,762	638,762	638,762	638,762
Treasury shares	5.3	(27,499)	(29,054)	(27,499)	(29,054)
Other reserves	5.4	54,809	53,460	35,778	34,244
Retained earnings		508,642	655,675	557,645	634,440
Ordinary equity		1,174,714	1,318,843	1,204,686	1,278,392
Perpetual securities	5.5	251,504	251,504	-	-
		1,426,218	1,570,347	1,204,686	1,278,392
Non-controlling interests	6.1	-	37,131	-	-
Total equity		1,426,218	1,607,478	1,204,686	1,278,392

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2026

Group	Note	Attributable to ordinary shareholders of the Company					Perpetual securities	Total	Non-controlling interests	Total equity
		Share capital	Treasury shares	Retained earnings	Other reserves	Total				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance at 1 April 2025		638,762	(29,054)	655,675	53,460	1,318,843	251,504	1,570,347	37,131	1,607,478
Total comprehensive income for the year		-	-	60,875	16,324	77,199	-	77,199	(1,912)	75,287
Transactions with owners, recognised directly in equity										
Change in ownership interest in a subsidiaries without a change in control	(a)	-	-	-	(6,996)	(6,996)	-	(6,996)	(29,894)	(36,890)
Acquisition of non-controlling interests	6.3	-	-	(2,498)	2,498	-	-	-	1,098	1,098
Transfer of capital reserve on disposal of subsidiaries	5.4(b)(iv)	-	-	(1,082)	1,082	-	-	-	-	-
Disposal of interest in subsidiaries	6.3	-	-	-	-	-	-	-	(5,511)	(5,511)
Distribution of perpetual securities	5.5	-	-	(10,875)	-	(10,875)	10,875	-	-	-
Distribution paid on perpetual securities		-	-	-	-	-	(10,875)	(10,875)	-	(10,875)
Dividends paid to shareholders	5.6	-	-	(204,415)	-	(204,415)	-	(204,415)	-	(204,415)
Dividends paid to non-controlling interests in a subsidiary		-	-	-	-	-	-	-	(912)	(912)
Issuance of shares to employee	5.4(b)	-	1,555	-	(837)	718	-	718	-	718
Employee share option scheme:	(i) & (iv)									
- Value of employee services	5.4(b)(i)	-	-	410	(170)	240	-	240	-	240
Total		-	1,555	(218,460)	(4,423)	(221,328)	-	(221,328)	(35,219)	(256,547)
Transfer of fair value reserve to retained earnings upon disposal	(b)	-	-	10,552	(10,552)	-	-	-	-	-
Balance at 31 March 2026		638,762	(27,499)	508,642	54,809	1,174,714	251,504	1,426,218	-	1,426,218

Notes:

- (a) On 16 April 2025, the Group entered into a deed of undertaking with Alibaba Investment Limited ("AIL"), under which AIL ceased to hold any shareholding in Quantum Solutions International Pte. Ltd. ("QSI") through selective capital reduction of S\$36.9 million. Following the transaction, the QSI became the wholly-owned subsidiary of the Group.
- (b) On 9 June 2025, Zhejiang Cainiao Supply Chain Management Co. Limited ("Cainiao") exercised its option and QSI disposed off its entire 17.61% equity interest in Shenzhen 4PX Information and Technology Co., Limited ("4PX") for an aggregate consideration of RMB515.3 million (approximately S\$92.1 million). Following the completion of the disposal, the Group no longer holds any interest in 4PX. The cessation of AIL's shareholding in QSI was completed on 24 July 2025. 4PX was previously recognised as FVTOCI, the accumulated fair value gain of S\$10.6 million is transferred to retained earnings.

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2026

Group	Note	Attributable to ordinary shareholders of the Company					Perpetual securities	Total	Non-controlling interests	Total equity
		Share capital	Treasury shares	Retained earnings	Other reserves	Total				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000				
Balance at 1 April 2024		638,762	(29,243)	653,171	(130,742)	1,131,948	251,534	1,383,482	37,483	1,420,965
Total comprehensive income for the year		-	-	245,141	(9,784)	235,357	-	235,357	1,524	236,881
Transactions with owners, recognised directly in equity										
Change in ownership interest in a subsidiary without a change in control	(c)	-	-	-	(8,124)	(8,124)	-	(8,124)	8,124	-
Acquisition of non-controlling interests	(d)	-	-	-	(9,035)	(9,035)	-	(9,035)	(8,360)	(17,395)
Transfer of capital reserve on disposal of subsidiaries	5.4(b)(iv)	-	-	(211,846)	211,846	-	-	-	-	-
Distribution of perpetual securities	5.5	-	-	(10,875)	-	(10,875)	10,875	-	-	-
Distribution paid on perpetual securities		-	-	-	-	-	(10,905)	(10,905)	-	(10,905)
Dividends paid to shareholders	5.6	-	-	(20,251)	-	(20,251)	-	(20,251)	-	(20,251)
Dividends paid to non-controlling interests in subsidiaries		-	-	-	-	-	-	-	(1,640)	(1,640)
Issuance of shares to employee	5.4(b)(i) & (iv)	-	189	-	(116)	73	-	73	-	73
Employee share option scheme:										
- Value of employee services	5.4(b)(i)	-	-	335	(585)	(250)	-	(250)	-	(250)
Total		-	189	(242,637)	193,986	(48,462)	(30)	(48,492)	(1,876)	(50,368)
Balance at 31 March 2025		638,762	(29,054)	655,675	53,460	1,318,843	251,504	1,570,347	37,131	1,607,478

Notes:

- (c) On 1 July 2024, Freight Management Holdings Pty Ltd ("FMH") issued shares to non-controlling shareholders pursuant to the terms of the FMH Group Long Term Incentive Plan, which represented approximately 2.9% of the issued share capital of FMH.
- (d) During the financial year ended 31 March 2025, the acquisition of non-controlling interest in a subsidiary comprises the FMH shares purchased from non-controlling shareholders in December 2024 and March 2025, which were issued in (c) above.

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2026

Company	Note	Attributable to ordinary shareholders of the Company				
		Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Total equity S\$'000
Balance at 1 April 2025		638,762	(29,054)	634,440	34,244	1,278,392
Total comprehensive income for the year		-	-	127,210	2,541	129,751
Transactions with owners, recognised directly in equity						
Dividends paid to shareholders	5.6	-	-	(204,415)	-	(204,415)
Issuance of shares to employee	5.4(b)	-	1,555	-	(837)	718
Employee share option scheme:	(i) & (iv)					
- Value of employee services	5.4(b)(i)	-	-	410	(170)	240
Total		-	1,555	(204,005)	(1,007)	(203,457)
Balance at 31 March 2026		638,762	(27,499)	557,645	35,778	1,204,686
Balance at 1 April 2024		638,762	(29,243)	598,697	36,094	1,244,310
Total comprehensive income for the year		-	-	55,659	-	55,659
Transactions with owners, recognised directly in equity						
Dividends paid to shareholders	5.6	-	-	(20,251)	-	(20,251)
Issuance of shares to employee	5.4(b)	-	189	-	(116)	73
Employee share option scheme:	(i) & (iv)					
- Value of employee services	5.4(b)(i)	-	-	335	(1,734)	(1,399)
Total		-	189	(19,916)	(1,850)	(21,577)
Balance at 31 March 2025		638,762	(29,054)	634,440	34,244	1,278,392

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2026

	Group	
	2026	2025
	S\$'000	S\$'000
Cash flows from operating activities		
Profit after tax	59,539	245,093
Adjustments for:		
Income tax expense	9,274	16,327
Impairment loss on trade and other receivables	4,276	628
Impairment of goodwill	-	77,858
Amortisation of contract liabilities	(1,189)	(1,854)
Amortisation of intangible assets	196	9,728
Depreciation	32,604	104,248
Fair value (gain) / loss on put option redemption liability	(224)	4,559
Fair value gain on investment properties	(15,533)	(15,232)
Gain on derecognition of right-of-use assets and lease liabilities	(1)	(33)
Loss on disposal of property, plant and equipment	1,210	499
Gain on disposal of subsidiaries	(4,648)	(302,089)
Recognition / (Reversal) of share-based staff costs	958	(250)
Loss / (Gain) on derivative instruments	747	(282)
Finance expenses	10,621	52,052
Interest income	(12,138)	(10,918)
Impairment loss in associated companies	-	1,717
Derecognition of aged trade payables	(38,102)	-
Loss on disposal of an associated company	66	188
Share of profit of associated companies and a joint venture	(70)	(519)
	(11,953)	(63,373)
Operating cash flow before working capital changes	47,586	181,720
Changes in working capital, net of effects from acquisition and disposal of subsidiaries		
Inventories	-	66
Trade and other receivables	21,954	30,422
Trade and other payables	(67,501)	(125,524)
Cash generated from operations	2,039	86,684
Income tax paid	(14,354)	(8,925)
Net cash (used in) / generated from operating activities	(12,315)	77,759

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2026

	Group	
	2026	2025
	S\$'000	S\$'000
Cash flows from investing activities		
Deferred and contingent consideration paid in relation to acquisition of subsidiaries	-	(68,309)
Disposal of subsidiaries, net of cash disposed (Note 6.3) ¹	94,805	640,268
Acquisition of financial assets at FVTPL	(69,460)	-
Additions to property, plant and equipment and intangible assets	(15,712)	(51,088)
Dividends received from an associated company	409	195
Interest received	11,325	11,444
Proceeds from sale of financial assets ²	55,216	-
Proceeds from disposal of an associated company	1,240	964
Proceeds from disposal of property, plant and equipment	210	4,643
Net cash provided by investing activities	78,033	538,117
Cash flows from financing activities		
Acquisition of additional interest in existing subsidiary	-	(17,395)
Distribution paid to perpetual securities	(10,875)	(10,905)
Dividends paid to shareholders	(204,415)	(20,251)
Dividends paid to non-controlling interests in subsidiaries	(912)	(1,640)
Finance expenses paid	(10,310)	(51,436)
Repayment of principal portion of lease liabilities	(5,463)	(49,407)
Proceeds from bank loans	-	73,232
Repayment of bank loans	-	(318,392)
Net cash used in financing activities	(231,975)	(396,194)
Net (decrease) / increase in cash and cash equivalents	(166,257)	219,682
Cash and cash equivalents at beginning of financial year	696,420	476,738
Effects of currency translation on cash and cash equivalents	4,190	-
Cash and cash equivalents at end of financial year	534,353	696,420

Significant non-cash transactions:

During the financial year ended 31 March 2026,

¹ Together with the signing of the Sale and Purchase Agreement for RHH, the put option held by the minority shareholders was exercised. The minority shareholders sold their entire 15% equity interest in RHH to the Group immediately prior to the disposal of RHH, resulting in RHH becoming a wholly owned subsidiary of the Group before completion of the disposal.

The aggregate consideration payable to the minority shareholders amounted to EUR 13.1 million (approximately S\$19.5 million) and was offset against the consideration received from the disposal of RHH amounting to S\$55.0 million.

² The Group disposed of its interest in 4PX for a total consideration of RMB 515.3 million (approximately S\$92.1 million) (Note 4.4) and part of the consideration amounting to S\$36.9 million was settled through cessation of Alibaba Investment Limited's shareholding in QSI.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Singapore Post Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 10 Eunos Road 8, Singapore Post Centre, Singapore 408600.

The principal activities of the Company consist of the operation and provision of postal and parcel delivery services, eCommerce logistics and property. Its subsidiaries are principally engaged in provision of delivery services and eCommerce logistics solutions, provision of integrated supply chain and distribution services, and investment holding.

The principal activities of the subsidiaries are disclosed in Note 6.4.

These financial statements were authorised for issue on 10 June 2026 in accordance with a resolution of the Board of Directors of Singapore Post Limited.

1.1 Basis of preparation

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s").

The financial statements are expressed in Singapore dollars.

1.2 Adoption of new and revised standards

In the current year, the Group and the Company have applied all the new and revised SFRS(I) Accounting Standards that are mandatorily effective for an accounting period that begins on or after 1 April 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

1.3 Material accounting policy information

1.3.1 **Group Accounting**

Company's separate financial statements

Investments in subsidiaries and associates in the separate financial statements of the Company are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

1.3.2 **Foreign currency transactions and translation**

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.3 Material accounting policy information (continued)

1.3.2 Foreign currency transactions and translation (continued)

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income. For equity investments measured at fair value through other comprehensive income ("FVTOCI"), exchange differences are recognised in other comprehensive income in the fair value reserve. In the consolidated financial statements, currency translation differences arising from net investment in foreign operations are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of, the proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the end of the reporting period;
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are classified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.3 Material accounting policy information (continued)

1.3.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value-in-use in SFRS(I) 1-36 *Impairment of Assets*.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 inputs are unobservable inputs for the asset or liability.

1.3.4 Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price). Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.3 Material accounting policy information (continued)

1.3.4 Financial instruments (continued)

(i) *Classification of financial assets*

All recognised financial assets are subsequently measured in their entirety at either amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group classifies its financial assets in the following measurement categories. The basis of classification and subsequent measurement of the financial assets are further described in the respective notes.

Measurement category	Criteria	Financial assets
Financial assets at amortised cost	Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI").	Cash and cash equivalents (Note 3.1) Trade and other receivables (Notes 3.2 and 3.3) Other current and non-current assets (Note 3.4)
Financial assets at FVTPL	Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL.	Derivative financial instruments (Note 4.3) Financial assets (Note 4.4)
Equity instruments designated at FVTOCI	On initial recognition of certain equity instruments that are not held for trading, the Group has made an irrevocable election (on an instrument-by-instrument basis) to present subsequent changes in the instruments' fair value in other comprehensive income.	Financial assets (Note 4.4)

(ii) *Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The ECL incorporates forward-looking information and is a probability weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Details about the Group's credit risk management and impairment policies are disclosed in Note 4.5(b).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.3 Material accounting policy information (continued)

1.3.4 Financial instruments (continued)

(iii) *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity

(i) *Classification as debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.3.5 Impairment of non-financial assets

(a) *Goodwill*

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units or group of cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.3 Material accounting policy information (continued)

1.3.5 Impairment of non-financial assets (continued)

(a) *Goodwill (continued)*

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less costs of disposal and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Other intangible assets (excluding goodwill)*

Property, plant and equipment

Right-of-use assets

Investments in subsidiaries, associated companies and a joint venture

Other intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.4 Critical accounting judgements and key sources of estimation uncertainty

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

1.4.1 Critical judgements in applying the Group's material accounting policies

Apart from those involving estimations reported in Note 1.4.2, there are no critical judgements that management has made in the process of applying the Group's material accounting policies which has a significant effect on the amounts reported in the financial statements.

1.4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of specific assets and liabilities within the next financial year, are related to the following areas, and further explained in the respective notes:

- Note 3.6 'Investment properties': Valuation of investment properties
- Note 4.5(b) 'Credit risk management': Calculation of loss allowance for trade and other receivables

Key sources of estimation uncertainty that are not specific to a note to the financial statements are detailed below:

Estimated impairment of other non-financial assets

Property, plant and equipment (Note 3.7), right-of-use assets (Note 3.8) and investments in subsidiaries (Note 6.1) are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amount of an asset, and where applicable, a CGU, is determined based on the higher of fair value less costs of disposal and value-in-use calculation prepared on the basis of management's assumptions and estimates.

All impairment calculations demand a high degree of estimation, which include assessments of the expected cash flows arising from such assets and the selection of key assumptions, such as revenue growth rate and Earnings Before Interest and Taxes ("EBIT") margin. Changes to these estimates may significantly impact the impairment charges recognised.

For the financial year ended 31 March 2026, impairment loss amounting to S\$Nil (2025: S\$1,717,000) was recognised (Note 6.2).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

1. GENERAL INFORMATION (continued)

1.5 Significant transactions, events or conditions in the current reporting period

1.5.1 Sale of interest in subsidiaries

During the financial year, the Group completed the disposal of Famous Holdings Pte Ltd ("FHPL"), Rotterdam Harbour Holding B.V. ("RHH") (which collectively known as the "Famous Group") and certain subsidiaries of the QS Group namely Quantum Solutions (Hong Kong) Limited, Quantum Solutions International (Malaysia) Sdn Bhd, Quantum Solutions (Thailand) Co, Ltd, PT Quantum Solutions Logistics Indonesia, Quantum Solutions (Taiwan) Co, Ltd and Quantum Solutions (Australia) Pty Ltd ("QSAU").

Consequently, the disposed subsidiaries are deconsolidated effective from their respective dates of disposal.

Refer to Note 6.3 for further details.

1.5.2 Derecognition of aged trade payables

During the year, the Group reviewed its process around the recognition and derecognition of liabilities (trade payables) with overseas postal administrators for international deliveries. Trade payables balances exceeding a 7-year threshold are derecognised following an annual formal notification process to overseas postal administrators. As a result of this review, S\$38.1 million of such liabilities relating to periods prior to 1 January 2019 were derecognised during the financial year.

2. GROUP PERFORMANCE

2.1 Segment information

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer ("Chief Operating Decision Maker" or "CODM") that are used to make strategic decisions.

From 1 April 2025, the Group's segment reporting has been changed to reflect the Group's new business structure by key business segment instead of its market segments.

SingPost Group classifies the reporting of business units into three key business segments, namely Logistics and Letters, Post Office Network and Property Assets.

- **Logistics and Letters** segment comprises:
 - (a) post and parcel related activities which encompass the collection, sortation, transportation and distribution of domestic and international mail and parcels;
 - (b) eCommerce logistics, warehousing, fulfilment and distribution services; and
 - (c) others such as financial services.
- **Post Office Network** segment comprises agency services, sale of products and rental of space in post offices.
- **Property Assets** segment comprises property rental and related activities in property held, excluding those from Post Office Network.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.1 Segment information (continued)

(a) Segment revenues and results (continued)

Discontinued operations

	Disposed subsidiaries S\$'000
<hr/>	
<u>Group</u>	
Full year ended 31 March 2026	
Revenue:	
– External	80,378
	<hr/>
Operating loss	(504)
	<hr/>
Full year ended 31 March 2025 (Restated)	
Revenue:	
– External	1,440,415
	<hr/>
Operating profit	48,098
	<hr/>

Sales between segments are carried out at arm's length. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the statement of comprehensive income.

