



**SINGAPORE POST LIMITED
AND ITS SUBSIDIARIES**

(Registration number: 199201623M)

**SGXNET ANNOUNCEMENT
UNAUDITED RESULTS FOR THE
HALF YEAR AND FULL YEAR
ENDED 31 MARCH 2021**

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

(1)(a)(i) Statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	FY2020/21	FY2019/20		FY2020/21	FY2019/20	
	H2	H2	Variance	Full Year	Full Year	Variance
<u>Continuing operations</u>	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	696,900	668,135	4.3%	1,404,681	1,313,783	6.9%
Labour and related expenses	(154,350)	(141,446)	9.1%	(304,215)	(282,399)	7.7%
Volume-related expenses ¹	(413,010)	(371,771)	11.1%	(842,225)	(710,526)	18.5%
Administrative and other expenses	(58,353)	(54,286)	7.5%	(108,677)	(102,880)	5.6%
Depreciation and amortisation	(35,669)	(33,773)	5.6%	(68,725)	(67,979)	1.1%
Selling expenses	(6,192)	(5,455)	13.5%	(9,389)	(9,528)	(1.5%)
(Reversal of impairment) / Impairment loss on trade and other receivables	2,852	(468)	N.M.	(1,856)	(1,503)	23.5%
Operating expenses	(664,722)	(607,199)	9.5%	(1,335,087)	(1,174,815)	13.6%
Other income	7,371	1,704	@	9,738	4,637	110.0%
Profit on operating activities	39,549	62,640	(36.9%)	79,332	143,605	(44.8%)
Share of profit / (loss) of associated companies and joint venture	670	(178)	N.M.	989	(114)	N.M.
Exceptional items ²	(11,959)	(10,107)	18.3%	(12,491)	(9,122)	36.9%
Interest income and investment income (net)	195	1,668	(88.3%)	3,470	6,872	(49.5%)
Finance expenses	(5,975)	(6,309)	(5.3%)	(11,031)	(12,648)	(12.8%)
Profit before tax	22,480	47,714	(52.9%)	60,269	128,593	(53.1%)
Income tax expense	(6,277)	(11,538)	(45.6%)	(13,259)	(28,319)	(53.2%)
Profit from continuing operations	16,203	36,176	(55.2%)	47,010	100,274	(53.1%)
<u>Discontinued operations³</u>						
Loss from discontinued operations	-	-	-	-	(11,994) ³	N.M.
Profit after tax	16,203	36,176	(55.2%)	47,010	88,280	(46.7%)
Attributable to:						
Equity holders of the Company	16,680	37,667	(55.7%)	47,620	91,078	(47.7%)
Non-controlling interests	(477)	(1,491)	(68.0%)	(610)	(2,798)	(78.2%)
Underlying Net Profit⁴	28,639	47,774	(40.1%)	60,111	100,200	(40.0%)

N.M. Not meaningful.
@ Denotes variance more than 300%

**Earnings/(loss) per share for profit / (loss) attributable
to the equity holders of the Company during the period / year: ⁵**

	<u>FY2020/21</u>	<u>FY2019/20</u>	<u>FY2020/21</u>	<u>FY2019/20</u>
	<u>H2</u>	<u>H2</u>	<u>Full Year</u>	<u>Full Year</u>
<u>Continuing operations</u>				
- Basic	0.41¢	1.34¢	1.46¢	3.92¢
- Diluted	0.41¢	1.34¢	1.46¢	3.92¢
<u>Discontinued operations</u>				
- Basic	-	-	-	(0.53¢)
- Diluted	-	-	-	(0.53¢)

Notes

- Volume-related expenses comprise mainly of traffic expenses and cost of sales.
- Exceptional items comprised one-off items such as asset impairment, fair value changes on investment properties, gains or losses on sale of investments and property, plant and equipment and M&A related professional fees.
- Discontinued operations arise from U.S. subsidiaries (as defined in announcement dated 19 September 2019) which results have been re-presented in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations. The loss from discontinued operations of S\$12.0 million last year represents the operating loss of the U.S. Subsidiaries till the date of deconsolidation.
- Underlying net profit is defined as net profit before exceptional items, net of tax.
- Earnings/(loss) per share were calculated based on net profit/(loss) attributable to equity holders of the Company less distribution attributable to perpetual securities holders, divided by the weighted average number of ordinary shares outstanding (excluding treasury shares).

Consolidated Statement of Comprehensive Income

	<u>FY2020/21</u>	<u>FY2019/20</u>		<u>FY2020/21</u>	<u>FY2019/20</u>	
	<u>H2</u>	<u>H2</u>	<u>Variance</u>	<u>Full Year</u>	<u>Full Year</u>	<u>Variance</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Profit after tax	16,203	36,176	(55.2%)	47,010	88,280	(46.7%)

Other comprehensive income / (loss)

(net of tax):

**Items that may be reclassified subsequently
to profit or loss:**

Deconsolidation of a foreign subsidiary's other capital reserve	-	-	-	-	1,622	N.M.
Currency translation differences:						
- Gain / (loss) on translation of foreign operations	5,770	(4,826)	N.M.	16,706	(10,878)	N.M.
- Deconsolidation of foreign subsidiaries	-	-	-	-	2,115	N.M.
- Transfers to profit or loss arising from disposal of subsidiaries and associated companies	-	(75)	N.M.	-	(75)	N.M.
Item that will not be reclassified subsequently to profit or loss:						
Equity investments at fair value through other comprehensive income						
- Fair value gain / (loss)	20,253	2,739	@	20,367	(410)	N.M.
- Gain on sale	-	-	-	-	5	N.M.
Revaluation gain on property, plant and equipment upon transfer to investment properties	672	301	123.3%	672	301	123.3%
Other comprehensive income / (loss) for the period (net of tax)	26,695	(1,861)	N.M.	37,745	(7,320)	N.M.
Total comprehensive income for the period*	42,898	34,315	25.0%	84,755	80,960	4.7%

Total comprehensive income attributable to:

Equity holders of the Company	36,476	34,809	4.8%	78,728	84,015	(6.3%)
Non-controlling interests	6,422	(494)	N.M.	6,027	(3,055)	N.M.
	42,898	34,315	25.0%	84,755	80,960	4.7%

* As shown in the Statement of changes in equity on pages 10 and 11.

N.M. Not meaningful.
@ Denotes variance more than 300%

Underlying Net Profit Reconciliation Table

	FY2020/21	FY2019/20		FY2020/21	FY2019/20	
	H2	H2	Variance	Full Year	Full Year	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit attributable to equity holders of the Company	16,680	37,667	(55.7%)	47,620	91,078	(47.7%)
Gain on divestment of interest in an associated company	-	(86)	N.M.	-	(86)	N.M.
Gain on disposal of warrants from an associated company	(3,356)	-	N.M.	(3,356)	-	N.M.
Fair value loss on investment properties	6,670	1,551	@	6,670	1,551	@
Fair value loss on call option of a foreign subsidiary	3,501	-	N.M.	3,501	-	N.M.
Impairment of loans to associated companies	746	-	N.M.	1,103	-	N.M.
Impairment of property, plant and equipment and associated companies	1,209	3,882	(68.9%)	1,324	3,882	(65.9%)
Losses / (Gains) on disposal of property, plant and equipment	145	71	104.2%	(17)	55	N.M.
Professional fees	2,710	3,746	(27.7%)	2,786	3,748	(25.7%)
Reversal of provision for contingent consideration of a foreign subsidiary	-	-	-	-	(971)	N.M.
Provision for the restructuring of overseas operations	334	943	(64.6%)	480	943	(49.1%)
Underlying Net Profit	28,639	47,774	(40.1%)	60,111	100,200	(40.0%)

N.M. Not meaningful.

@ Denotes variance more than 300%

(1)(a)(ii) The following items have been included in arriving at profit before income tax:

<u>Continuing Operations</u>	FY2020/21	FY2019/20	Variance	FY2020/21	FY2019/20	Variance
	H2	H2		Full Year	Full Year	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income and investment income (net)	195	1,668	(88.3%)	3,470	6,872	(49.5%)
Interest on borrowings	(2,934)	(3,506)	(16.3%)	(5,242)	(6,994)	(25.1%)
Depreciation and amortisation	(35,669)	(33,773)	5.6%	(68,725)	(67,979)	1.1%
Reversal of impairment / (Impairment loss) on trade and other receivables	2,852	(468)	N.M.	(1,856)	(1,503)	23.5%
Foreign exchange gains / (losses)	669	(2,938)	N.M.	3,229	(774)	N.M.
Gain on divestment of interest in an associated company	-	86	N.M.	-	86	N.M.
(Losses) / Gains on disposal of property, plant and equipment	(145)	(71)	104.2%	17	(55)	N.M.
Fair value losses in investment properties (net)	(6,670)	(1,551)	@	(6,670)	(1,551)	@

N.M. Not meaningful.