Reconciliation of segment profits

The CODM assesses the performance of the operating segments based on a measure of operating profit, which is profit before interest, tax and share of results of associated companies and a joint venture. Exceptional items, derecognition of aged trade payables, finance expenses and investment income / (expense) are not allocated to segments.

A reconciliation of operating profit to profit from continuing operations is provided as follows:

Continuing operations	Group	
	2026 S\$'000	2025 S\$'000
Operating profit for reportable segments	28,437	66,096
Operating loss for corporate	(16,665)	(28,229)
Exceptional items	19,224	225,840
Derecognition of aged trade payables	38,102	–
Finance expenses	(10,583)	(26,678)
Investment income (net)	10,521	6,252
Share of profit of associated companies and a joint venture	70	519
Profit before income tax	69,106	243,800
Tax expense	(7,087)	(8,779)
Profit after tax	62,019	235,021

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.1 Segment information (continued)

(a) Segment revenues and results (continued)

Reconciliation of segment profits (continued)

A reconciliation of operating profit to profit from discontinued operations is provided as follows:

Discontinued operations	Group	
	2026	2025
	S\$'000	S\$'000
Operating (loss) / profit for reportable segments	(504)	48,168
Operating loss for corporate	-	(70)
Exceptional items	69	(6,266)
Finance expenses	(38)	(25,374)
Investment income (net)	180	1,162
(Loss) / Profit before income tax	(293)	17,620
Tax expense	(2,187)	(7,548)
(Loss) / Profit after tax	(2,480)	10,072

(b) Segment assets

The following is an analysis of the Group's segment assets as at 31 March 2026 and 2025 that were provided to the CODM:

Group	Logistics	Post	Property	Total	Corporate	Total
	& Letters	Office	Assets			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

31 March 2026

Segment assets	237,373	128,198	1,127,959	1,493,530	97,984	1,591,514
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Segment assets include:

Investments in associated companies and a joint venture	-	-	-	-	21,336	21,336
Intangible assets	3,743	-	-	3,743	-	3,743

31 March 2025 (Restated)

Segment assets	618,831	105,206	1,099,119	1,823,156	33,100	1,856,256
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Segment assets include:

Investments in associated companies and a joint venture	-	-	-	-	21,890	21,890
Intangible assets	90,198	-	-	90,198	-	90,198

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.1 Segment information (continued)

(b) Segment assets (continued)

Reconciliation of segment assets

Reportable segments' assets are reconciled to total assets as follows:

Segment assets are measured in a manner consistent with that of the financial statements. The CODM does not review statement of financial position items by reportable segments, but rather monitors them at the Group level. All assets are allocated to reportable segments other than cash and cash equivalents are allocated to reportable segments where applicable.

	2026 S\$'000	Group 2025 S\$'000 (Restated)
Segment assets for reportable segments	1,493,530	1,823,156
Segments assets for corporate	97,984	33,100
Unallocated:		
Cash and cash equivalents	449,822	534,168
Total assets	2,041,336	2,390,424

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.1 Segment information (continued)

(c) Other segment information

Group	Logistics & Letters S\$'000	Post Office Network S\$'000	Property Assets S\$'000	Corporate S\$'000	Total S\$'000
Continuing operations					
2026					
Depreciation and amortisation	20,197	3,612	5,390	1,547	30,746
2025 (Restated)					
Depreciation and amortisation	20,035	5,559	4,423	1,940	31,957
Discontinued operations					
					<u>Disposed subsidiaries</u>
					S\$'000
2026					
Depreciation and amortisation					(2,054)
2025					
Depreciation and amortisation					(82,019)
2026					
Additions to ⁽¹⁾ :					
– Property, plant and equipment	13,759	146	1,352	455	15,712
– Right-of-use assets	3,065	1,740	1,112	-	5,917
2025 (Restated)					
Additions to ⁽¹⁾ :					
– Property, plant and equipment	44,073	133	367	788	45,361
– Right-of-use assets	146,890	1,395	97	-	148,382
– Intangible assets	5,727	-	-	-	5,727

(1) Net of inter-segment elimination

In addition to the depreciation and amortisation reported above, impairment losses of S\$1.7 million in respect of investments in associated companies and S\$77.9 million relating to goodwill attributable to the Logistics & Letters segment were recognised during the financial year ended 31 March 2025.

(d) Revenue from major products and services

The Group's revenue from its major products and services are disclosed in Note 2.2.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.1 Segment information (continued)

(e) Geographical information

The geographical information is prepared based on the country in which the transactions are booked and across different business segments.

	Group	
	2026	2025
	S\$'000	S\$'000
Revenue:		
Singapore	294,213	307,043
Other countries	81,839	182,027
	376,052	489,070

The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

(f) Information about major customers

During the preceding financial year, included in revenues arising from the Logistics & Letters segment of S\$412,083,000 was revenue of approximately S\$102,973,000 derived from the Group's largest customer. During the financial year ended 31 March 2026, there is no major customer contributing more than 10% of the total Group's revenue.

2.2 Revenue

Revenue from external customers is derived from the provision of post and parcel related services, logistics solutions, other services such as agency and financial services, as well as leasing of property space.

	Group	
	2026	2025
	S\$'000	S\$'000
Continuing operations		
Logistics & Letters	298,560	412,083
Post Office Network	11,161	12,586
Property Assets	66,331	64,401
	376,052	489,070
Discontinued operations		
Disposed subsidiaries	80,378	1,440,415

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.2 Revenue (continued)

A disaggregation of the Group's revenue for the year is as follows:

	2026		Group			2025
	Revenue from services rendered S\$'000	Sale of products S\$'000	Total S\$'000	Revenue from services rendered S\$'000	Sale of products S\$'000	
Continuing operations						
Logistics & Letters	298,560	-	298,560	412,083	-	412,083
Post Office Network	10,519	642	11,161	11,861	725	12,586
Property Assets	66,331	-	66,331	64,401	-	64,401
	375,410	642	376,052	488,345	725	489,070
Discontinued operations						
Disposed subsidiaries	80,378	-	80,378	1,440,415	-	1,440,415

Timing of revenue recognition in respect of revenue from contracts with customers ⁽¹⁾

Continuing operations

At a point in time	4,114	642	4,756	5,915	725	6,640
Over time	324,415	-	324,415	435,624	-	435,624
	328,529	642	329,171	441,539	725	442,264

Discontinued operations

Over time	80,378	-	80,378	1,440,415	-	1,440,415
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(1) These disclosures under SFRS(I) 15 Revenue from Contracts with Customers are not applicable to revenue from lease contracts amounting to S\$46,881,000 (2025: S\$46,806,000).

Further revenue information for each reportable segment under SFRS(I) 8 *Operating Segments* is disclosed in Note 2.1.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

Transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period relates to 'Advances received for post assurance collaboration'. Refer to Note 3.11 for further details.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.2 Revenue (continued)

Contract balances with customers and the related disclosures have been included in the following notes:

- a) Trade and other receivables (Note 3.2)
- b) Contract liabilities (Note 3.11)

Material accounting policy information

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

(a) *Post and Parcel*

Revenue is recognised from post and parcel related activities which includes collecting, sorting, transporting and distributing domestic and international mail as well as sale of philatelic products, agency services, financial services and parcel deliveries in Singapore.

Revenue from sale of goods is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied which is the point when control of goods has transferred to the customer. Under the Group's standard contract terms, customers do not have a right of return.

Revenue from the rendering of services is recognised when the services are rendered and the contracted performance obligation is satisfied. Such revenue can be recognised at a point in time or over time depending on when control of goods or services is transferred to the customer. The Group's delivery-related contracts may include variable consideration such as volume-based discounts or rebates. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Fee commission is recognised for agency services provided for which the Group acts as an agent and has no control over specified goods / services.

Accrual for unearned revenue is made for stamps which have been sold, but for which services have not been rendered as at the end of the reporting period. This accrual is classified as "contract liabilities".

When the period between the recognition of revenue and payment by the customer exceeds one year, an adjustment is made to the transaction price for the time value of money. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is one year or less.

A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract liabilities are recognised as revenue as the Group performs under the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.2 Revenue (continued)

Material accounting policy information (continued)

(b) Logistics

The Group provides eCommerce logistics, warehousing, fulfilment and distribution and freight forwarding services.

Revenue from the rendering of services is recognised when the services are rendered.

Brokerage income from freight forwarding, being net of costs of premium against premium income is recognised at the effective date of the related insurance policies. Brokerage on premium adjustments is recognised when the uncertainty associated with the variable consideration is resolved.

(c) Property

Rental income from operating leases is recognised on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

Revenue from management services and advertising and promotion income are recognised on a straight-line basis over the service period.

2.3 Labour and related expenses

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Wages and salaries	119,213	124,845	10,617	114,454	129,830	239,299
Employer's contribution to defined contribution plans including Central Provident Fund	16,102	15,901	1,022	28,193	17,124	44,094
Share-based expense / (credit)	958	(1,399)	-	1,149	958	(250)
Other benefits	4,847	4,753	399	6,650	5,246	11,403
Temporary and contract staff cost	38,838	53,054	1,167	13,097	40,005	66,151
Government grant	(1,297)	(5,785)	-	-	(1,297)	(5,785)
	178,661	191,369	13,205	163,543	191,866	354,912

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.3 Labour and related expenses (continued)

Material accounting policy information

a) Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(i) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(ii) *Share-based compensation*

The share-based compensation plans of the Group are accounted as equity-settled share-based payments. The value of the employee services received in exchange for the grant of options is recognised as an expense in profit or loss with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At the end of each reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.4 Volume-related expenses

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Traffic expenses	34,028	70,147	47,648	910,389	81,676	980,536
Outsourcing services and delivery expenses	32,086	62,026	12,326	168,489	44,412	230,515
	66,114	132,173	59,974	1,078,878	126,088	1,211,051

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.5 Administrative and other expenses

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Included in administrative and other expenses are the following:						
Professional services	3,887	8,116	759	7,279	4,646	15,395
Repair and maintenance expenses	20,210	22,742	1,016	7,682	21,226	30,424
Rental expenses	1,793	2,069	490	400	2,283	2,469
Supplies and services	22,249	26,638	149	17,581	22,398	44,219

2.6 Depreciation and amortisation

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation - property, plant and equipment (Note 3.7)	26,221	26,751	512	21,496	26,733	48,247
Depreciation - right-of-use assets (Note 3.8)	4,329	5,010	1,542	50,991	5,871	56,001
Amortisation of intangible assets (Note 3.9)	196	196	-	9,532	196	9,728
	30,746	31,957	2,054	82,019	32,800	113,976

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.7 Exceptional items

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Disposals:						
- (Loss) / Gain on disposal of property, plant and equipment	(1,113)	(588)	(97)	89	(1,210)	(499)
- Gain / (Loss) on disposal of right-of-use assets and lease liabilities	1	35	(2)	(2)	(1)	33
- Gain on disposal of subsidiaries (Note 6.3)	4,648	302,089	-	-	4,648	302,089
- Loss on disposal of an associated company	(66)	(188)	-	-	(66)	(188)
Fair value gain / (loss):						
- Investment properties (Note 3.6)	15,533	15,232	-	-	15,533	15,232
- Derivative instruments for hedging	-	282	-	-	-	282
- Put option redemption liabilities ⁽¹⁾	-	-	224	(4,559)	224	(4,559)
Impairment charges ⁽²⁾						
- Associated companies	-	(1,717)	-	-	-	(1,717)
- Goodwill	-	(77,858)	-	-	-	(77,858)
(Recognition) / Reversal of M&A related expenses	(472)	(3,694)	-	525	(472)	(3,169)
Redundancy costs	-	(1,875)	-	-	-	(1,875)
Reversal / (Recognition) of restructuring expenses	693	(5,878)	(56)	(2,319)	637	(8,197)
	19,224	225,840	69	(6,266)	19,293	219,574

⁽¹⁾ For the financial year ended 31 March 2025, the fair value loss on put option redemption liabilities relates to a put option granted to the non-controlling shareholders of Rotterdam Harbour Holding B.V., a subsidiary of Famous Holding Group.

⁽²⁾ For the preceding financial year, total impairment charges amounted to S\$79,575,000. This comprised impairment losses recognised on the Group's investments in associated companies and goodwill impairment recognised on the Group's investment in Quantum Solutions International Group. Goodwill is tested for impairment by comparing its carrying value with its estimated recoverable amount annually, or whenever there is indication that it may be impaired. The estimated recoverable amount is determined based on the higher of fair value less costs to sell and value-in-use calculations prepared on the basis of certain assumptions and estimates.

Material accounting policy information

Exceptional items refer to items of income or expense within the income statement from ordinary activities that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group for the financial year.

2.8 Derecognition of aged trade payables

During the year, the Group reviewed its process around the recognition and derecognition of liabilities (trade payables) with overseas postal administrators for international deliveries. Trade payables balances exceeding a 7-year threshold are derecognised following an annual formal notification process to overseas postal administrators. As a result of this review, S\$38.1 million of such liabilities relating to periods prior to 1 January 2019 were derecognised during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.9 Investment income (net)

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Interest income:						
– Bank deposits	12,062	9,475	76	1,443	12,138	10,918
Currency exchange (losses) / gain - net	(1,541)	(3,223)	104	(281)	(1,437)	(3,504)
	10,521	6,252	180	1,162	10,701	7,414

Material accounting policy information

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, and is calculated by applying the effective interest rate to the gross carrying amount of the debt instruments.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

2.10 Finance expenses

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Interest expense:						
– Fixed rate notes	9,555	9,555	-	-	9,555	9,555
– Bank borrowings	-	14,771	-	13,211	-	27,982
– Interest on lease liabilities	743	739	38	11,791	781	12,530
– Significant financing component from contracts with customers	168	207	-	-	168	207
Other borrowing costs	117	1,406	-	372	117	1,778
	10,583	26,678	38	25,374	10,621	52,052

Material accounting policy information

Borrowing costs are recognised in profit or loss using the effective interest method. Borrowing costs also include interest expense arising from lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.11 Income tax expense

	Continuing operations		Group Discontinued operations		Total	
	2026	2025	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Tax expense attributable to profit is made up of:						
- Current income tax	8,799	10,176	2,428	18,362	11,227	28,538
- Deferred income tax (Note 2.12)	(840)	(1,579)	(241)	(5,290)	(1,081)	(6,869)
	7,959	8,597	2,187	13,072	10,146	21,669
(Over) / Under provision in preceding financial years:						
- Current income tax	(694)	(227)	-	(5,437)	(694)	(5,664)
- Deferred income tax (Note 2.12)	(178)	409	-	(87)	(178)	322
	7,087	8,779	2,187	7,548	9,274	16,327

The tax expense on the Group's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as explained below:

	Group	
	2026	2025
	S\$'000	S\$'000
Profit / (Loss) before income tax:		
Continuing operations	69,106	243,800
Discontinued operations	(293)	17,620
	68,813	261,420
Tax calculated at a tax rate of 17% (2025: 17%)	11,698	44,441
Effects of:		
- Tax effect of share of results of associated companies and a joint venture	(12)	(88)
- Different tax rates in other countries	71	8,823
- Withholding tax deducted at source	73	133
- Singapore statutory stepped income exemption	(82)	(87)
- Tax credit arising from the distribution on perpetual securities	(1,848)	(1,848)
- Income not subject to tax	(5,104)	(60,330)
- Expenses not deductible for tax purposes	4,339	29,982
- Tax losses not available to carry forward	176	-
- Utilisation of tax losses and capital allowances	(46)	(772)
- Deferred income tax assets not recognised	881	1,415
- Overprovision in preceding financial years	(872)	(5,342)
Tax charge	9,274	16,327

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.11 Income tax expense (continued)

Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Global Anti-Base Erosion ("GloBE") rules under Pillar Two of OECD's Base Erosion and Profit Shifting 2.0 initiative are applicable to the Group as its consolidated revenue is at least or more than EUR 750 million in at least two of the last four financial years. Singapore, where the Company's ultimate holding company is incorporated, enacted The Multinational Enterprise (Minimum Tax) Act on 8 November 2024 for implementing the Qualifying Domestic Minimum Top-Up-Tax and Income Inclusion Rule under the GloBE rules with effect from 1 January 2025. Certain jurisdictions where the Group operates have implemented the Pillar Two legislation with effect from 1 January 2024.

Under the GloBE rules, the Pillar Two effective tax rate ("ETR") is assessed on a jurisdictional basis and top up tax is payable if the jurisdictional ETR is below 15%. Transitional Country-by-Country Safe Harbour rules ("TCSH") have also been developed to provide temporary relief from compliance obligations during the initial implementation period. Under the TCSH, the top up tax for such jurisdiction is deemed to be zero if certain tests can be met for the selected jurisdiction.

As at 31 March 2026 and 2025, the Group assessed that Singapore and all the jurisdictions where the Group operate will meet the tests under TCSH. Accordingly, no top-up tax has been recognised for the financial years ended 31 March 2026 and 2025.

Material accounting policy information

Refer to Note 2.12.

2.12 Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority and the Group intends to settle its current tax assets and liabilities on a net basis. The amounts, determined after appropriate offsetting, are shown on the statements of financial position as follows:

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Deferred income tax assets	-	793	-	-
Deferred income tax liabilities	19,470	21,593	19,375	20,741

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.12 Deferred income taxes (continued)

Movement in the deferred income tax account is as follows:

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Beginning of financial year	20,800	57,972	20,741	19,997
Loss of control of subsidiaries (Note 6.3)	104	(29,438)	-	-
Tax (credited) / charged to profit or loss (Note 2.11)	(1,259)	(6,547)	(1,366)	744
Currency translation differences	(175)	(1,187)	-	-
End of financial year	19,470	20,800	19,375	20,741

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses and capital allowance of S\$17,929,000 (2025: S\$72,697,000) at the end of the reporting period which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry dates.