@ Denotes variance more than 300%

<u>Included in loss from discontinued operations</u>	FY2020/21	FY2019/20	Variance	FY2020/21	FY2019/20	Variance
	H2	H2		Full Year	Full Year	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest expense and investment loss (net)	-	-	-	-	(29)	N.M.
Interest on borrowings	-	-	-	-	(860)	N.M.
Reversal of impairment on trade and other receivables	-	-	-	-	491	N.M.
Foreign exchange losses	-	-	-	-	(218)	N.M.

N.M. Not meaningful.

<u>Total</u>	FY2020/21	FY2019/20	Variance	FY2020/21	FY2019/20	Variance
	H2	H2	%	Full Year	Full Year	%
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income and investment income (net)	195	1,668	(88.3%)	3,470	6,843	(49.3%)
Interest on borrowings	(2,934)	(3,506)	(16.3%)	(5,242)	(7,854)	(33.3%)
Depreciation and amortisation	(35,669)	(33,773)	5.6%	(68,725)	(67,979)	1.1%
Reversal of impairment / (Impairment loss) on trade and other receivables	2,852	(468)	N.M.	(1,856)	(1,012)	83.4%
Foreign exchange gains / (losses)	669	(2,938)	N.M.	3,229	(992)	N.M.
Gain on divestment of interest in an associated company	-	86	N.M.	-	86	N.M.
(Losses) / Gains on disposal of property, plant and equipment	(145)	(71)	104.2%	17	(55)	N.M.
Fair value losses in investment properties (net)	(6,670)	(1,551)	@	(6,670)	(1,551)	@

N.M. Not meaningful.

@ Denotes variance more than 300%

(1)(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	Mar-21 S\$'000	Mar-20 S\$'000	Mar-21 S\$'000	Mar-20 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	501,212	492,997	418,831	431,056
Financial assets	6,505	9,501	6,505	9,501
Trade and other receivables	166,411	262,067	124,048	218,392
Derivative financial instruments	40	2,109	40	2,109
Inventories	558	331	83	36
Other current assets	18,669	18,628	7,338	8,913
	693,395	785,633	556,845	670,007
Non-current assets				
Financial assets	111,124	95,841	12,581	19,104
Trade and other receivables	8,626	8,641	245,919	246,723
Investments in associated companies and joint venture	97,469	35,334	21,891	18,534
Investments in subsidiaries	-	-	322,397	319,371
Investment properties	1,010,804	1,008,020	956,362	951,501
Property, plant and equipment	405,448	441,474	251,953	277,410
Right-of-use assets	70,163	73,218	21,816	21,101
Intangible assets	314,532	297,363	-	-
Deferred income tax assets	4,248	2,277	-	-
Other non-current asset	5,958	3,834	-	-
	2,028,372	1,966,002	1,832,919	1,853,744
Total assets	2,721,767	2,751,635	2,389,764	2,523,751
LIABILITIES				
Current liabilities				
Trade and other payables	506,011	506,952	447,532	457,542
Current income tax liabilities	19,752	40,531	9,380	27,540
Contract liabilities	34,759	31,957	22,342	20,190
Lease liabilities	23,656	19,346	12,911	9,179
Derivative financial instruments	1,173	932	1,173	932
Borrowings	9,466	156,963	-	149,750
	594,817	756,681	493,338	665,133
Non-current liabilities				
Trade and other payables	22,308	13,206	254,715	2,042
Borrowings	312,846	207,461	-	200,000
Contract liabilities	23,319	30,712	23,319	30,962
Lease liabilities	60,189	66,820	9,649	12,281
Deferred income tax liabilities	36,865	34,437	21,971	21,621
	455,527	352,636	309,654	266,906
Total liabilities	1,050,344	1,109,317	802,992	932,039
NET ASSETS	1,671,423	1,642,318	1,586,772	1,591,712
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	638,762	638,762	638,762	638,762
Treasury shares	(29,724)	(29,724)	(29,724)	(29,724)
Other reserves	103,005	73,310	46,836	42,859
Retained earnings	564,708	570,206	584,072	592,989
Ordinary equity	1,276,751	1,252,554	1,239,946	1,244,886
Perpetual securities	346,826	346,826	346,826	346,826
	1,623,577	1,599,380	1,586,772	1,591,712
Non-controlling interests	47,846	42,938	-	-
Total equity	1,671,423	1,642,318	1,586,772	1,591,712

(1)(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities.

	Mar-21	Mar-20
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- Borrowings (secured)	4,166	1,863
- Borrowings (unsecured)	5,300	155,100
Amount repayable after one year:		
- Borrowings (secured)	3,233	7,461
- Borrowings (unsecured)	309,613	200,000
	322,312	364,424

The Group's unsecured borrowings comprised mainly S\$250 million 10-year Notes due 2030 comprised in Series 001 under the S\$1,000,000,000 Multicurrency Debt Issuance Programme. These Notes bear interest at a fixed rate of 2.53 per cent. per annum.

Details of any collateral.

Secured borrowings comprised bank loans and are secured over investment properties of subsidiaries.

(1)(c) Statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			
	FY2020/21	FY2019/20	FY2020/21	FY2019/20
	H2	H2	Full Year	Full Year
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit after tax	16,203	36,176	47,010	88,280
Adjustments for:				
Income tax expense	6,277	11,538	13,259	28,391
(Reversal of impairment) / Impairment loss on trade and other receivables	(2,852)	468	1,856	1,012
Amortisation of contract liabilities	(4,031)	(4,196)	(9,075)	(7,934)
Amortisation of intangible assets	228	228	456	507
Depreciation	35,441	33,545	68,269	67,472
Provision for restructuring	334	943	480	943
Fair value loss on investment properties	6,670	1,551	6,670	1,551
Losses / (gains) on disposal of investments, and property, plant and equipment	145	(15)	(17)	(31)
Fair value loss on derivative instrument	3,501	-	3,501	-
Gain on disposal of warrants from an associated company	(3,356)	-	(3,356)	-
Share-based staff costs	1,442	1,576	2,952	2,804
Interest expense	5,975	6,309	11,031	13,508
Interest income	(1,178)	(2,352)	(2,927)	(5,885)
Impairment of property, plant and equipment	1,209	-	1,209	-
Impairment of associated companies	-	3,882	115	3,882
Impairment of loan to associated companies	746	-	1,103	-
Share of (profit) / loss of associated companies and joint venture	(670)	178	(989)	114
	49,881	53,655	94,537	106,334
Operating cash flow before working capital changes	66,084	89,831	141,547	194,614
Changes in working capital, net of effects from:				
Inventories	(214)	333	(227)	361
Contract liabilities	(7,127)	(2,090)	4,484	(5,945)
Trade and other receivables	42,531	(33,522)	87,868	(41,197)
Trade and other payables	10,214	107,762	17,222	71,585
Cash generated from operations	111,488	162,314	250,894	219,418
Income tax paid	(21,627)	(17,808)	(35,461)	(36,256)
Net cash provided by operating activities	89,861	144,506	215,433	183,162
Cash flows from investing activities				
Deconsolidation of subsidiaries, net of cash acquired	-	-	-	(3,934)
Additions to property, plant and equipment and investment property	(8,185)	(20,254)	(21,861)	(27,125)
Dividends received from associated company	430	543	430	543
Interest received	1,131	2,641	3,147	6,371
Additional investment in an associated company	(59,407)	-	(59,407)	-
Loan to an associated company	(52)	(118)	(108)	(1,158)
Proceeds from sale of financial assets	-	-	-	741
Proceeds on maturity of financial assets	-	1,000	9,500	6,500
Proceeds from divestment of an associated company	-	139	-	139
Proceeds from disposal of property, plant and equipment	55	76	399	160
Repayment of loans by an associated company	321	-	383	-
Net cash used in investing activities	(65,707)	(15,973)	(67,517)	(17,763)
Cash flows from financing activities				
Acquisition of non-controlling interests	-	-	(2,296)	-
Distribution paid to perpetual securities	(7,376)	(7,416)	(14,875)	(14,915)
Dividends paid to shareholders	(11,248)	(22,497)	(38,243)	(78,736)
Dividends paid to non-controlling interest	(298)	-	(690)	(992)
Interest paid	(5,098)	(5,809)	(9,105)	(16,072)
Proceeds from bank loan and notes	309,851	558,765	409,869	628,364
Repayment of principal portion of lease liabilities	(16,651)	(13,004)	(32,588)	(26,995)
Repayment of bank loans	(250,849)	(471,002)	(451,773)	(555,276)
Net cash provided by / (used in) financing activities	18,331	39,037	(139,701)	(64,622)
Net increase in cash and cash equivalents	42,485	167,570	8,215	100,777
Cash and cash equivalents at beginning of financial period / year	458,727	325,427	492,997	392,220
Cash and cash equivalents at end of financial period / year	501,212	492,997	501,212	492,997

Significant non-cash transactions

During the full year ended 31 March 2020, the deconsolidated US businesses used S\$5.3 million in the Group's operating activities, and paid S\$7.1 million in respect of financing activities. Following the announcement of the filing of Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court, the Group no longer had control over the cash balance of S\$3.9 million held by the U.S. Subsidiaries. As part of deconsolidation, this amount was reflected as an outflow under investing activities.