The movement in deferred income tax assets and liabilities is as follows:

Group

	Accelerated tax depreciation S\$'000	Right-of-use assets S\$'000	Provisions and other liabilities S\$'000	Tax losses S\$'000	Lease liabilities S\$'000	Others S\$'000	Net S\$'000
2026							
Beginning of financial year	18,052	3,307	(2,524)	-	(3,904)	5,869	20,800
(Credited) / Charged to profit or loss	(407)	548	(149)	-	(576)	(675)	(1,259)
Loss of control of subsidiaries (Note 6.3)	(161)	(1,608)	639	-	1,614	(380)	104
Currency translation differences	(229)	1	42	-	8	3	(175)
End of financial year	17,255	2,248	(1,992)	-	(2,858)	4,817	19,470
2025							
Beginning of financial year	19,404	37,640	(3,818)	(1,738)	(39,791)	46,275	57,972
(Credited) / Charged to profit or loss	(1,258)	29,227	75	111	(31,364)	(3,338)	(6,547)
Loss of control of subsidiaries (Note 6.3)	(94)	(62,484)	2,637	1,751	66,523	(37,771)	(29,438)
Currency translation differences	-	(1,076)	(1,418)	(124)	728	703	(1,187)
End of financial year	18,052	3,307	(2,524)	-	(3,904)	5,869	20,800

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.12 Deferred income taxes (continued)

Company

	Accelerated tax depreciation	Right- of-use assets	Provisions and other liabilities	Lease liabilities	Others	Net
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2026						
Beginning of financial year	19,457	3,309	(295)	(3,478)	1,748	20,741
(Credited) / Charged to profit or loss	(2,202)	(737)	(309)	793	1,089	(1,366)
End of financial year	17,255	2,572	(604)	(2,685)	2,837	19,375
2025						
Beginning of financial year	18,742	4,811	(341)	(4,970)	1,755	19,997
Charged / (Credited) to profit or loss	715	(1,502)	46	1,492	(7)	744
End of financial year	19,457	3,309	(295)	(3,478)	1,748	20,741

Material accounting policy information

Income tax expense comprises current and deferred tax.

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is calculated at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value method, the measurement of deferred tax liabilities and assets reflects the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.12 Deferred income taxes (continued)

Deferred tax (continued)

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively). Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.13 Earnings per share

(i) From continuing and discontinued operations

(a) *Basic earnings per share*

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding, excluding treasury shares, during the financial year.

	Group 2026	2025
Profit attributable to equity holders of the Company (S\$'000)	60,875	245,141
Less: Distribution to perpetual securities holders of the Company (S\$'000)	(10,875)	(10,875)
Net profit attributable to ordinary shareholders of the Company (S\$'000)	50,000	234,266
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	2,251,268	2,250,076
Basic earnings per share (cents per share)		
– Excluding distribution to perpetual securities holders	2.22	10.41
– Including distribution to perpetual securities holders	2.70	10.89

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.13 Earnings per share (continued)

(i) From continuing and discontinued operations (continued)

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, excluding treasury shares, are adjusted for the effects of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares are in the form of share options.

For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration.

There is no dilution of earnings per share for the financial years ended 31 March 2026 and 2025.

(ii) From continuing operations

The calculation of basic and diluted earnings per share from continuing operations attributable to ordinary owners of the Company is as follows:

Earnings figures are calculated as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
Net profit attributable to ordinary shareholders of the Company (S\$'000)	50,000	234,266
Less: Loss / (Profit) from discontinued operations	2,480	(10,072)
Earnings for the purpose of calculating basic earnings per share from continuing operations	<u>52,480</u>	<u>224,194</u>
Basic and diluted earnings per share (cents per share)		
– Excluding distribution to perpetual securities holders	2.33	9.96
– Including distribution to perpetual securities holders	2.81	10.45

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

(iii) From discontinued operations

Basic and diluted loss per share for the discontinued operations is 0.11 cents (2025: earnings per share of 0.45 cents), based on the loss for the year from the discontinued operations of S\$2.5 million (2025: profit of S\$10.1 million) and the denominators detailed above for both basic and diluted earnings per share.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.14 Discontinued operations

During the year from 1 April 2025 to 31 March 2026, the Group completed the disposal of its entire freight forwarding business conducted through Famous Holdings Pte Ltd ("FHPL"), Rotterdam Harbour Holding B.V. ("RHH") (which collectively known as the "Famous Group") and certain subsidiaries of the Quantum Solutions ("QS") Group.

The (loss) / profit for the year from the discontinued operations is analysed as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
Profit from Famous Group attributable to owners of the Company	1,655	7,147
Loss from QS Group attributable to owners of the Company	(4,135)	(11,918)
Profit from SPAI Group attributable to owners of the Company	-	14,843
	(2,480)	10,072

The results of discontinued operations for the year are as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
Revenue	80,378	1,440,415
Labour and related expenses	(13,205)	(163,543)
Volume-related expenses	(59,974)	(1,078,878)
Administrative and other expenses	(4,596)	(62,889)
Depreciation and amortisation	(2,054)	(82,019)
Selling-related expenses	(399)	(6,117)
Impairment loss on trade and other receivables	(356)	(1,042)
Operating expenses	(80,584)	(1,394,488)
Other (expenses) / income	(298)	2,171
Operating (loss) / profit	(504)	48,098
Exceptional items	69	(6,266)
(Loss) / Earnings before interest and tax	(435)	41,832
Investment income (net)	180	1,162
Finance expenses	(38)	(25,374)
(Loss) / Profit before income tax	(293)	17,620
Income tax expense	(2,187)	(7,548)
(Loss) / Profit after tax attributable to equity holders of the Company	(2,480)	10,072

The carrying amounts of the assets and liabilities of FHPL, RHH and QS Group (2025: SPAI Group) at the date of deconsolidation are disclosed in Note 6.3.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

2. GROUP PERFORMANCE (continued)

2.14 Discontinued operations (continued)

The impact of the discontinued operations on the consolidated cash flows of the Group is as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
Net cash from operating activities	4,374	137,218
Net cash used in investing activities	(36)	(129,421)
Net cash used in financing activities	(5,601)	(14,132)
Total cash flows used in discontinued operations	(1,263)	(6,335)

3. OPERATING ASSETS AND LIABILITIES

3.1 Cash and cash equivalents

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	34,972	576,031	25,428	414,654
Deposits with financial institutions	499,381	120,389	421,286	115,280
	534,353	696,420	446,714	529,934

Deposits with financial institutions earn interest ranging from 1.20% to 3.80% (2025: 0.11% to 4.20%) per annum. Tenure for these deposits range from 1 to 288 days (2025: 31 to 365 days).

Material accounting policy information

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash at bank and on hand, deposits with financial institutions which are subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.2 Trade and other receivables - current

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Trade receivables				
– Subsidiaries	-	-	2,773	54,019
– Companies related by a substantial shareholder	1,905	2,471	1,905	2,471
– Non-related parties	48,457	97,132	47,072	47,863
	50,362	99,603	51,750	104,353
Less: Allowance for impairment of receivables – non-related parties	(4,750)	(2,913)	(4,106)	(1,145)
Trade receivables – net	45,612	96,690	47,644	103,208
Non-trade receivables from subsidiaries	-	-	666	8,212
Staff loans	-	2	-	2
Interest receivable	1,285	472	1,277	472
Other receivables	4,400	3,029	1,206	2,652
	51,297	100,193	50,793	114,546

Trade and other payables (Note 3.10) due from non-related parties are offset when there is a legally enforceable right to offset as the balances relate to the same overseas postal administrators and the Group intends to settle its balances on a net basis.

Non-trade receivables from subsidiaries are unsecured, interest-free and repayable on demand.

Material accounting policy information

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Other receivables are recognised initially at fair value and are subsequently measured at amortised cost, less loss allowance.

Details about the Group's credit risk management and impairment policies are disclosed in Note 4.5 (b).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.3 Trade and other receivables - non-current

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Loans to subsidiaries	-	-	133,705	217,087
Less: Allowance for impairment	-	-	(46,366)	(46,366)
	-	-	87,339	170,721
Staff loans	-	135	-	135
	-	135	87,339	170,856

Loans to subsidiaries of S\$10,703,000, net of impairment of S\$4,273,000 (2025: S\$11,195,000, net of impairment of S\$4,273,000), are non-trade related, unsecured, interest bearing at Singapore Overnight Rate Average (SORA) plus 1.20% per annum and are not expected to be repayable within the next twelve months. The carrying amount of these loans approximate their fair value.

A loan to subsidiary of S\$76,636,000, net of impairment of S\$42,093,000 (2025: S\$159,526,000, net of impairment of S\$42,093,000), is non-trade related, unsecured, bearing fixed interests at 3.00% per annum (2025: 2.52% to 4.61% per annum) and not expected to be repayable in the next twelve months. The carrying amounts of the loans approximate their fair values.

Material accounting policy information

Refer to Note 3.2.

3.4 Other assets

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
<u>Current</u>				
Deposits	1,206	3,605	1,092	1,552
Prepayments	6,462	13,474	6,252	6,165
	7,668	17,079	7,344	7,717
<u>Non-current</u>				
Prepayments	3,416	6,382	3,416	5,005

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.5 Assets classified as held for sale

During the year, the Company entered into a sale and purchase agreement with a leaseback option for the collective disposal of 10 HDB post office shophouses within the Post Office Network segment for an aggregate cash consideration of S\$55.5 million. The disposal is subject to the fulfilment of the relevant completion conditions.

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Assets classified as held for sale				
Investment properties (Note 3.6)	2,636	–	2,636	–
Property, plant and equipment (Note 3.7)	3,724	–	3,724	–
	6,360	–	6,360	–

The proceeds of disposal substantially exceed the carrying amount of the assets and accordingly no impairment loss has been recognised on the classification of these assets as held for sale.

Material accounting policy information

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable, the asset is available for immediate sale in its present condition and the sale is expected to occur within one year from the date of classification.

3.6 Investment properties

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of financial year	1,016,583	1,002,341	997,734	983,645
Reclassification from / (to) property, plant and equipment (net) (Note 3.7)	5,115	(990)	5,115	(990)
Reclassification from right-of-use assets (net) (Note 3.8)	309	–	–	–
Reclassification to held for sale (Note 3.5)	(2,636)	–	(2,636)	–
Fair value gain recognised in profit or loss (Note 2.7)	15,533	15,232	15,568	15,079
End of financial year	1,034,904	1,016,583	1,015,781	997,734

As at 31 March 2026, the carrying value of right-of-use assets presented as investment properties was S\$2.5 million (2025: S\$2.5 million).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment properties (continued)

The following amounts are recognised in profit or loss:

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Rental and property-related income	72,735	70,353	71,312	69,166
Direct operating expenses arising from:				
- Investment properties that generated income	(18,020)	(18,438)	(17,474)	(18,026)

Material accounting policy information

Investment properties include those portions of commercial buildings that are held for long-term rental yields and / or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at fair value. Changes in fair values are recognised in the income statement for the period in which they arise.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

At the end of the reporting period, the details of the Group's investment properties are as follows:

Location	Description / existing use	Tenure
10 Eunos Road 8, Singapore Post Centre	Building for commercial and retail.	Leasehold of 99 years expiring on 30 August 2081
10 Choa Chu Kang Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
373 Tanjong Katong Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
1 Killiney Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
396 Pasir Panjang Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
10 Palm Avenue	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
350 Bedok Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment properties (continued)

Material accounting policy information (continued)

Location	Description / existing use	Tenure
56 Tanglin Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
755 Upper Serangoon Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
5 Mandai Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
1 Lim Ah Pin Road	Building for commercial and retail	Leasehold of 99 years expiring on 31 March 2091
70 Macpherson Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
54 Serangoon Garden Way	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
447 Geylang Road	Building for commercial and retail.	Leasehold of 99 years expiring on 31 March 2091
3B Toh Guan Road East	Building for warehousing.	Leasehold of 30 + 30 years expiring on 31 August 2049
29 Tampines Street 92	Building for warehousing.	Leasehold of 30 + 30 years expiring on 31 December 2051

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment properties (continued)

Material accounting policy information (continued)

	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1) S\$'000	Significant other observable inputs (Level 2) S\$'000	Significant unobservable inputs (Level 3) S\$'000
2026			
- Commercial and retail / warehousing – Singapore	-	-	1,034,904
2025			
- Commercial and retail / warehousing – Singapore	-	2,636*	1,013,947

* During the financial year ended 31 March 2026, the property was reclassified to assets held for sale (Note 3.5).

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of the Group's properties have been derived using the sales comparison approach. Sales proceeds of comparable properties in close proximity are adjusted for differences in key attributes such as property size and timing of sale. The most significant input in this valuation approach is the selling price per square metre.

Valuation techniques used to derive Level 3 fair values

Level 3 fair values have been generally derived using capitalisation / income approach, discounted cash flow approach and / or direct comparison approach.

In the capitalisation / income approach, the net income of the property is capitalised for the balance term of the lease tenure at a yield rate which is appropriate for the type of use, tenure and reflective of the quality of the investment. The revenue is adjusted for outgoings such as property tax and also vacancies to arrive at net income.

The discounted cash flow approach involved the estimation and projection of the net rent over a period and discounting the future income stream to arrive at a present value. Net rent is the balance sum after deducting property tax, cost of repairs and maintenance and a reasonable percentage for vacancy from the gross rent.

There were no transfers in or out of fair value hierarchy levels for the financial years ended 31 March 2026 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment properties (continued)

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3:

Description	Fair value	Valuation techniques	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
	(S\$'000)			2026	
<u>Group</u>					
Building for commercial and retail (Singapore Post Centre)	906,907 (2025: 897,210)	Capitalisation / income approach	Capitalisation rate	3.75 – 6.00% (2025: 3.75-6.00%)	The higher the capitalisation rate, the lower the valuation.
		Discounted cash flow approach	Discount rate	6.50 – 8.00% (2025: 6.75-8.00%)	The higher the discount rate, the lower the valuation.
Building for commercial and retail (13 (2025: 12) SLA Properties)	108,874 (2025: 97,889)	Capitalisation / income approach	Capitalisation rate	4.50 – 4.75% (2025: 4.50-4.75%)	The higher the capitalisation rate, the lower the valuation.
Warehousing – Singapore	19,123 (2025: 18,848)	Capitalisation / income approach	Capitalisation rate	6.75% (2025: 6.75%)	The higher the capitalisation rate, the lower the valuation.
		Direct comparison method	Adjusted price per square foot	\$200 – \$218 (2025: \$197-\$215)	The higher the adjusted price per square foot, the higher the valuation.
	1,034,904				
<u>Company</u>					
Building for commercial and retail (Singapore Post Centre)	906,907 (2025: 897,210)	Capitalisation / income approach	Capitalisation rate	3.75 – 6.00% (2025: 3.75-6.00%)	The higher the capitalisation rate, the lower the valuation. The higher the discount rate, the lower the valuation.
		Discounted cash flow approach	Discount rate	6.50 – 8.00% (2025: 6.75-8.00%)	The higher the discount rate, the lower the valuation.
Building for commercial and retail (13 (2025: 12) SLA Properties)	108,874 (2025: 97,889)	Capitalisation / income approach	Capitalisation rate	4.50 – 4.75% (2025: 4.50-4.75%)	The higher the capitalisation rate, the lower the valuation.
	1,015,781				

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment properties (continued)

Valuation techniques and inputs used in Level 3 fair value measurements (continued)

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use. As at 31 March 2026 and 2025, the fair values of the Group's investment properties have been primarily determined by Knight Frank Pte Ltd.

Key sources of estimation uncertainty

Valuation of investment properties

The estimated fair values determined by independent professional valuers at the end of the reporting period may differ significantly from the prices at which these properties can be sold due to the actual negotiations between willing buyers and sellers as well as changes in assumptions and conditions arising from ongoing development of macroeconomic uncertainties and other unforeseen events. Consequently, the actual results and the realisation of these properties could differ significantly from the estimates disclosed in these financial statements.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.7 Property, plant and equipment

	Leasehold land S\$'000	Buildings S\$'000	Postal equipment S\$'000	Plant and machinery S\$'000	Motor vehicles S\$'000	Capital work-in- progress S\$'000	Total S\$'000
<u>Group</u>							
2026							
<i>Cost</i>							
Beginning of financial year	83,788	377,076	48,603	124,089	39,626	5,302	678,484
Additions	-	-	-	358	228	15,126	15,712
Revaluation gain (Note 5.4 (v))	2,054	487	-	-	-	-	2,541
Reclassifications to investment properties							
– At fair value (Note 3.6)	(4,626)	(1,865)	-	-	-	-	(6,491)
Reclassifications to assets held for sale (Note 3.5)	-	(12,946)	-	(2,544)	-	-	(15,490)
Loss of control of subsidiaries (Note 6.3)	-	-	(62)	(14,328)	(5,551)	-	(19,941)
Disposals	-	(4,394)	(47)	(7,423)	(2,715)	-	(14,579)
Transfers	-	-	-	3,510	-	(3,510)	-
Currency translation differences	-	-	-	(173)	(3)	-	(176)
End of financial year	81,216	358,358	48,494	103,489	31,585	16,918	640,060
<i>Accumulated depreciation and accumulated impairment losses</i>							
Beginning of financial year	32,686	174,105	41,876	88,639	20,889	-	358,195
Reclassifications to investment properties - At fair value (Note 3.6)	(572)	(804)	-	-	-	-	(1,376)
Reclassifications to assets held for sale (Note 3.5)	-	(9,229)	-	(2,537)	-	-	(11,766)
Depreciation charge	1,587	7,457	6,267	8,313	3,109	-	26,733
Loss of control of subsidiaries (Note 6.3)	-	-	(32)	(12,278)	(1,616)	-	(13,926)
Disposals	-	(4,394)	(47)	(6,108)	(2,610)	-	(13,159)
Currency translation differences	-	-	-	(270)	(6)	-	(276)
End of financial year	33,701	167,135	48,064	75,759	19,766	-	344,425
<i>Net book value</i>							
End of financial year	47,515	191,223	430	27,730	11,819	16,918	295,635

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.7 Property, plant and equipment (continued)

	Leasehold land S\$'000	Buildings S\$'000	Postal equipment S\$'000	Plant and machinery S\$'000	Motor vehicles S\$'000	Capital work-in- progress S\$'000	Total S\$'000
<u>Group</u>							
2025							
<i>Cost</i>							
Beginning of financial year	83,788	376,122	48,281	211,136	89,885	16,119	825,331
Additions	-	-	-	14,373	17,687	13,301	45,361
Reclassifications from investment properties							
– At fair value (Note 3.6)	-	990	-	-	-	-	990
Loss of control of subsidiaries (Note 6.3)	-	-	-	(91,266)	(59,475)	(11,596)	(162,337)
Disposals	-	(36)	(6)	(14,312)	(6,364)	(2,773)	(23,491)
Transfers	-	-	328	8,401	616	(9,345)	-
Currency translation differences	-	-	-	(4,243)	(2,723)	(404)	(7,370)
End of financial year	83,788	377,076	48,603	124,089	39,626	5,302	678,484
<i>Accumulated depreciation and accumulated impairment losses</i>							
Beginning of financial year	31,081	166,324	37,503	111,151	25,002	-	371,061
Depreciation charge	1,605	7,817	4,379	20,552	13,894	-	48,247
Loss of control of subsidiaries (Note 6.3)	-	-	-	(27,486)	(13,629)	-	(41,115)
Disposals	-	(36)	(6)	(14,469)	(3,838)	-	(18,349)
Currency translation differences	-	-	-	(1,109)	(540)	-	(1,649)
End of financial year	32,686	174,105	41,876	88,639	20,889	-	358,195
<i>Net book value</i>							
End of financial year	51,102	202,971	6,727	35,450	18,737	5,302	320,289