In the current financial year, contingent consideration amounting to S\$1,508,000 (2020: S\$Nil) in relation to the acquisition of subsidiaries in prior financial years was settled by way of offset against escrow deposits for the acquisition of those subsidiaries.

Additional investment in an associated company amounting to S\$3,356,000 (2020: S\$Nil) was settled with proceeds from sale of warrants from the associated company amounting to S\$3,356,000 (2020: S\$Nil).

(1)(d)(i) Statement of changes in equity (for the issuer and group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group – H2

	<u>Attributable to ordinary shareholders of the Company</u>					<u>Perpetual securities</u>	<u>Total</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
	<u>Share capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Other reserves</u>	<u>Total</u>				
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000				
Balance at 1 October 2020	638,762	(29,724)	566,693	84,265	1,259,996	346,785	1,606,781	41,722	1,648,503
Total comprehensive income for the period	-	-	16,680	19,796	36,476	-	36,476	6,422	42,898
<i>Transactions with owners, recognised directly in equity</i>									
Adjustment to other reserves	-	-	-	(2,498)	(2,498)	-	(2,498)	-	(2,498)
Distribution of perpetual Securities	-	-	(7,417)	-	(7,417)	7,417	-	-	-
Distribution paid on perpetual Securities	-	-	-	-	-	(7,376)	(7,376)	-	(7,376)
Dividends paid to shareholders	-	-	(11,248)	-	(11,248)	-	(11,248)	-	(11,248)
Dividends paid to non-controlling interests in a subsidiary	-	-	-	-	-	-	-	(298)	(298)
Employee share option scheme: - Value of employee services	-	-	-	1,442	1,442	-	1,442	-	1,442
Total	-	-	(18,665)	(1,056)	(19,721)	41	(19,680)	(298)	(19,978)
Balance at 31 March 2021	638,762	(29,724)	564,708	103,005	1,276,751	346,826	1,623,577	47,846	1,671,423
Balance at 1 October 2019	638,762	(29,724)	562,493	74,592	1,246,123	346,785	1,592,908	43,432	1,636,340
Total comprehensive income / (loss) for the period	-	-	37,667	(2,858)	34,809	-	34,809	(494)	34,315
<i>Transactions with owners, recognised directly in equity</i>									
Distribution of perpetual Securities	-	-	(7,457)	-	(7,457)	7,457	-	-	-
Distribution paid on perpetual Securities	-	-	-	-	-	(7,416)	(7,416)	-	(7,416)
Dividends paid to shareholders	-	-	(22,497)	-	(22,497)	-	(22,497)	-	(22,497)
Employee share option scheme: - Value of employee services	-	-	-	1,576	1,576	-	1,576	-	1,576
Total	-	-	(29,954)	1,576	(28,378)	41	(28,337)	-	(28,337)
Balance at 31 March 2020	638,762	(29,724)	570,206	73,310	1,252,554	346,826	1,599,380	42,938	1,642,318