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.7 Property, plant and equipment (continued)

	Leasehold land S\$'000	Buildings S\$'000	Postal equipment S\$'000	Plant and machinery S\$'000	Motor vehicles S\$'000	Capital work-in- progress S\$'000	Total S\$'000
<i>Company</i>							
2026							
<i>Cost</i>							
Beginning of financial year	64,886	232,738	65,139	131,892	34,026	2,712	531,393
Additions	-	-	-	676	228	15,126	16,030
Revaluation gain (Note 5.4 (v))	2,054	487	-	-	-	-	2,541
Reclassifications to investment properties							
– At fair value (Note 3.6)	(4,626)	(1,865)	-	-	-	-	(6,491)
Reclassifications to assets held for sale (Note 3.5)	-	(12,946)	-	(2,544)	-	-	(15,490)
Disposals	-	(4,394)	(47)	(6,066)	(2,653)	-	(13,160)
Transfers	-	-	-	3,510	-	(3,510)	-
End of financial year	62,314	214,020	65,092	127,468	31,601	14,328	514,823
<i>Accumulated depreciation and accumulated impairment losses</i>							
Beginning of financial year	24,069	110,989	41,875	108,710	18,826	-	304,469
Reclassifications to investment properties - At fair value (Note 3.6)	(572)	(804)	-	-	-	-	(1,376)
Reclassification to assets held for sale (Note 3.5)	-	(9,229)	-	(2,537)	-	-	(11,766)
Depreciation charge	768	3,152	6,267	7,600	2,934	-	20,721
Disposals	-	(4,394)	(47)	(4,900)	(2,549)	-	(11,890)
End of financial year	24,265	99,714	48,095	108,873	19,211	-	300,158
<i>Net book value</i>							
End of financial year	38,049	114,306	16,997	18,595	12,390	14,328	214,665

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.7 Property, plant and equipment (continued)

	Leasehold land S\$'000	Buildings S\$'000	Postal equipment S\$'000	Plant and machinery S\$'000	Motor vehicles S\$'000	Capital work-in- progress S\$'000	Total S\$'000
<u>Company</u>							
2025							
<i>Cost</i>							
Beginning of financial year	64,886	231,784	64,817	136,615	32,108	7,662	537,872
Additions	-	-	-	454	5,015	4,152	9,621
Reclassifications from investment properties							
– At fair value (Note 3.6)	-	990	-	-	-	-	990
Disposals	-	(36)	(6)	(13,473)	(3,097)	(478)	(17,090)
Transfers	-	-	328	8,296	-	(8,624)	-
End of financial year	64,886	232,738	65,139	131,892	34,026	2,712	531,393
<i>Accumulated depreciation and accumulated impairment losses</i>							
Beginning of financial year	23,283	107,545	37,502	111,941	18,991	-	299,262
Depreciation charge	786	3,480	4,379	9,557	2,840	-	21,042
Disposals	-	(36)	(6)	(12,788)	(3,005)	-	(15,835)
End of financial year	24,069	110,989	41,875	108,710	18,826	-	304,469
<i>Net book value</i>							
End of financial year	40,817	121,749	23,264	23,182	15,200	2,712	226,924

Material accounting policy information

(a) Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring the asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.7 Property, plant and equipment (continued)

Material accounting policy information (continued)

(b) *Depreciation*

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	30 to 99 years
Buildings	5 to 50 years
Postal equipment	5 to 15 years
Plant and machinery	3 to 15 years
Motor vehicles	5 to 10 years

Capital work-in-progress, representing costs of property, plant and equipment which have not been commissioned for use, is not depreciated.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expense is recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

(e) *Transfer*

A transfer from property, plant and equipment to investment properties is fair valued at the date of transfer and the difference between fair value and the previous carrying amount is accounted for as an asset revaluation surplus or deficit in equity. Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income, unless there was an impairment loss recognised for the same property in prior years and a portion of the increase is recognised in profit or loss to the extent of that impairment loss. Decreases are recognised in profit or loss for any decrease in excess of the amount included in the revaluation surplus for that property.

Refer to Note 3.6 for the accounting policy on the transfer from investment properties to property, plant and equipment.

(f) *Impairment*

Refer to Note 1.3.5 for the accounting policy on impairment of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.8 Leases (Group as a lessee)

3.8.1 Right-of-use assets

	Properties S\$'000	Motor vehicles S\$'000	Equipment S\$'000	Total S\$'000
<u>Group</u>				
2026				
<i>Cost</i>				
Beginning of financial year	46,670	2,888	824	50,382
Additions	5,069	847	1	5,917
Reclassifications to investment properties				
- At fair value (Note 3.6)	(309)	-	-	(309)
Loss of control of subsidiaries (Note 6.3)	(17,049)	(1,453)	(450)	(18,952)
Disposals	(25,078)	(1,092)	(12)	(26,182)
Currency translation differences	(61)	(5)	(9)	(75)
End of financial year	<u>9,242</u>	<u>1,185</u>	<u>354</u>	<u>10,781</u>
<i>Accumulated depreciation</i>				
Beginning of financial year	31,382	1,430	425	33,237
Depreciation charge	4,625	1,079	167	5,871
Loss of control of subsidiaries (Note 6.3)	(12,219)	(588)	(357)	(13,164)
Disposals	(23,115)	(1,091)	(6)	(24,212)
Currency translation differences	(424)	-	(8)	(432)
End of financial year	<u>249</u>	<u>830</u>	<u>221</u>	<u>1,300</u>
<i>Net book value</i>				
End of financial year	<u>8,993</u>	<u>355</u>	<u>133</u>	<u>9,481</u>
2025				
<i>Cost</i>				
Beginning of financial year	206,077	1,244	8,988	216,309
Additions	145,846	1,754	782	148,382
Loss of control of subsidiaries (Note 6.3)	(255,885)	-	(7,664)	(263,549)
Disposals	(40,582)	(169)	(848)	(41,599)
Currency translation differences	(8,786)	59	(434)	(9,161)
End of financial year	<u>46,670</u>	<u>2,888</u>	<u>824</u>	<u>50,382</u>
<i>Accumulated depreciation</i>				
Beginning of financial year	74,081	699	1,521	76,301
Depreciation charge	53,335	885	1,781	56,001
Loss of control of subsidiaries (Note 6.3)	(51,520)	-	(1,653)	(53,173)
Disposals	(40,148)	(160)	(847)	(41,155)
Currency translation differences	(4,366)	6	(377)	(4,737)
End of financial year	<u>31,382</u>	<u>1,430</u>	<u>425</u>	<u>33,237</u>
<i>Net book value</i>				
End of financial year	<u>15,288</u>	<u>1,458</u>	<u>399</u>	<u>17,145</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.8 Leases (Group as a lessee) (continued)

3.8.1 Right-of-use assets (continued)

	Properties S\$'000	Motor vehicles S\$'000	Equipment S\$'000	Total S\$'000
<u>Company</u>				
2026				
<i>Cost</i>				
Beginning of financial year	47,156	1,409	453	49,018
Additions	5,506	847	-	6,353
Disposals	(15,142)	(1,091)	-	(16,233)
End of financial year	37,520	1,165	453	39,138
<i>Accumulated depreciation</i>				
Beginning of financial year	28,410	828	135	29,373
Depreciation charge	9,610	1,075	151	10,836
Disposals	(15,112)	(1,091)	-	(16,203)
End of financial year	22,908	812	286	24,006
<i>Net book value</i>				
End of financial year	14,612	353	167	15,132
2025				
<i>Cost</i>				
Beginning of financial year	54,702	521	184	55,407
Additions	1,804	992	429	3,225
Disposals	(9,350)	(104)	(160)	(9,614)
End of financial year	47,156	1,409	453	49,018
<i>Accumulated depreciation</i>				
Beginning of financial year	26,748	194	161	27,103
Depreciation charge	10,720	738	130	11,588
Disposals	(9,058)	(104)	(156)	(9,318)
End of financial year	28,410	828	135	29,373
<i>Net book value</i>				
End of financial year	18,746	581	318	19,645

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.8 Leases (Group as a lessee) (continued)

3.8.1 Right-of-use assets (continued)

The Group and Company lease several properties, motor vehicles and equipment.

In addition, certain right-of-use assets are secured by the Group and Company with no future payments required and are presented within property, plant and equipment (Note 3.7). The carrying amounts of such assets are as follows:

	Group		Company	
	Carrying amount	Depreciation during the year	Carrying amount	Depreciation during the year
	S\$'000	S\$'000	S\$'000	S\$'000
2026				
Leasehold land	47,515	1,587	38,049	768
Plant and machinery	3,427	193	53	12
Total	50,942	1,780	38,102	780
2025				
Leasehold land	51,102	1,605	40,817	786
Plant and machinery	3,619	193	65	12
Total	54,721	1,798	40,882	798

3.8.2 Lease liabilities

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities				
– Current	2,143	7,197	8,928	8,435
– Non-current	10,990	13,476	6,865	12,024
	13,133	20,673	15,793	20,459

Material accounting policy information

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.8 Leases (Group as a lessee) (continued)

3.8.2 Lease liabilities (continued)

Material accounting policy information (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

The incremental borrowing rate depends on the term, currency and start date of the lease, and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the Group's lease liabilities comprise mainly of fixed lease.

A right-of-use asset is initially measured at cost comprising the initial lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs and any restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are depreciated over the lease terms commencing from the date of the lease, and are tested for impairment in accordance with the policy as disclosed in Note 1.3.5.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use assets.

3.9 Intangible assets

	Group	
	2026	2025
	S\$'000	S\$'000
<hr/>		
Composition:		
Goodwill on acquisitions (Note (a))	3,268	89,527
Customer relationships (Note (b))	422	561
Acquired software licences (Note (c))	37	77
Trademarked brands (Note (d))	16	33
	3,743	90,198

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.9 Intangible assets (continued)

(a) Goodwill on acquisitions

	Group	
	2026	2025
	S\$'000	S\$'000
Beginning of financial year	89,527	492,466
Loss of control of subsidiaries (Note 6.3)	(86,757)	(314,176)
Impairment charge (Note 2.7)	-	(77,858)
Currency translation differences	498	(10,905)
End of financial year	<u>3,268</u>	<u>89,527</u>

As at 31 March 2026 and 2025, goodwill arising from acquisition of subsidiaries (net of impairment) is allocated to the Group's one (2025: two) cash-generating units or groups of cash-generating units as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
Quantium Solutions International group	-	-
Famous Holdings group	-	86,259
Parcel Santa Pte Ltd	3,268	3,268
	<u>3,268</u>	<u>89,527</u>

Material accounting policy information

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the net identifiable assets acquired.

Goodwill on acquisitions of subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses. Goodwill is tested for impairment in accordance with the policy as disclosed in Note 1.3.5(a).

Goodwill on acquisitions of associated companies and joint ventures represents the excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets acquired and is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associated companies and joint ventures include the carrying amount of goodwill relating to the entity sold.

Goodwill is tested for impairment annually and whenever there is indication that goodwill may be impaired. The recoverable amount of goodwill, and where applicable, a CGU, is determined based on the higher of fair value less costs of disposal and value-in-use calculations prepared on the basis of management's assumptions and estimates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.9 Intangible assets (continued)

(a) Goodwill on acquisitions (continued)

Material accounting policy information (continued)

When value-in-use calculations are undertaken, the Group uses discounted cash flow projections based on approved financial budgets covering a five-year period. As at 31 March 2026 and 2025, key assumptions used for value-in-use calculations for goodwill include terminal growth rate and discount rate. In making these estimates, management has relied on past performance, its expectations of the future developments of the various businesses and market (including the impact arising from geopolitical tensions and rising interest rates) and publicly available industry and economic data.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of the CGUs were based would not cause the carrying amount to exceed the recoverable amount of the related group of CGUs.

Other intangible assets are tested for impairment whenever there is any objective evidence of indication that these assets may be impaired.

(b) Customer relationships

	Group	
	2026	2025
	S\$'000	S\$'000
<i>Cost</i>		
Beginning of financial year	982	58,232
Loss of control of subsidiaries (Note 6.3)	-	(55,343)
Currency translation differences	-	(1,907)
End of financial year	<u>982</u>	<u>982</u>
<i>Accumulated amortisation and impairment</i>		
Beginning of financial year	(421)	(11,035)
Loss of control of subsidiaries (Note 6.3)	-	16,841
Amortisation charge	(139)	(6,227)
End of financial year	<u>(560)</u>	<u>(421)</u>
Net book value	<u>422</u>	<u>561</u>

Material accounting policy information

Customer relationships acquired in business combination are recognised at fair value at the acquisition date. The customer relationships have finite useful lives and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method over 6 to 7 years, which is the expected lives of the customer relationships. Refer to Note 1.3.5(b) on accounting policy for impairment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.9 Intangible assets (continued)

(c) Acquired software licences

	Group	
	2026	2025
	S\$'000	S\$'000
<i>Cost</i>		
Beginning of financial year	194	30,250
Loss of control of subsidiaries (Note 6.3)	-	(34,899)
Additions	-	5,727
Currency translation differences	-	(884)
End of financial year	194	194
<i>Accumulated amortisation and impairment</i>		
Beginning of financial year	(117)	(5,507)
Loss of control of subsidiaries (Note 6.3)	-	8,473
Amortisation charge	(40)	(3,083)
End of financial year	(157)	(117)
Net book value	37	77

Material accounting policy information

Acquired software licence is initially capitalised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the licence term or the estimated useful lives of 1 to 5 years. Refer to Note 1.3.5(b) on accounting policy for impairment.

(d) Trademarked brands

	Group	
	2026	2025
	S\$'000	S\$'000
<i>Cost</i>		
Beginning of financial year	84	72,882
Loss of control of subsidiaries (Note 6.3)	-	(69,507)
Currency translation differences	-	(3,291)
End of financial year	84	84
<i>Accumulated amortisation and impairment</i>		
Beginning of financial year	(51)	(1,026)
Loss of control of subsidiaries (Note 6.3)	-	1,393
Amortisation charge	(17)	(418)
End of financial year	(68)	(51)
Net book value	16	33

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.9 Intangible assets (continued)

(d) Trademarked brands (continued)

Material accounting policy information

Trademarked brands acquired as part of business combinations are recognised at their fair values at the acquisition date.

The trademarked brands with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method over 5 years. Refer to Note 1.3.5(b) on accounting policy for impairment.

Key sources of estimation uncertainty

Estimated impairment of goodwill and other intangible assets

Goodwill is tested for impairment annually and whenever there is indication that goodwill and trademarked brands may be impaired. The recoverable amount of goodwill and trademarked brands, and where applicable, a CGU, is determined based on the higher of fair value less costs of disposal and value-in-use calculations prepared on the basis of management's assumptions and estimates.

When value-in-use calculations are undertaken, the Group uses discounted cash flow projections based on approved financial budgets covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rates stated below.

Key assumptions used for value-in-use calculations for goodwill include:

	Quantium Solutions International Group	Famous Holdings Group	Parcel Santa Pte Ltd
2026			
Terminal growth rate	N.A	N.A	2.5%
Discount rate	N.A	N.A	7.1%
2025			
Terminal growth rate	2.5%	1.4%	2.5%
Discount rate	8.6%	8.2%	8.0%

As at 31 March 2026, management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of the CGUs were based would not cause the carrying amount to exceed the recoverable amount of the related group of CGUs. During the financial year, no impairment of goodwill was recognised.

Significant judgements are used to estimate the terminal growth rates and discount rates applied in computing the recoverable amounts of the different CGUs. In making these estimates, management has relied on past performance, its expectations of the future developments of the various businesses and market (including the impact arising from geopolitical tensions and rising interest rates) and publicly available industry and economic data.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.9 Intangible assets (continued)

Key sources of estimation uncertainty (continued)

Estimated impairment of goodwill and other intangible assets (continued)

Other intangible assets are tested for impairment whenever there is any objective evidence of indication that these assets may be impaired.

All impairment calculations demand a high degree of estimation, which include assessments of the expected cash flows arising from such assets and the selection of key assumptions. Changes to these estimates may significantly impact the impairment charges recognised.

3.10 Trade and other payables

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
<u>Current</u>				
Trade payables				
- Subsidiaries	-	-	56,410	46,963
- Companies related by a substantial shareholder	1,301	864	1,333	863
- Non-related parties	104,394	204,022	104,310	176,253
	105,695	204,886	162,053	224,079
Other payables to subsidiaries (Note (a))	-	-	176,878	183,456
Accrual for other operating expenses	39,544	41,927	37,433	45,300
Provision for restructuring (Note (b))	-	5,580	-	855
Provision for reinstatement costs (Note (c))	243	862	243	680
Put option redemption liabilities (Note (e))	-	12,332	-	-
Customers' deposits	4,879	5,788	4,880	5,788
Collections on behalf of third parties	799	2,600	788	2,605
Deposits	18,711	16,489	18,329	15,550
Other creditors	10,222	41,398	7,638	12,870
Rental received in advance from substantial shareholder	1,748	1,748	1,748	1,748
Loans from a subsidiary (Note (d))	-	-	100,000	-
	181,841	333,610	509,990	492,931
<u>Non-current</u>				
Loans from a subsidiary (Note (d))	-	-	500,000	601,976
Accrual for operating expenses	-	782	-	-
Provision for reinstatement costs (Note (c))	6,957	7,132	1,357	1,181
Post-employment benefits (Note 7.2)	-	1,326	-	-
Rental received in advance from substantial shareholder	3,416	5,005	3,416	5,005
	10,373	14,245	504,773	608,162
Total trade and other payables	192,214	347,855	1,014,763	1,101,093

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.10 Trade and other payables (continued)

Trade receivables (Note 3.2) and trade payables due from non-related parties are offset when there is a legally enforceable right to offset as the balances relate to the same overseas postal administrators and the Group intends to settle its balances on a net basis.

(a) Other payables to subsidiaries

Other payables to subsidiaries are non-trade related, unsecured, interest-free and repayable on demand.

(b) Provision for restructuring

Restructuring provision comprises mainly lease termination penalties and employee termination payments.

(c) Provision for reinstatement costs

A provision is recognised for the present value of costs to be incurred for the restoration of the Group's investment properties and property, plant and equipment.

Movement in this provision is as follows:

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Beginning of financial year	7,994	11,032	1,861	2,104
Loss of control of subsidiaries (Note 6.3)	(451)	(2,917)	-	-
Utilisation	(343)	(121)	(261)	(243)
End of financial year	7,200	7,994	1,600	1,861

(d) Loans from a subsidiary

Loans from a subsidiary are non-trade related, unsecured, bearing fixed interests of 2.83% to 4.65% per annum and are repayable between 2026 to 2030.

The fair value of the loans computed based on cash flows discounted at the difference between market and existing borrowing rates of 1.50% to 1.89% (2025: 2.47% to 2.53%) is S\$573,070,000 (2025: S\$551,278,000). The fair value is within Level 2 of the fair value hierarchy.

(e) Put option redemption liabilities

A put option was granted to the non-controlling shareholders of RHH to sell the remaining 15% interest to the Group, which was exercisable at any time after 31 March 2025. The put option redemption liability is recorded at fair value as at 31 March 2025. The put option was exercised in July 2025 and RHH became a wholly-owned subsidiary of the Group prior to the disposal of RHH (Note 6.3).

Details of the valuation technique and inputs used are disclosed in Note 4.2.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.10 Trade and other payables (continued)

Material accounting policy information

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Derecognition of aged trade payables

During the year, the Group reviewed its process around the recognition and derecognition of liabilities (trade payables) with overseas postal administrators for international deliveries. Trade payables balances exceeding a 7-year threshold are derecognised following an annual formal notification process to overseas postal administrators. The derecognition of aged trade payables is disclosed as "derecognition of aged trade payables" in profit or loss.

3.11 Contract liabilities

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Advances received for post assurance collaboration (Note (a))	4,508	5,530	4,460	5,530
Advance billings (Note (b))	17,916	16,478	17,165	15,733
	22,424	22,008	21,625	21,263
Analysed as:				
Current	19,069	17,548	18,270	16,803
Non-current	3,355	4,460	3,355	4,460
	22,424	22,008	21,625	21,263

(a) Arises from definitive agreements with respect to certain post assurance collaboration which has been extended in the prior financial year till 19 January 2030.

(b) Mainly relates to advance billings to customers and unearned revenue from paid postage.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

3. OPERATING ASSETS AND LIABILITIES (continued)

3.11 Contract liabilities (continued)

As at 1 April 2024, contract liabilities amounted to S\$28.2 million.

The change in contract liabilities during the reporting period is due to recognition of advance billings and advances from the post assurance collaboration to profit or loss.

Revenue recognised during the financial year that was included in the contract liabilities balance at the beginning of the year amounted to S\$5.2 million (2025: S\$7.0 million).

Material accounting policy information

Refer to Note 2.2(a) for the material accounting policy information relating to recognition of revenue and contract liabilities to the above items.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

4.1 Financial instruments by category

The carrying amount of the different categories of financial instruments other than those disclosed in Notes 3.8, 4.3, 4.4 and 5.2 to the financial statements are as follows:

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at amortised cost	586,856	800,353	585,938	816,888
Financial liabilities at amortised cost	183,587	327,444	1,006,041	1,094,340
Financial liabilities at fair value through profit or loss	-	12,332	-	-

4.2 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter derivatives) are based on quoted market prices at the end of the reporting period. The quoted market prices used for financial assets are the current bid price; the appropriate quoted market prices used for financial liabilities are the current asking prices. The instruments are presented within Level 1 of the fair value hierarchy.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions existing at the end of each reporting period. Where appropriate, quoted market price or dealer quotes for similar instruments are used.

The fair values of currency forwards are determined using actively quoted forward exchange rates. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. These investments are classified as Level 2 and comprise derivative financial instruments.

The fair values of financial assets designated at FVTOCI, contingent consideration payable and put option redemption liabilities are estimated by using valuation techniques that are not based on observable market data and are accordingly classified as a Level 3 fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.2 Fair value estimation of financial assets and liabilities (continued)

Financial assets that do not meet the criteria for being measured at amortised costs or FVTOCI are measured at FVTPL. The fair values of financial assets designated at FVTPL are measured at fair value with any fair value gain and losses recognised in profit and loss.

The fair values of current and non-current financial assets and liabilities carried at amortised cost approximate their carrying amounts, except for non-current borrowings which fair values are disclosed in Note 5.2.

The following table presents assets and liabilities measured at fair value and classified by level of the fair value measurement hierarchy as disclosed in Note 1.3.3.

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>Group</u>				
2026				
Assets				
Financial assets designated at FVTOCI	3,287	-	-	3,287
Financial assets designated at FVTPL	69,460	-	-	69,460
Derivative financial instruments	-	382	-	382
Liabilities				
Derivative financial instruments	-	698	-	698
2025				
Assets				
Financial assets designated at FVTOCI	7,136	95,465	188	102,789
Derivative financial instruments	-	514	-	514
Liabilities				
Derivative financial instruments	-	83	-	83
Put option redemption liabilities	-	-	12,332	12,332

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.2 Fair value estimation of financial assets and liabilities (continued)

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>Company</u>				
2026				
Assets				
Financial assets designated at FVTPL	69,460	-	-	69,460
Derivative financial instruments	-	382	-	382
Liabilities				
Derivative financial instruments	-	698	-	698
2025				
Assets				
Derivative financial instruments	-	514	-	514
Liabilities				
Derivative financial instruments	-	83	-	83

The following table presents the changes in Level 3 instruments:

	Financial assets at FVTOCI - put option S\$'000	Financial assets designated as at FVTOCI S\$'000	Contingent consideration payable S\$'000	Put option redemption liability S\$'000
2026				
Beginning of financial year	-	188	-	(12,332)
Fair value gain recognised in				
- Profit or loss	-	-	-	224
Disposal of a subsidiary	-	(186)	-	12,108
Currency translation differences	-	(2)	-	-
End of financial year	-	-	-	-
Total gains for the year included in profit or loss for assets and liabilities held at the end of the financial year	-	-	-	222

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.2 Fair value estimation of financial assets and liabilities (continued)

	Financial assets at FVTOCI – put option S\$'000	Financial assets designated as at FVTOCI S\$'000	Contingent consideration payable S\$'000	Put option redemption liability S\$'000
2025				
Beginning of financial year	12,526	79,304	(13,196)	(7,723)
Fair value (losses) / gains recognised in				
– Profit or loss	–	–	–	(4,559)
– Other comprehensive income	(12,526)	16,347	–	–
Settlement of contingent consideration	–	–	13,484	–
Transfer out from Level 3	–	(95,465)	–	–
Currency translation differences	–	2	(288)	(50)
End of financial year	–	188	–	(12,332)
Total loss for the year included in profit or loss for assets and liabilities held at the end of the financial year	–	–	–	(4,559)

There were no transfers between Levels 1, 2 and 3 during the years ended 31 March 2026 and 2025, except for financial assets designated at FVTOCI amounting to S\$95,465,000 in the prior financial year.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of financial instruments categorised under Level 2 and 3 of the fair value hierarchy.

Description	Fair value (S\$'000)	Valuation techniques	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
	2026			2026	
<u>Group</u>					
Derivative financial instruments (Level 2)	(316,000) (2025: 431,000)	Forward pricing model (2025: Forward pricing model)	Not applicable (2025: Not applicable)	Not applicable (2025: Not applicable)	Not applicable (2025: Not applicable)
Financial assets designated at FVTOCI (Level 3)	Nil (2025: 95,653)	Not applicable (2025: Contractual terms)	Not applicable (2025: Not applicable)	Not applicable (2025: Not applicable)	The higher the Enterprise Value / Revenue multiple, the higher the valuation.
Put option redemption liabilities (Level 3)	Nil (2025: 12,332)	Not applicable (2025: Contractual terms)	Not applicable (2025: Not applicable)	Not applicable (2025: Not applicable)	The higher the discount rate, the lower the valuation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.3 Derivative financial instruments

The fair values of derivative financial instruments are shown on the statement of financial position as follows:

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current assets</u>				
Other non-hedging derivatives				
- Currency forwards	382	514	382	514
<u>Current liabilities</u>				
Other non-hedging derivatives				
- Currency forwards	(698)	(83)	(698)	(83)

The following table details the contract notional amounts outstanding at the end of the reporting period and the fair value of the financial derivatives.

	Contract notional amount 2026	Fair value assets / (liabilities) 2026	Contract notional amount 2025	Fair value assets / (liabilities) 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Group				
Other non-hedging derivatives				
- Currency forwards	132,780	(316)	110,379	431
Company				
Other non-hedging derivatives				
- Currency forwards	132,780	(316)	110,379	431

Currency forwards

Currency forwards are transacted to hedge highly probable forecast transactions denominated in foreign currency expected to occur at various dates within twelve months from the end of the reporting period. The currency forwards have maturity dates that coincide within the expected occurrence of these transactions. Changes in fair value of the currency forwards not designated as hedging are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.3 Derivative financial instruments (continued)

Material accounting policy information

Derivative financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The carrying amount of a derivative is presented as a non-current asset or liability if the remaining expected life of the derivative is more than 12 months, and as a current asset or liability if the remaining expected life of the derivative is less than 12 months.

4.4 Financial assets

		Group		Company	
		2026	2025	2026	2025
		S\$'000	S\$'000	S\$'000	S\$'000
<i>Financial assets designated at FVTOCI</i>					
- Equity investments – quoted	(i)	3,287	7,136	-	-
- Equity investments – unquoted	(ii)	-	95,653	-	-
		3,287	102,789	-	-
<i>- Financial assets designated at FVTPL</i>					
- Synthetic deposits	(iii)	69,460	-	69,460	-
		72,747	102,789	69,460	-

(i) The Group holds a quoted investment in Efficient E-Solutions Berhad designated at FVTOCI, with a carrying amount of S\$3.3 million. During the financial year ended 31 March 2026, the Group recognised a fair value loss of S\$3.8 million in other comprehensive income in relation to this investment (2025: S\$2.1 million).

(ii) As at 31 March 2025, the carrying value of 4PX is determined based on the agreed sale consideration of the Group's entire stake in 4PX to Zhejiang Cainiao Supply Chain Management Co. Limited amounting to RMB515.3 million (S\$95.5 million).

On 16 April 2025, the Group entered into a deed of undertaking with AIL, pursuant to which parties have agreed that Cainiao will acquire the Group's entire shareholdings in 4PX for RMB515.3 million and AIL shall cease to hold any shareholding in QSI.

On 9 June 2025, Cainiao exercised its option and QSI disposed off its entire 17.61% equity interest in 4PX for an aggregate consideration of RMB515.3 million (approximately S\$92.1 million). Following the completion of the disposal, the Group no longer holds any interest in 4PX. The cessation of AIL's shareholding in QSI was completed on 24 July 2025.

During the financial year ended 31 March 2026, the fair value loss on financial assets recognised within other comprehensive income was S\$3.4 million (2025: fair value gain of S\$16.3 million).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.4 Financial assets (continued)

- (iii) During the year, the Group invested in synthetic deposits amounting to S\$69.5 million, bearing effective yield at 1.28% to 1.43% per annum and mature within the next twelve months.

Material accounting policy information

The unquoted equity investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with any gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve (Note 5.4(ii)). The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

4.5 Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards and interest rate swaps to hedge certain financial risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board Risk and Technology Committee then performs oversight responsibilities to ensure the financial risks are managed in accordance with the objectives and underlying principles approved by the Board of Directors.

(a) Market risk

(i) Currency risk management

The currency transaction risk of the Group arises mainly from the international mail business, which generates inpayments and outpayments denominated in foreign currencies. The currency exposure is primarily in Special Drawing Rights ("SDR"), Australia Dollar ("AUD") and Chinese Renminbi ("RMB"). SDR is an International Monetary Fund unit of account used for valuing international transactions, which is defined in terms of a basket of currencies. The actual settlement is substantially in EUR and USD. The Group uses foreign currency purchases and currency forwards to manage the currency risk. These instruments are used mainly to hedge underlying exposures and the instruments are not entered into for speculative reasons.

In addition, the Group is exposed to currency translation risk on net assets in foreign subsidiaries, associated companies and a joint venture. Currency exposure to the net assets in associated companies where a divestment is not foreseeable is not hedged by the Group.

Group Treasury's risk management policy is to hedge planned divestment of overseas investments using currency forwards to manage the currency risk. These instruments are used mainly to hedge underlying exposures and the instruments are not entered into for speculative reasons.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk management (continued)

The Group's significant currency exposure is as follows:

	SDR S\$'000	AUD S\$'000	RMB S\$'000
Group			
2026			
Financial assets			
Cash and cash equivalents	-	78,139	194
Trade and other receivables	3,991	-	735
Other financial assets ¹	-	-	7
Synthetic deposits	-	-	-
Derivatives financial instruments	-	-	-
	3,991	78,139	936
Financial liabilities			
Trade and other payables ²	(84,971)	(2,504)	(107)
Derivatives financial instruments	-	-	-
	(84,971)	(2,504)	(107)
Net financial (liabilities) / assets	(80,980)	75,635	829
Less: Net financial assets / (liabilities) denominated in the respective entities' functional currencies	-	75,515	(13)
Less: Currency forwards	(29,096)	-	-
Currency exposure	(51,884)	120	842

1 Consists of deposits included under "Other current assets" and "Other non-current assets".

2 Exclude post-employment benefits.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk management (continued)

	SDR S\$'000	AUD S\$'000	RMB S\$'000
Group			
2025			
Financial assets			
Cash and cash equivalents	–	79,799	391
Trade and other receivables	3,492	4,697	874
Other financial assets ¹	–	145	7
Financial assets	–	–	95,465
	<u>3,492</u>	<u>84,641</u>	<u>96,737</u>
Financial liabilities			
Lease liabilities	–	(404)	–
Trade and other payables ²	(161,163)	(9,741)	(1,226)
Derivative financial instruments	–	–	(65)
	<u>(161,163)</u>	<u>(10,145)</u>	<u>(1,291)</u>
Net financial (liabilities) / assets	<u>(157,671)</u>	<u>74,496</u>	<u>95,446</u>
Less: Net financial assets / (liabilities) denominated in the respective entities' functional currencies	–	77,565	(42)
Less: Currency forwards	<u>(110,379)</u>	–	–
Currency exposure	<u>(47,292)</u>	<u>(3,069)</u>	<u>95,488</u>

1 Consists of deposits included under "Other current assets" and "Other non-current assets".

2 Exclude post-employment benefits.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk management (continued)

The Company's significant currency exposure is as follows:

	SDR S\$'000	AUD S\$'000	RMB S\$'000
Company			
2026			
Financial assets			
Cash and cash equivalents	-	25	106
Trade and other receivables	3,991	-	735
Derivative financial instruments	-	-	60
Synthetic deposits	-	-	-
	3,991	25	901
Financial liabilities			
Trade and other payables ¹	(84,971)	-	-
Derivative financial instruments	-	-	-
	(84,971)	-	-
Net financial (liabilities) / assets	(80,980)	25	901
Less: Currency forwards	(29,096)	-	-
Currency exposure	(51,884)	25	901

¹ Excludes rental received in advance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk management (continued)

	SDR S\$'000	AUD S\$'000	RMB S\$'000
Company			
2025			
Financial assets			
Cash and cash equivalents	-	1,562	201
Trade and other receivables	3,492	-	869
	<u>3,492</u>	<u>1,562</u>	<u>1,070</u>
Financial liabilities			
Trade and other payables ¹	(161,163)	-	-
Derivative financial instruments	-	-	(65)
	<u>(161,163)</u>	<u>-</u>	<u>(65)</u>
Net financial (liabilities) / assets	(157,671)	1,562	1,005
Less: Currency forwards	(110,379)	-	-
Currency exposure	<u>(47,292)</u>	<u>1,562</u>	<u>1,005</u>

1 Excludes rental received in advance.

The sensitivity rate used represents management's assessment of the reasonably possible change in foreign exchange rates.

If the SDR changes against the SGD by 1% (2025: 1%) with all other variables being held constant, the effects arising from the net financial liability / asset position will be as follows:

	Increase / (decrease)	
	Profit before income tax	
	2026	2025
	S\$'000	S\$'000

Group and Company

SDR against SGD		
- strengthened	(519)	(473)
- weakened	519	473
	<u>519</u>	<u>473</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk management (continued)

If the AUD changes against the SGD by 6% (2025: 5%) with all other variables being held constant, the effects arising from the net financial asset / liability position will be as follows:

	Increase / (decrease)	
	Profit before income tax	
	2026	2025
	S\$'000	S\$'000
<hr/>		
Group		
AUD against SGD		
– strengthened	7	(153)
– weakened	(7)	153
	<hr/>	<hr/>

Company

AUD against SGD		
– strengthened	2	78
– weakened	(2)	(78)
	<hr/>	<hr/>

If the RMB changes against the SGD by 1% (2025: 1%) with all other variables being held constant, the effects arising from the net financial asset / liability position will be as follows:

	Increase / (decrease)	
	Profit before income tax	
	2026	2025
	S\$'000	S\$'000
<hr/>		
Group		
RMB against SGD		
– strengthened	8	955
– weakened	(8)	(955)
	<hr/>	<hr/>

Company

RMB against SGD		
– strengthened	9	10
– weakened	(9)	(10)
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(a) Market risk (continued)

(ii) *Interest rate risk management*

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant variable interest-bearing assets, the Group's interest income and operating cash flows are substantially independent of changes in market interest rates.

The Group's policy is to minimise the interest expense consistent with maintaining an acceptable level of exposure to interest rate fluctuations. A target mix of fixed and floating debt based on the assessment of interest rate trends is used to achieve this objective.

The Group is not exposed to interest rate risk for its borrowings for the financial years ended 31 March 2026 and 2025 as the borrowings consisted of fixed rate notes.

(iii) *Equity price risk management*

The Group is exposed to equity risks arising from equity investments classified as at FVTOCI. Equity investments measured at FVTOCI are held for strategic rather than trading purposes. The Group does not actively trade such investments.

The sensitivity analysis for the quoted equity investment has been determined based on the exposure to equity price risk at the reporting date. If equity price had been 10% higher / lower with all other variables held constant, the Group's other comprehensive income for the year would increase / decrease by S\$329,000 (2025: S\$714,000).

As the unquoted equity investment has been designated as a hedged item for fair value hedge accounting, the Group's exposure to equity price risk is mitigated and no sensitivity analysis was performed.

Further details of these equity investments and the hedging relationship can be found in Notes 4.3 and 4.4.

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 March 2026 and 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The major classes of financial assets of the Group and of the Company are bank deposits, trade and other receivables, investments in financial assets and financial instruments used in hedging activities. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient collateral where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(b) Credit risk management (continued)

Credit exposure to any individual counterparty is restricted by credit limits that are approved based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level. As at 31 March 2026, trade receivables from a customer represented 15% of the Group's and Company's trade receivable (2025: 4% of the Group's and Company's trade receivable) and contributed revenue of S\$10,499,403 (2025: S\$102,973,000).

Bank deposits are placed in banks which are regulated.

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
<u>By geographical areas</u>				
Singapore	31,827	62,376	37,919	90,366
Other countries	13,785	34,314	9,725	12,842
	45,612	96,690	47,644	103,208
<u>By types of customers</u>				
Related parties	1,905	2,471	4,678	56,490
Non-related parties:				
– Government bodies	3,039	4,759	3,039	4,759
– Banks	5,700	6,444	5,700	6,440
– Overseas postal administrations	2,196	3,004	2,196	3,004
– Other companies	32,772	80,012	32,031	32,515
	45,612	96,690	47,644	103,208

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(b) Credit risk management (continued)

The tables below detail the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	External credit rating	Internal credit rating	12-month ("12m") or lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
2026							
<u>Group</u>							
Trade receivables	3.2	N.A.	(i)	Lifetime ECL (simplified approach)	50,362	(4,750)	45,612
Other receivables	3.2	N.A.	(ii)	12m ECL	5,685	-	5,685
Other financial assets	3.4	N.A.	(ii)	12m ECL	1,206	-	1,206
						(4,750)	
<u>Company</u>							
Trade receivables	3.2	N.A.	(i)	Lifetime ECL (simplified approach)	51,750	(4,106)	47,644
Other receivables	3.2,3.3	N.A.	(ii)	12m ECL and lifetime ECL	136,854	(46,366)	90,488
Other financial assets	3.4	N.A.	(ii)	12m ECL	1,092	-	1,092
						(50,472)	
2025							
<u>Group</u>							
Trade receivables	3.2	N.A.	(i)	Lifetime ECL (simplified approach)	99,603	(2,913)	96,690
Other receivables	3.2, 3.3	N.A.	(ii)	12m ECL	3,638	-	3,638
Other financial assets	3.4	N.A.	(ii)	12m ECL	3,605	-	3,605
						(2,913)	
<u>Company</u>							
Trade receivables	3.2	N.A.	(i)	Lifetime ECL (simplified approach)	104,353	(1,145)	103,208
Other receivables	3.2,3.3	N.A.	(ii)	12m ECL and lifetime ECL	228,560	(46,366)	182,194
Other financial assets	3.4	N.A.	(ii)	12m ECL	1,552	-	1,552
						(47,511)	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(b) Credit risk management (continued)

- (i) For trade receivables, the Group has applied the simplified approach in SFRS (I) 9 *Financial Instruments* to measure the loss allowance at lifetime ECL. The credit risk profile is presented based on the trade receivables' past due status in terms of the provision matrix.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's provision matrix.

Trade receivables

	Expected weighted credit loss rate %	Estimated total gross carrying amount at default S\$'000	Lifetime ECL S\$'000	Total S\$'000
2026				
<u>Group</u>				
Current (not past due)	1%	36,643	(283)	36,360
1 to 90 days past due	10%	9,323	(1,861)	7,462
More than 90 days past due	81%	4,396	(2,606)	1,790
		50,362	(4,750)	45,612
<u>Company</u>				
Current (not past due)	1%	38,933	(283)	38,650
1 to 90 days past due	21%	9,044	(1,861)	7,183
More than 90 days past due	52%	3,773	(1,962)	1,811
		51,750	(4,106)	47,644
2025				
<u>Group</u>				
Current (not past due)	*	11,499	-	11,499
1 to 90 days past due	2.6%	26,780	(685)	26,095
More than 90 days past due	3.6%	61,324	(2,228)	59,096
		99,603	(2,913)	96,690
<u>Company</u>				
Current (not past due)	*	47,315	-	47,315
1 to 90 days past due	4.4%	15,554	(685)	14,869
More than 90 days past due	1.1%	41,484	(460)	41,024
		104,353	(1,145)	103,208

* The expected weighted credit loss rate is assessed as negligible.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(b) Credit risk management (continued)

During the financial year ended 31 March 2026, the increase in loss allowance recognised in profit or loss was mainly due to higher allowance for doubtful debts on receivables assessed as credit-impaired, resulting in an increase in lifetime expected credit losses (ECL).

- (ii) Other receivables and other financial assets at amortised cost except for the credit impaired other receivables are considered to be recoverable as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default since initial recognition. The Group assesses that no loss allowance is required in respect of these financial assets. Loss allowance recognised arises from loans to associated companies and subsidiaries and is determined after taking into account the financial position of the associated company and subsidiary adjusted for factors specific to them and general economic conditions of the industries in which the associated companies and subsidiaries operate.

Movements in loss allowance are as follows:

Group

	Trade receivables
	S\$'000
Balance as at 1 April 2024	4,162
Amount written off	(880)
Loss allowance recognised in profit or loss during the year	628
Loss of control of subsidiaries (Note 6.3)	(997)
Balance as at 31 March 2025	2,913
Amount written off	(2,433)
Loss allowance recognised in profit or loss during the year	4,276
Loss of control of subsidiaries (Note 6.3)	(6)
Balance as at 31 March 2026	4,750

Company

	Trade receivables	Loans to subsidiaries
	S\$'000	S\$'000
Balance as at 1 April 2024	2,167	46,366
Amount written off	(148)	-
Reversal of loss allowance recognised in profit or loss during the year	(874)	-
Balance as at 31 March 2025	1,145	46,366
Loss allowance recognised in profit or loss during the year	2,961	-
Balance as at 31 March 2026	4,106	46,366

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(b) Credit risk management (continued)

Material accounting policy information

(i) *Trade receivables*

The Group applies the simplified approach in SFRS(I) 9 to measure the lifetime expected credit loss for trade receivables. The loss allowance is estimated using a provision matrix.

In measuring the expected credit losses, trade receivables are grouped based on similar credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers under each business.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Any recoveries made are recognised in profit or loss. The Group generally considers a financial asset in default if the counterparty fails to make contractual payments within 90 days past due or there is evidence indicating the asset is credit-impaired.

(ii) *Other financial assets at amortised cost*

For all other financial assets, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. In determining the expected credit loss, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors / debt instrument and general economic conditions of the industry in which the debtors / debt instrument operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(b) Credit risk management (continued)

Key sources of estimation uncertainty

Calculation of loss allowance for trade and other receivables

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Apart from the estimates involved in determining likelihood of default over a given time horizon to determine ECL, when there are events indicating that trade and other receivables are credit impaired, management has to estimate the loss allowance required.

For the financial year ended 31 March 2026, impairment loss on trade and other receivables from continuing operations amounted to S\$3.7 million (2025: reversal of S\$0.4 million).

(c) Liquidity risk management

The Group and Company manage the liquidity risk by maintaining sufficient cash and cash equivalents to enable them to meet their normal operating commitments, having an adequate amount of credit facilities and the ability to close market positions at short notice.

The table below analyses the maturity profile of the Group's and Company's financial liabilities (excluding derivative financial liabilities) based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	S\$'000	S\$'000	S\$'000	S\$'000
Group				
2026				
Trade and other payables	(180,093)	(264)	(405)	(6,288)
Lease liabilities	(2,770)	(1,981)	(2,491)	(14,512)
Borrowings	(109,520)	(6,342)	(266,636)	-
	(292,383)	(8,587)	(269,532)	(20,800)
2025				
Trade and other payables	(331,862)	(1,081)	(385)	(6,448)
Lease liabilities	(10,133)	(4,682)	(2,786)	(13,554)
Borrowings	(9,555)	(109,520)	(18,992)	(253,986)
	(351,550)	(115,283)	(22,163)	(273,988)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(c) Liquidity risk management (continued)

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000	Over 5 years S\$'000
Company				
2026				
Trade and other payables	(530,453)	(260,397)	(269,091)	(688)
Lease liabilities	(9,300)	(6,763)	(224)	-
	(539,753)	(267,160)	(269,315)	(688)
2025				
Trade and other payables	(515,463)	(122,304)	(274,523)	(255,345)
Lease liabilities	(8,971)	(6,413)	(6,004)	-
	(524,434)	(128,717)	(280,527)	(255,345)

The following table details the expected maturity for non-derivative financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the Group's liquidity risk is managed on a net asset and liability basis. The table below has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group and the Company anticipate that the cash flow will occur in a different period.

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000	Over 5 years S\$'000
Group				
2026				
Cash and cash equivalents	534,353	-	-	-
Trade and other receivables	63,081	-	-	-
Financial assets	69,460	-	-	-
Other financial assets	1,206	-	-	-
	668,100	-	-	-
2025				
Cash and cash equivalents	696,420	-	-	-
Trade and other receivables	100,418	-	2	133
Other financial assets	3,605	-	-	-
	800,443	-	2	133

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (continued)

4.5 Financial risk management (continued)

(c) Liquidity risk management (continued)

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000	Over 5 years S\$'000
Company				
2026				
Cash and cash equivalents	446,714	-	-	-
Trade and other receivables	60,423	91,753	-	-
Financial assets	69,460	-	-	-
Other financial assets	1,092	-	-	-
	577,689	91,753	-	-
2025				
Cash and cash equivalents	529,934	-	-	-
Trade and other receivables	126,740	178,313	2	133
Other financial assets	1,552	-	-	-
	658,226	178,313	2	133

The following table details the liquidity analysis for derivative financial liabilities. The table has been drawn up based on the undiscounted net cash inflows and (outflows) on the derivative instruments that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement.

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Less than 1 year				
Gross settled:				
Foreign exchange contracts forward				
- Gross inflow	132,069	110,296	132,069	110,296
- Gross outflow	(132,398)	(109,864)	(132,398)	(109,864)
	(329)	432	(329)	432

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE

5.1 Capital management policies and objectives

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the dividend policy, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets. The Group's overall strategy remains unchanged from 2025.

Management monitors capital based on gearing ratio. In the management of the debt and capital structure, the Group and Company aim to sustain a strong investment-grade credit profile.

The gearing ratio is calculated as net cash / (debt) with and without perpetual securities divided by total equity. Net cash / (debt) is calculated as borrowings less cash and cash equivalents.

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Net cash	184,702	346,861	446,714	529,934
Total equity	(1,426,218)	(1,607,478)	(1,204,686)	(1,278,392)
Gearing ratio without perpetual securities	(13.0%)	(21.6%)	(37.1%)	(41.5%)
Net (debt) / cash plus perpetual securities	(66,802)	95,357	446,714	529,934
Total equity	(1,426,218)	(1,607,478)	(1,204,686)	(1,278,392)
Gearing ratio with perpetual securities	4.7%	(5.9%)	(37.1%)	(41.5%)

The capital structure of the Group and Company consists of equity attributable to owners of the parents comprising issued capital, perpetual securities, reserves, retained earnings and borrowings (Note 5.2).

5.2 Borrowings

	Group	
	2026	2025
	S\$'000	S\$'000
Borrowings	349,651	349,559

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.2 Borrowings (continued)

The analysis of the non-current borrowings is as follows:

	Group	
	2026	2025
	S\$'000	S\$'000
<hr/>		
<i>Current</i>		
- Borrowings (unsecured)	99,972	-
<i>Non-current</i>		
- Borrowings (unsecured)	249,679	349,559
	349,651	349,559

As at 31 March 2026 and 2025, the Group's unsecured borrowings consist of S\$250 million 10-year Notes bearing a fixed interest rate of 2.53% per annum (2025: 2.53%) and S\$100 million 5-year Notes bearing a fixed interest rate of 3.23% per annum (2025: 3.23%).

Material accounting policy information

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost, except for the borrowings that are designated as fair value hedges. The gain or loss on the borrowings attributable to the hedged risk shall adjust the carrying amount of the borrowings and be recognised in profit or loss. The adjustment of the fair value will be reversed when the hedging relationship is discontinued or lapsed.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the end of the reporting period are included in current borrowings in the statement of financial position. Other borrowings with an unconditional right to defer settlement for at least twelve months after the end of the reporting period are included in non-current borrowings in the statement of financial position.

Fair value of non-current borrowings

	Group	
	2026	2025
	S\$'000	S\$'000
<hr/>		
<i>Non-current</i>		
- Borrowings (unsecured)	250,294	338,203

The fair value of the Notes above are determined based on the over-the-counter quoted price. The fair value is classified within Level 1 of the fair value hierarchy.

The exposure of non-current borrowings to interest rate risks is disclosed in Note 4.5(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.2 Borrowings (continued)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 April 2025	Financing cash flows (i)	Non-cash changes			31 March 2026
			Loss of control of subsidiaries (Note 6.3)	Foreign exchange movement	Other changes (ii)	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Borrowings	349,559	(25)	-	-	117	349,651
Lease liabilities (Note 3.8.2)	20,673	(6,244)	(6,024)	*	4,728	13,133
	370,232	(6,269)	(6,024)	*	4,845	362,784

* Lesser than S\$1,000

	1 April 2024	Financing cash flows (i)	Non-cash changes			31 March 2025
			Loss of control of subsidiaries (Note 6.3)	Foreign exchange movement	Other changes (ii)	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Borrowings	827,133	(284,066)	(209,215)	(25,060)	40,767	349,559
Lease liabilities (Note 3.8.2)	148,669	(61,937)	(221,743)	(4,751)	160,435	20,673
	975,802	(346,003)	(430,958)	(29,811)	201,202	370,232

(i) The cash flows consist of interest paid and repayments of lease liabilities in the consolidated statement of cash flows.

(ii) Other changes include interest accruals, as well as additions and disposals of right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

	Number of ordinary shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital S\$'000	Treasury Shares S\$'000
<u>Group and Company</u>				
As at 1 April 2025	2,275,089	(24,989)	638,762	(29,054)
Issuance of shares	-	1,167	-	1,555
As at 31 March 2026	2,275,089	(23,822)	638,762	(27,499)
As at 1 April 2024	2,275,089	(25,137)	638,762	(29,243)
Issuance of shares	-	148	-	189
As at 31 March 2025	2,275,089	(24,989)	638,762	(29,054)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

(a) Treasury shares

During the financial year ended 31 March 2026, the Company re-issued 1,167,432 (2025: 147,676) treasury shares pursuant to the Singapore Post Share Option Scheme at the exercise price of S\$1.3321. The cost of the treasury shares reissued amounted to S\$1,555,000 (2025: S\$189,000).

(b) Share options

The Singapore Post Share Option Scheme was adopted on 21 March 2003, and a new scheme, known as Singapore Post Share Option Scheme 2012 was adopted on 29 June 2012; collectively known as the "Scheme". The Scheme is administered by the Compensation Committee from 1 April 2025 to 23 July 2025 and subsequently the Nominations and Remuneration Committee from 23 July 2025 to 31 March 2026 during the financial year ended 31 March 2026.

Employees (including executive directors), subject to certain conditions, are eligible to participate in the Scheme. The Scheme provides a means to recruit, retain and give recognition to employees who have contributed to the success and development of the Company and / or the Group.

The principal terms of the Scheme are as follows:

- The exercise price of the granted options is equal to the average of the last dealt prices for the share on the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five (5) consecutive trading days immediately preceding the date of grant of that option.
- The value of the share option is determined using the Trinomial option pricing model (taking into account relevant assumptions).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

(b) Share options (continued)

- Granted options shall be exercisable, in whole or in part, during the exercise period applicable to that option and in accordance with the vesting schedule applicable to that option or other conditions (if any) that may be imposed by the Compensation Committee in relation to that option. Options may be exercised, in whole or in part in respect of 1,000 shares or any multiple thereof, by a participant giving notice in writing, accompanied by a remittance for the aggregate subscription cost in respect of the shares for which that option is exercised. The method of settlement could be in cheque, cashier's order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company. There are no restrictions on the eligibility of the persons to whom the options have been granted to participate in any other share option or share incentive scheme, whether or not implemented by any of the other companies within the Group or any other company. The Group has no legal or constructive obligation to repurchase or settle the options in cash.
- The vesting schedule for the share options granted to eligible employees (including executive directors) effective from 20 May 2014 are as follows:

<u>Vesting period</u>	<u>Proportion of Total Share Options that are exercisable</u>
Before / On first anniversary of date of grant	0 per cent
After first anniversary and before second anniversary of date of grant	Up to 30.0 per cent of grant
On / After second anniversary and before third anniversary of date of grant	Up to another 30.0 per cent of grant OR Up to 60.0 per cent of grant if share options were not exercised after the first vesting year
On / After third anniversary till tenth anniversary of date of grant	Balance OR 100.0 per cent of grant if share options were not exercised after the first and second vesting years

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

(b) Share options (continued)

- The share options granted to eligible employees (including executive directors) effective 26 June 2006 to 10 March 2014 have a four-year vesting schedule and the details are as follows:

<u>Vesting period</u>	<u>Proportion of Total Share Options that are exercisable</u>
Before / On first anniversary of date of grant	0 per cent
After first anniversary and before second anniversary of date of grant	Up to 25.0 per cent of grant
On / After second anniversary and before third anniversary of date of grant	Up to another 25.0 per cent of grant OR Up to 50.0 per cent of grant if share options were not exercised after the first vesting year
On / After third anniversary and before fourth anniversary of date of grant	Up to another 25.0 per cent of grant OR Up to 75.0 per cent of grant if share options were not exercised after the first and second vesting years
On / After fourth anniversary till tenth anniversary of date of grant	Balance OR 100.0 per cent of grant if share options were not exercised after the first, second and third vesting years

- On 11 May 2012, 17 January 2014, 7 March 2014 and 1 April 2014, performance share options were granted to key management staff. Vesting of these options is based on the Company's performance against a set of stretched targets on the Group's profit and the Company's target share price performance.
- The total number of shares over which options may be granted under the Scheme on any date, when added to the nominal amount of shares issued and issuable and in respect of all options granted under the Scheme, shall not exceed 5.0 per cent of the issued share capital of the Company on the day preceding that date.

Since the adoption of the Scheme to 31 March 2025, a total of 178,687,936 share options have been granted. Details of the options are set out in the Directors' Statement for the respective financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

(b) Share options (continued)

During the financial years ended 31 March 2026 and 2025, no share options were granted. At the end of the financial year, details of the options granted and the number of unissued ordinary shares of the Company under options outstanding are as follows:

Date of Grant	Exercise Period	Exercise Price	Number of ordinary shares under options outstanding			
			Balance At 1.4.25 ('000)	Granted during financial year ('000)	Options exercised ('000)	Options forfeited ('000)

Options Granted Under Singapore Post Share Options Scheme

For employees (including executive directors)

19.05.15	20.05.16 to 19.05.25	S\$1.890	754	-	-	754	-
20.05.16	21.05.17 to 20.05.26	S\$1.570	812	-	-	-	812
Total Share Options			1,566	-	-	754	812

No option has been granted to controlling shareholders of the Company or their associates.

No key management personnel or employee has received options of 5% or more of the total number of shares available under the Scheme during the financial year. No other director or employee of the Company and its subsidiaries (as defined in the SGX-ST Listing Manual) has received options of 5% or more of the total number of shares available to all directors and employees of the Company and its subsidiaries under the Scheme during the financial year.

No option was granted at a discount during the financial year.

Restricted Share Plan

The Singapore Post Restricted Share Plan 2013 (the "Plan") was implemented with the approval of shareholders at the Extraordinary General Meeting held on 28 June 2013. The duration of the Plan is 10 years commencing from 28 June 2013 and was further extended for another 10 years up to 27 June 2033. The Plan allows fully paid shares to be granted to non-executive directors of the Group and associated companies.

Enhancements to have the flexibility to prescribe performance conditions or time-based service conditions were made to the Plan (the "Enhanced Plan") to reinforce the delivery of long-term growth and shareholder value, while ensuring that the Plan remains relevant and sustainable as a retention and motivation tool for senior management and key employees whose contributions are essential to the well-being and prosperity of the Group. The enhancements were duly approved by the shareholders at the Company's annual general meeting ("AGM") held on 20 July 2017.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

(b) Share options (continued)

Restricted Share Plan (continued)

The release schedule for the shares granted to eligible employees (excluding non-executive directors) prior to financial year 2017/18 is as follows:

Vesting Period	Vesting Date	Percentage of Shares that will be Released on Vesting Date
From award date to date before first anniversary of award date	First anniversary of award date	30% (rounded to nearest whole share)
From first anniversary of award date to date before second anniversary of award date	On second anniversary of date of award	30% (rounded to nearest whole share)
From second anniversary of award date to date before third anniversary of award date	On third anniversary of date of award	Balance 40%

- 100% of the restricted shares granted to non-executive directors vest after one year from the date of grant.

Since the adoption of the Plan to 31 March 2025, a total of 5,839,118 restricted shares were granted.

During the financial year ended 31 March 2026, no restricted shares were granted under the Plan. There are no outstanding unvested restricted shares as at the start and end of the financial year.

Enhanced Plan

Following shareholders' approval to the Enhanced Plan at the Company's annual general meeting held on 20 July 2017, participants will receive fully paid SingPost shares that either met the prescribed performance targets within a prescribed performance period or time-based service conditions. Shares granted from financial year 2017/18 onwards comprises of two types of awards:

- Performance Share Award; and
- Restricted Share Award.

The Performance Share Award, granted to senior management, has three long-term performance measures: Return on Equity, Absolute Total Shareholder Returns and CO2 Reduction from financial year 2018/19 (added measure for Performance Share Award from financial year 2020/21 onwards).

The Restricted Share Award, granted to senior management and a broader group of key executives, has either time-based service conditions or performance conditions of (i) Underlying Net Profit measure or (ii) both Return on Equity and CO2 Reduction from financial year 2018/19 measures.

Vesting period of the awards depends on whether time-based service conditions or performance conditions is prescribed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

(b) Share options (continued)

Enhanced Plan (continued)

- i) Time-based service condition is cliff vest at end of three years; and
- ii) Performance period for both types of awards is four years. Accelerated vesting may be activated upon early achievement of performance levels in Year 3, to motivate the senior management and key employees in attaining business priorities and shareholder value creation earlier.

The performance conditions for both awards incorporate stretched targets aimed at delivering long-term shareholder value. Depending on achievement of the respective performance hurdles, 0% to 188% of the awards may vest.

Performance Share Awards

Since the adoption of the Enhanced Plan to 31 March 2025, a total of 7,264,569 shares have been granted.

During the financial years ended 31 March 2026 and 2025, no share was granted. There are no outstanding unvested restricted shares as at the start and end of the financial year.

Restricted Share Awards

Since the adoption of the Enhanced Plan to 31 March 2025, a total of 20,461,560 restricted shares have been granted.

During the financial years ended 31 March 2026 and 2025, no shares were granted. Details of the grants are as follows:

Date of Grant	Balance As At 1.4.25 ('000)	Share Awards Granted ('000)	Share Awards Vested ('000)	Share Awards Cancelled ('000)	Balance As At 31.3.26 ('000)
20.01.22	402	-	-	402	-
03.06.22	1,126	-	-	-	1,126
08.06.23	2,625	-	901	251	1,473
Total	4,153	-	901	653	2,599

Of the outstanding options (including Performance Share Option Plan but excluding Restricted Share Plan) for 812,000 (2025: 1,566,000) shares, 812,000 (2025: 1,566,000) options are exercisable as at 31 March 2026. The weighted average share price during the financial year was S\$0.47 (2025: S\$0.50).

During the financial years ended 31 March 2026 and 2025, no share was granted.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.3 Share capital and treasury shares

(b) Share options (continued)

Enhanced Plan (continued)

Restricted Share Awards (continued)

Material accounting policy information

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

5.4 Other reserves

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
(a) <u>Composition:</u>				
Share option reserve	3,072	3,242	3,072	3,242
Fair value reserve	(9,674)	6,941	(4,561)	(4,561)
Currency translation reserve	(16,676)	(36,524)	-	-
Other capital reserve	29,973	34,228	(1,028)	(191)
Asset valuation reserve	48,114	45,573	38,295	35,754
	54,809	53,460	35,778	34,244

Other reserves are non-distributable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.4 Other reserves (continued)

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
(b) <u>Movements:</u>				
(i) Share option reserve				
Beginning of financial year	3,242	11,458	3,242	4,976
Employee share option scheme:				
– Value of employee services	(170)	(585)	(170)	(1,734)
– Profit and loss (Note 2.3)	958	(250)	958	(1,399)
– Issuance of treasury shares to employees	(718)	–	(718)	–
– Retained earnings	(410)	(335)	(410)	(335)
Issuance of shares of a subsidiary to NCI	–	(7,631)	–	–
End of financial year	3,072	3,242	3,072	3,242
(ii) Fair value reserve				
Beginning of financial year	6,941	(1,717)	(4,561)	(4,561)
Transfer of fair value to retained earnings	(10,552)	–	–	–
Fair value (loss) / gain	(7,205)	14,216	–	–
Adjusted for non-controlling interests	1,142	(5,558)	–	–
End of financial year	(9,674)	6,941	(4,561)	(4,561)
(iii) Currency translation reserve				
Beginning of financial year	(36,524)	(26,265)	–	–
Net currency translation differences of financial statements of foreign subsidiaries and associated companies ⁽¹⁾	9,133	2,706	–	–
Disposal of foreign subsidiaries (Note 6.3)	11,140	(12,890)	–	–
Disposal of an associated Company (Note 6.2)	139	198	–	–
Adjusted for non-controlling interest	(564)	(273)	–	–
End of financial year	(16,676)	(36,524)	–	–

(1) Mainly attributable to the translation differences arising from net investment in Australia entities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.4 Other reserves (continued)

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
(b) <u>Movements:</u> (continued)				
(iv) Other capital reserve				
Beginning of financial year	34,228	(167,974)	(191)	(75)
Additional interest in a subsidiary	(4,500)	(9,528)	-	-
Issuance of treasury shares to employee	(837)	(116)	(837)	(116)
Loss of control of subsidiaries (Note 6.3)	1,082	211,846	-	-
End of financial year	29,973	34,228	(1,028)	(191)

Other capital reserve mainly arises from changes in shareholding in subsidiaries which do not result in a loss of control.

(v) Asset valuation reserve				
Beginning and end of financial year	45,573	45,573	35,754	35,754
Revaluation gain on property, plant and equipment upon transfer to investment property (Note 3.7)	2,541	-	2,541	-
	48,114	45,573	38,295	35,754

5.5 Perpetual securities

On 6 April 2022, the Group issued SGD Subordinated Perpetual Securities with an aggregate principal amount of S\$250,000,000 ("Perpetual Securities 2022") under the S\$1 billion Multicurrency Debt Issuance Programme which is unconditionally and irrevocably guaranteed by the Company. Incremental costs incurred amounting to S\$1,028,000 were recognised in equity as a deduction from proceeds. Perpetual Securities 2022 bear distributions at a rate of 4.35% per annum up to 6 July 2027, payable semi-annually. The distribution rate will reset every 5 years starting 6 July 2027.

During the financial year, distributions to perpetual securities holders amounted to S\$10,875,000 (2025: S\$10,875,000).

Material accounting policy information

The perpetual securities do not have a maturity. Subject to the relevant terms and conditions in the offering memorandum, the Group may elect to defer making distributions on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred. As a result, the Group is considered to have no contractual obligations to repay its principal or to pay any distributions and the perpetual securities do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

5. CAPITAL STRUCTURE (continued)

5.6 Dividends

	2026 S\$'000	2025 S\$'000
<i>Ordinary dividends paid</i>		
Final exempt (one-tier) dividend paid in respect of the previous financial year of 0.56 cents per share	-	12,601
Interim exempt (one-tier) dividend paid in respect of the first half of the current financial year of 0.08 cents per share (2025: 0.34 cents)	1,801	7,650
Special exempt (one-tier) dividend paid in respect of the previous financial year of 9.00 cents per share	202,614	-
	204,415	20,251

Final Dividend and Supplemental Dividend

The Board is recommending a final exempt (one-tier) dividend of 0.06 cents per ordinary share amounting to S\$1.4 million for the financial year ended 31 March 2026. Including the interim dividend of 0.08 cents per share paid out in December 2025, total dividends would amount to 0.14 cents per share.

In addition, the Board is recommending a supplemental dividend of 0.41 cents per ordinary share amounting to S\$9.3 million for the financial year ended 31 March 2026.

The proposed final dividend and supplemental dividend are subject to the approval of shareholders at the 34th Annual General Meeting to be duly convened. The date payable and record date of the final dividend and supplemental dividend will be announced at a later date. These financial statements do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

Material accounting policy information

Dividends to Company's shareholders are recognised when the dividends are approved for payments.

6. GROUP STRUCTURE

6.1 Investments in subsidiaries

	Company 2026 S\$'000	2025 S\$'000
<i>Equity investments at cost</i>		
Beginning of financial year	379,099	379,099
Less: Allowance for impairment	(24,555)	(17,786)
End of financial year	354,544	361,313

Details of the subsidiaries are included in Note 6.4. The proportion of ownership interest held by the Group does not differ from the proportion of voting rights held by the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.1 Investments in subsidiaries (continued)

During the financial year, the Group completed the disposal of its entire freight forwarding business conducted through FHPL, RHH and certain subsidiaries of the QS Group (Note 6.3). Consequently, the disposed subsidiaries are deconsolidated effective from their respective disposal dates and there are no non-controlling interests in the Group's subsidiaries as at 31 March 2026.

During the preceding year, the Group completed the disposal of its entire equity interest in SPAI Group (Note 6.3). Following the completion, the Group no longer holds any interest in SPAI and its subsidiaries. Consequently, the foreign subsidiaries are deconsolidated effective from 27 March 2025.

Carrying value of non-controlling interests

	Group	
	2026 S\$'000	2025 S\$'000
Quantum Solutions International Pte Ltd ("QSI")*	-	32,024
Other subsidiaries with immaterial non-controlling interests**	-	5,107
	<u>-</u>	<u>37,131</u>

* The cessation of ALL's shareholding in QSI was completed during the current financial year and QSI became the wholly-owned subsidiary of the Group (Note 4.4).

** The Group completed the acquisition of remaining shareholding in RHH during the current financial year (Note 6.3).

Summarised financial information of subsidiaries with material non-controlling interests

The summarised financial information for a subsidiary that has a non-controlling interest that is material to the Group, presented before inter-company eliminations, is set out below for the financial year ended 31 March 2025 and as at that date.

Summarised statement of financial position

	QSI
	2025 S\$'000
Current	
Assets	143,648
Liabilities	<u>(50,895)</u>
Total current net assets	<u>92,753</u>
Non-current	
Assets	2,032
Liabilities	<u>(596)</u>
Total non-current net assets	<u>1,436</u>
Net assets	<u>94,189</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.1 Investments in subsidiaries (continued)

Summarised income statement

	QSI
	2025
	S\$'000
Revenue	82,057
Loss before income tax	(8,014)
Income tax expense	(199)
Loss after tax	(8,213)
Other comprehensive income	4,566
Total comprehensive loss	(3,647)
Total comprehensive loss allocated to non-controlling interests	(1,240)

Summarised cash flows

	QSI
	2025
	S\$'000
Cash used in operations	(3,575)
Income tax paid	(28)
Net cash used in by operating activities	(3,603)
Net cash provided by investing activities	473
Net cash used in financing activities	(2,039)
Net decrease in cash and cash equivalents	(5,169)
Cash and cash equivalents at beginning of year	22,573
Cash and cash equivalents at end of year	17,404

Material accounting policy information

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group until the date that control ceases.

Details of the Group's subsidiaries and composition of the Group are disclosed in Note 6.4.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.1 Investments in subsidiaries (continued)

(i) Basis of consolidation

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and of net assets of a subsidiary attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as equity transactions.

(iii) Put option with non-controlling interests

When the Group enters into a put option agreement with the non-controlling shareholder in a subsidiary on their equity interests in that subsidiary and provides for settlement in cash or in another financial asset by the Group, the Group recognises a financial liability for the present value of the exercise price of the option. Subsequent to initial recognition of the financial liability, changes in the carrying amount of the financial liability is recognised in profit or loss. Amount initially recognised under equity is not subsequently re-measured.

On exercise of the put option, the financial liability will be derecognised on settlement in cash or in another financial asset by the Group. Changes in the Group's ownership interest in a subsidiary is accounted for according to transaction with non-controlling interests.

If the put option expires unexercised, the financial liability is reversed against equity – Non-controlling interests.

6.2 Investments in associated companies and a joint venture

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Investments in associated companies (Note (a))	21,336	21,890	21,891	21,891
Investment in a joint venture (Note (b))	-	-	-	-
	21,336	21,890	21,891	21,891

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.2 Investments in associated companies and a joint venture (continued)

(a) Associated companies

	Group		Company	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Equity investment at cost			21,891	21,891
Beginning of financial year	21,890	23,107		
Disposal of interest in an associated company (Note (i))	(1,167)	(954)		
Impairment loss in associated companies (Note (ii))	-	(1,717)		
Share of profit	70	519		
Dividends received	(409)	(195)		
Currency translation differences	952	1,130		
End of financial year	21,336	21,890		

- (i) During the financial years ended 31 March 2026 and 2025, the Group disposed of its interest in an associated company and recognised a loss on disposal amounting to S\$66,000 (2025: S\$188,000). The loss on disposal was included in "Exceptional items" (Note 2.7) and is calculated as follows:

	2026 S\$'000	2025 S\$'000
Consideration received	1,240	964
Less: Carrying amount of the investment on date of disposal	(1,167)	(954)
Less: Currency translation reserve transferred to profit or loss arising from disposal	(139)	(198)
Loss on disposal of investment in an associated company	(66)	(188)

- (ii) In the preceding financial year, the Group recognised an impairment loss of S\$1,717,000 against the carrying amount of its investments in associated companies, being the difference between the carrying amount of the Group's investment and the recoverable amount. The recoverable amounts are determined based on value-in-use or quoted market price of the associated companies.

The Group's investment in associated company is an investment in a listed company with a carrying value of S\$21,336,000 (2025: S\$20,790,000), for which the published price quotation is S\$24,894,000 (2025: S\$38,033,000) at the end of the reporting period and is classified within Level 1 of the fair value hierarchy.

There are no contingent liabilities relating to the Group's interest in the associated companies.

The Group's investments in associates are not individually material. Details of associated companies are disclosed in Note 6.4.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.2 Investments in associated companies and a joint venture (continued)

(b) Joint venture

The Group's investment in a joint venture is not material. Details of the joint venture are disclosed in Note 6.4.

Material accounting policy information

Associated companies are entities over which the Group has significant influence, but not control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties.

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus cost directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition over the Group's share of the fair value of the identifiable net assets of the associated companies and joint ventures and is included in the carrying amount of the investments.

Equity method of accounting

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses.

In applying the equity method of accounting, the Group's share of its associated companies' and joint venture's post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from associated companies and joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in associated companies or joint ventures equals or exceeds its interest in the associated companies or joint ventures, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated companies or joint ventures.

Unrealised gains on transactions between the Group and its associated companies and joint ventures are eliminated to the extent of the Group's interest in the associated companies and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of associated companies and joint ventures to ensure consistency of accounting policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.3 Disposal of subsidiaries

As disclosed in Note 2.14, divestment of FHPL, RHH and certain subsidiaries of the QS Group namely Quantum Solutions (Hong Kong) Limited, Quantum Solutions International (Malaysia) Sdn Bhd, Quantum Solutions (Thailand) Co, Ltd, PT Quantum Solutions Logistics Indonesia, Quantum Solutions (Taiwan) Co, Ltd and Quantum Solutions (Australia) Pty Ltd ("QSAU") were completed during the financial year ended 31 March 2026.

Details of the disposal and carrying amounts of net assets over which control was lost:

	FHPL S\$'000	RHH S\$'000	QS S\$'000	QSAU S\$'000	Total S\$'000
Current assets					
Cash and cash equivalents	60,634	5,252	5,964	740	72,590
Trade and other receivables	14,293	10,141	4,196	1,383	30,013
Other current assets	3,294	1,372	3,083	130	7,879
Income tax recoverable	-	760	6	-	766
	78,221	17,525	13,249	2,253	111,248
Non-current assets					
Property, plant and equipment	3,671	2,052	267	25	6,015
Right-of-use assets	5,018	383	382	5	5,788
Intangible assets	70,924	15,833	-	-	86,757
Financial assets	186	-	-	-	186
Deferred tax assets	987	-	104	-	1,091
Other non-current assets	2,548	-	-	-	2,548
	83,334	18,268	753	30	102,385
Current liabilities					
Trade and other payables	3,573	4,662	2,891	1,384	12,510
Current income tax liabilities	1,110	-	3	7	1,120
Contract liabilities	-	-	-	22	22
Lease liabilities	2,320	353	235	-	2,908
	7,003	5,015	3,129	1,413	16,560
Non-current liabilities					
Trade and other payables	17,215	-	98	15	17,328
Lease liabilities	2,852	53	206	5	3,116
Deferred tax liabilities	987	-	-	-	987
	21,054	53	304	20	21,431
Net assets derecognised	133,498	30,725	10,569	850	175,642

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.3 Disposal of subsidiaries (continued)

Net financial impact on disposal

	FHPL S\$'000	RHH S\$'000	QS S\$'000	QSAU S\$'000	Total S\$'000
Consideration received ¹	125,879	55,006	6,016	*	186,901
Consideration receivable	-	-	3,019	-	3,019
Total consideration	125,879	55,006	9,035	*	189,920
Net assets derecognised	(133,498)	(30,725)	(10,569)	(850)	(175,642)
Add: Non-controlling interest of net assets	4,413	-	-	-	4,413
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity on loss of control of subsidiaries (Note 5.4 (iii))	(10,331)	(1,627)	2,615	(1,797)	(11,140)
Legal fees and other related expenses for disposal of subsidiaries	(1,800)	(836)	(240)	(27)	(2,903)
Net financial impact on disposal	(15,337)	21,818	841	(2,674)	4,648

* Lesser than S\$1,000

¹ Together with the signing of the Sale and Purchase Agreement for RHH with ETC Etcetera Beheer B.V., Dejoj Beheer B.V. (the "Minority Shareholders") and Van Munster & De Jong Investerings B.V., the put option held by the minority shareholders was exercised. The minority shareholders sold their entire 15% equity interest in RHH to the Group immediately prior to the disposal of RHH, resulting in RHH becoming a wholly owned subsidiary of the Group before completion of the disposal.

The aggregate consideration payable to the minority shareholders amounted to EUR 13.1 million (approximately S\$19.5 million) and was offset against the consideration received from the disposal of RHH.

The net financial impact of the disposal of subsidiaries has been finalised, except for Quantum Solutions (Taiwan) Co, Ltd and Quantum Solutions International (Malaysia) Sdn Bhd which remain subject to the finalisation of their completion accounts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.3 Disposal of subsidiaries (continued)

As disclosed in Note 2.14, divestment of SPAI Group was completed on 27 March 2025. Details of the deconsolidation of SPAI Group are as follows:

Carrying amounts of net assets over which control was lost:

	2025
	S\$'000
Current assets	
Cash and cash equivalents	20,461
Trade and other receivables	131,595
Inventories	263
Other current assets	7,982
	<u>160,301</u>
Non-current assets	
Property, plant and equipment	121,222
Right-of-use assets	210,376
Intangible assets	447,218
Deferred tax assets	4,388
Other non-current assets	464
	<u>783,668</u>
Current liabilities	
Trade and other payables	111,140
Current income tax liabilities	4,854
Contract liabilities	1,799
Lease liabilities	31,721
	<u>149,514</u>
Non-current liabilities	
Trade and other payables	4,251
Borrowings	209,215
Lease liabilities	190,022
Deferred tax liabilities	33,826
	<u>437,314</u>
Net assets derecognised	<u>357,141</u>
Net financial impact on disposal	
Consideration received	660,729
Net assets derecognised	(357,141)
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity on loss of control of subsidiaries (Note 5.4 (iii))	12,890
Legal fees and other related expenses for disposal of subsidiaries	(14,389)
Net financial impact on disposal	<u>302,089</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.4 Listing of companies in the Group

Name	Principal activities	Place of incorporation	Proportion of ownership interest and voting rights held			
			by the Group		by the NCI	
			2026	2025	2026	2025
			%	%	%	%
SUBSIDIARIES						
<u>Held by the Company</u>						
Singapore Post Enterprise Private Limited	Investment holding	Singapore	100	100	-	-
SingPost Logistics Holdings Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost Investments Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost Logistics Investments Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost Group Treasury Pte. Ltd.	Provision of financial and treasury services to its related companies	Singapore	100	100	-	-
SingPost Holdings Pte. Ltd. ⁽⁷⁾	Investment holding	Singapore	100	100	-	-
SingPost eCommerce Pte. Ltd.	eCommerce specialising in the provision of online sale of products	Singapore	100	100	-	-
<u>Held by subsidiaries</u>						
SingPost Logistics Enterprise Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost Logistics Australia Holdings Pty Ltd	Investment holding	Australia	100	100	-	-
狮沛国际物流(深圳)有限公司 SP eCommerce (Shenzhen) Limited (f.k.a Quantum Logistics (Shenzhen) Limited)	Provision of logistics services	China	100	100	-	-
Quantum Solutions (Taiwan) Co., Ltd. ⁽¹⁾	Provision of delivery services and eCommerce logistics solutions	Taiwan	-	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.4 Listing of companies in the Group (continued)

Name	Principal activities	Place of incorporation	Proportion of ownership interest and voting rights held			
			by the Group		by the NCI	
			2026	2025	2026	2025
			%	%	%	%
SUBSIDIARIES (continued)						
<u>Held by subsidiaries</u> (continued)						
Quantium Solutions International Pte. Ltd.	Investment holding, provision of management and consultancy services to related entities	Singapore	100	66	-	34
Quantium Solutions (Singapore) Pte. Ltd.	Provision of delivery services and eCommerce logistics solutions	Singapore	100	66	-	34
Quantium Solutions (Australia) Pty Ltd ⁽¹⁾	Provision of delivery services and eCommerce logistics solutions	Australia	-	66	-	34
Quantium Solutions (Hong Kong) Limited ⁽¹⁾	Provision of delivery services and eCommerce logistics solutions	Hong Kong	-	66	-	34
Quantium Mail Logistics Solutions (India) Private Limited ⁽⁴⁾	Dormant	India	100	66	-	34
Quantium Express Solutions (India) Private Limited ⁽⁴⁾	Dormant	India	100	66	-	34
PT Quantum Solutions Logistics Indonesia ⁽¹⁾	Provision of delivery services and eCommerce logistics solutions	Indonesia	-	44	-	56
Quantium Solutions (Japan) Inc. ⁽⁹⁾	Provision of delivery services and eCommerce logistics solutions	Japan	100	66	-	34
Quantium Solutions International (Malaysia) Sdn. Bhd. ⁽¹⁾	Provision of delivery services and eCommerce logistics solutions	Malaysia	-	66	-	34
Quantium Solutions (New Zealand) Pty Limited ⁽²⁾	Provision of delivery services and eCommerce logistics solutions	New Zealand	100	66	-	34

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.4 Listing of companies in the Group (continued)

Name	Principal activities	Place of incorporation	Proportion of ownership interest and voting rights held			
			by the Group		by the NCI	
			2026	2025	2026	2025
			%	%	%	%
SUBSIDIARIES (continued)						
<u>Held by subsidiaries</u> (continued)						
Quantum Solutions (Thailand) Co., Ltd. ⁽¹⁾	Provision of delivery services and eCommerce logistics solutions	Thailand	-	66	-	34
Couriers Please Holdings Pty Limited	Investment holding	Australia	100	100	-	-
Couriers Please Australia Pty Limited	Investment holding	Australia	100	100	-	-
Famous Holdings Pte Ltd ⁽¹⁾	Investment holding and provision of management services	Singapore	-	100	-	-
Famous Air & Sea Services Pte. Ltd. ⁽¹⁾	Freight forwarding	Singapore	-	100	-	-
FPS Global Logistics Pte. Ltd. ⁽¹⁾	Freight forwarding	Singapore	-	100	-	-
Famous Pacific Shipping (WA) Pty Ltd ⁽¹⁾	Freight collections transhipments	Australia	-	100	-	-
Shinyei Shipping Co Ltd ⁽¹⁾	Freight forwarding	Japan	-	89	-	11
Tras - Inter Co., Ltd ⁽¹⁾	Customs brokerage and freight forwarding	Japan	-	89	-	11
FPS Famous Pacific Shipping Sdn. Bhd. ⁽¹⁾	Freight forwarding	Malaysia	-	100	-	-
Rotterdam Harbour Holding B.V. ⁽¹⁾	Investment holdings	Netherlands	-	85	-	15
FPS Famous Pacific Shipping B.V. ⁽¹⁾	Logistics services	Netherlands	-	85	-	15
Trans Ocean Pacific Forwarding B.V. ⁽¹⁾	Logistics services	Netherlands	-	85	-	15
Famous Pacific Shipping (NZ) Limited ⁽¹⁾	Freight forwarding	New Zealand	-	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.4 Listing of companies in the Group (continued)

Name	Principal activities	Place of incorporation	Proportion of ownership interest and voting rights held			
			by the Group		by the NCI	
			2026	2025	2026	2025
			%	%	%	%
SUBSIDIARIES (continued)						
<u>Held by subsidiaries</u> (continued)						
F.S. Mackenzie Limited ⁽¹⁾	Freight forwarding	United Kingdom	-	100	-	-
SingPost Investments (Tampines) Pte. Ltd.	Investment holding and real estate activities with owned or leased property	Singapore	100	100	-	-
SingPost Investments (Toh Guan) Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost Investments (Ecommerce Logistics) Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost Centre (Retail) Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SingPost eCommerce Logistics Holdings Pte. Ltd.	Investment holding	Singapore	100	100	-	-
SP eCommerce (Thailand) Co Ltd ⁽⁵⁾	eCommerce specialising in the provision of online shopping platforms and services	Thailand	100	100	-	-
SP eCommerce (Malaysia) Sdn. Bhd.	eCommerce specialising in the provision of online shopping platforms and services	Malaysia	100	100	-	-
TradeGlobal Asia Holdings Limited ⁽⁸⁾	Investment holding	Hong Kong	-	100	-	-
Parcel Santa Pte. Ltd. ⁽³⁾	Provision of eCommerce logistics solutions	Singapore	100	100	-	-
SingPost Properties Pte. Ltd. ⁽⁶⁾	Investment holding	Singapore	-	100	-	-
SingPost Pte. Ltd. ⁽⁶⁾	Investment holding	Singapore	-	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

6. GROUP STRUCTURE (continued)

6.4 Listing of companies in the Group (continued)

Name	Principal activities	Place of incorporation	Proportion of ownership interest and voting rights held			
			by the Group		by the NCI	
			2026	2025	2026	2025
			%	%	%	%

ASSOCIATED COMPANIES

Held by the Company

GDEX Berhad ^	Investment holding	Malaysia	12.36	12.28		
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Held by subsidiaries

Morning Express & Logistics Limited ⁽¹⁾	Provision of courier services and provision of management services to its related company	Hong Kong	-	33		
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JOINT VENTURES

Held by subsidiaries

PT Trio SPeCommerce Indonesia ⁽⁵⁾	Dormant	Indonesia	33	33		
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Notes

All companies as at 31 March 2026 are audited by member firms of Deloitte Touche Tohmatsu Limited, except for the following:

- (1) Divested during the financial year ended 31 March 2026
 - (2) Not required to be audited for the financial year ended 31 March 2026
 - (3) Audited by local statutory auditors in the countries of incorporation
 - (4) Placed under members' voluntary liquidation since financial year ended 31 March 2021
 - (5) Placed under members' voluntary liquidation since financial year ended 31 March 2025
 - (6) Struck off pursuant to Section 344A of the Singapore Companies Act 1967 during the financial year ended 31 March 2026
 - (7) Applied for striking-off pursuant to Section 344A of the Singapore Companies Act 1967 during the financial year ended 31 March 2026
 - (8) Liquidated during the financial year ended 31 March 2026
 - (9) Placed under members' voluntary liquidation during the financial year ended 31 March 2026
- ^ It is considered to be an associate of the Company as the Company can exercise significant influence over its financial and operating policies and voting rights.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

7. OTHERS

7.1 Holding company and related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Group had the following significant transactions with its related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group 2026 S\$'000	2025 S\$'000
Services received from associated companies	(99)	(336)
Services rendered to related companies of a substantial shareholder	19,540	16,467
Services received from related companies of a substantial shareholder	(19,305)	(26,726)

For the preceding financial year, the Company made payments on behalf of subsidiaries totalling S\$0.5 million which were subsequently reimbursed.

Outstanding balances at 31 March 2026 and 2025, arising from sale / purchase of goods and services, are unsecured and receivable / payable within 12 months from the end of the reporting period and are disclosed in Notes 3.2 and 3.10 respectively.

(b) Key management personnel compensation is as follows:

	Group 2026 S\$'000	2025 S\$'000
Salaries and other short-term employee benefits	3,563	5,855
Post-employment benefits	60	113
Share-based staff costs	29	(1,062)
	3,652	4,906

Included in the above is total compensation to non-executive directors of the Company amounting to S\$1,273,240 (2025: S\$1,338,470) based on the non-executive director remuneration framework.

The key management personnel for the financial year reflects the key management positions (2025: executive key management positions and the Group CEO) as at the end of that financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

7. OTHERS (continued)

7.2 Post-employment benefits

The Group operates one defined benefit pension plan in Japan to provide pensions for employees upon retirement. As at 31 March 2026, this pension plan has ceased to exist within the Group as a result of the disposal of the Famous Holdings group.

	Group 2026 S\$'000	2025 S\$'000
The amount recognised in the statement of financial position is determined as follows:		
Present value of unfunded obligations (Note 3.10)	-	1,326
The amounts recognised in (Loss) / Profit for the year from discontinued operations are as follows:		
Current service cost	91	295
Interest cost	-	27
	91	322
Beginning of financial year	1,326	1,715
Current service cost	91	295
Interest cost	-	27
Benefits paid	(90)	(525)
Currency translation differences	(22)	(186)
Loss of control of subsidiaries	(1,305)	-
End of financial year	-	1,326
The significant actuarial assumptions used were as follows:		
Discount rate	-	2.30%
Retirement age	-	60
Salary growth rates	-	2.5%
Withdrawal	-	0%
The cumulative actuarial losses recognised for the defined benefit pension plans were as follows:		
Beginning of financial year	(11)	(11)
Loss of control of subsidiaries	11	-
End of financial year	-	(11)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

7. OTHERS (continued)

7.2 Post-employment benefits (continued)

Material accounting policy information

Defined benefit plans

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position (Note 3.10) in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses are recognised in other comprehensive income in the period when they arise.

Past service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

7.3 Commitments

(a) Capital and contractual commitments

Expenditures contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	Group		Company	
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Property, plant and equipment	13,667	26,416	13,667	26,416
Contractual commitments	11,431	15,592	11,431	15,592

(b) Operating lease arrangements - where the Group is a lessee

The Group and Company lease various post offices, warehouse space and machinery under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

At 31 March 2026, the Group is committed to S\$1.0 million (2025: S\$0.6 million) for short-term leases.

(c) Operating lease commitments - where the Group is a lessor

Operating leases, in which the Group is the lessor, relate to investment properties owned by the Group. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

The unguaranteed residual values do not represent a significant risk for the Group, as they are not material.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

7. OTHERS (continued)

7.3 Commitments (continued)

(c) Operating lease commitments - where the Group is a lessor (continued)

Maturity analysis of operating lease income:

	Group S\$'000	Company S\$'000
<u>2026</u>		
Maturity analysis:		
Year 1	59,824	58,260
Year 2	38,973	37,912
Year 3	18,786	18,481
Year 4	4,865	4,852
Year 5	1,791	1,791
Year 6 and onwards	892	892
	125,131	122,188
<u>2025</u>		
Maturity analysis:		
Year 1	64,561	63,059
Year 2	47,212	46,214
Year 3	26,296	25,690
Year 4	8,690	8,676
Year 5	1,774	1,761
Year 6 and onwards	892	892
	149,425	146,292

Material accounting policy information

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

7.4 Pronouncements issued but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not applied the following relevant SFRS(I) pronouncements that have been issued but are not yet effective.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2026

7. OTHERS (continued)

7.4 Pronouncements issued but not yet effective (continued)

Effective for annual periods beginning on or after 1 January 2026*

- Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*
- Annual improvement to SFRS(I)s-Volume 11

Effective for annual periods beginning on or after 1 January 2027*

- SFRS(I) 18 *Presentation and Disclosure in Financial Statements*
- SFRS(I) 19 *Subsidiaries and Small Entities without Public Accountability: Disclosures (including November 2025 Amendments to SFRS(I) 19)*

Effective date is deferred indefinitely

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and Its Associate or Joint Venture*

Management anticipates that the adoption of the above SFRS(I)s and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except for the following:

* Early application is permitted.

SFRS(I) 18 *Presentation and Disclosure in Financial Statements*

SFRS(I) 18 replaces SFRS(I) 1-1, carrying forward many of the requirements in SFRS(I) 1-1 unchanged and complementing them with new requirements. In addition, some paragraphs from SFRS(I) 1-1 have been moved to SFRS(I) 1-8 and SFRS(I) 7. Furthermore, minor amendments to SFRS(I) 1-7 and SFRS(I) 1-33 *Earnings per Share* have been made.

SFRS(I) 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements; and
- improve aggregation and disaggregation.

An entity is required to apply SFRS(I) 18 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to SFRS(I) 1-7 and SFRS(I) 1-33, as well as the revised SFRS(I) 1-8 and SFRS(I) 7, become effective when an entity applies SFRS(I) 18. SFRS(I) 18 requires retrospective application with specific transition provisions.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's consolidated statement of profit or loss, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including the items currently labelled as operating expenses and other income. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the entity's financial statements as management has yet to complete its detailed assessment.