The Group – Full Year

	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 2020	638,762	(29,724)	570,206	73,310	1,252,554	346,826	1,599,380	42,938	1,642,318
Total comprehensive income for the year	-	-	47,620	31,108	78,728	-	78,728	6,027	84,755
Transactions with owners, recognised directly in equity									
Acquisition of non-controlling interests	-	-	-	(1,867)	(1,867)	-	(1,867)	(429)	(2,296)
Adjustment to other reserves	-	-	-	(2,498)	(2,498)	-	(2,498)	-	(2,498)
Distribution of perpetual securities	-	-	(14,875)	-	(14,875)	14,875	-	-	-
Distribution paid on perpetual securities	-	-	-	-	-	(14,875)	(14,875)	-	(14,875)
Dividends paid to shareholders	-	-	(38,243)	-	(38,243)	-	(38,243)	-	(38,243)
Dividends paid to non-controlling interests in a subsidiary	-	-	-	-	-	-	-	(690)	(690)
Employee share option scheme: - Value of employee services	-	-	-	2,952	2,952	-	2,952	-	2,952
Total	-	-	(53,118)	(1,413)	(54,531)	-	(54,531)	(1,119)	(55,650)
Balance at 31 March 2021	638,762	(29,724)	564,708	103,005	1,276,751	346,826	1,623,577	47,846	1,671,423
Balance at 1 April 2019	638,762	(30,174)	572,774	78,024	1,259,386	346,826	1,606,212	47,392	1,653,604
Total comprehensive income / (loss) for the year	-	-	91,078	(7,063)	84,015	-	84,015	(3,055)	80,960
Transactions with owners, recognised directly in equity									
Transfer upon disposal of Investment	-	-	5	(5)	-	-	-	(407)	(407)
Distribution of perpetual Securities	-	-	(14,915)	-	(14,915)	14,915	-	-	-
Distribution paid on perpetual Securities	-	-	-	-	-	(14,915)	(14,915)	-	(14,915)
Dividends paid to shareholders	-	-	(78,736)	-	(78,736)	-	(78,736)	-	(78,736)
Dividends paid to non-controlling interests in a subsidiary	-	-	-	-	-	-	-	(992)	(992)
Employee share option scheme: - Value of employee services	-	-	-	2,804	2,804	-	2,804	-	2,804
- Treasury shares re-issued	-	450	-	(450)	-	-	-	-	-
Total	-	450	(93,646)	2,349	(90,847)	-	(90,847)	(1,399)	(92,246)
Balance at 31 March 2020	638,762	(29,724)	570,206	73,310	1,252,554	346,826	1,599,380	42,938	1,642,318

The Company – H2

	Attributable to ordinary shareholders of the Company						
	Share capital	Treasury shares	Retained earnings	Other reserves	Total	Perpetual securities	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 October 2020	638,762	(29,724)	581,749	44,369	1,235,156	346,785	1,581,941
Total comprehensive income for the period	-	-	20,988	1,025	22,013	-	22,013
Transactions with owners, recognised directly in equity							
Distribution on perpetual securities	-	-	(7,417)	-	(7,417)	7,417	-
Distribution paid on perpetual Securities	-	-	-	-	-	(7,376)	(7,376)
Dividends paid to shareholders	-	-	(11,248)	-	(11,248)	-	(11,248)
Employee share option scheme: - Value of employee services	-	-	-	1,442	1,442	-	1,442
Total	-	-	(18,665)	1,442	(17,223)	41	(17,182)
Balance at 31 March 2021	638,762	(29,724)	584,072	46,836	1,239,946	346,826	1,586,772
Balance at 1 October 2019	638,762	(29,724)	588,641	40,914	1,238,593	346,785	1,585,378
Total comprehensive income for the period	-	-	34,302	369	34,671	-	34,671
Transactions with owners, recognised directly in equity							
Distribution on perpetual securities	-	-	(7,457)	-	(7,457)	7,457	-
Distribution paid on perpetual securities	-	-	-	-	-	(7,416)	(7,416)
Dividends paid to shareholders	-	-	(22,497)	-	(22,497)	-	(22,497)
Employee share option scheme: - Value of employee services	-	-	-	1,576	1,576	-	1,576
Total	-	-	(29,954)	1,576	(28,378)	41	(28,337)
Balance at 31 March 2020	638,762	(29,724)	592,989	42,859	1,244,886	346,826	1,591,712

The Company – Full Year

	Attributable to ordinary shareholders of the Company						
	Share <u>capital</u>	Treasury <u>shares</u>	Retained <u>earnings</u>	Other <u>reserves</u>	<u>Total</u>	Perpetual <u>securities</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 April 2020	638,762	(29,724)	592,989	42,859	1,244,886	346,826	1,591,712
Total comprehensive income for the year	-	-	44,201	1,025	45,226	-	45,226
Transactions with owners, recognised directly in equity							
Distribution on perpetual securities	-	-	(14,875)	-	(14,875)	14,875	-
Distribution paid on perpetual Securities	-	-	-	-	-	(14,875)	(14,875)
Dividends paid to shareholders	-	-	(38,243)	-	(38,243)	-	(38,243)
Employee share option scheme: - Value of employee services	-	-	-	2,952	2,952	-	2,952
Total	-	-	(53,118)	2,952	(50,166)	-	(50,166)
Balance at 31 March 2021	638,762	(29,724)	584,072	46,836	1,239,946	346,826	1,586,772
Balance at 1 April 2019	638,762	(30,174)	585,832	40,127	1,234,547	346,826	1,581,373
Total comprehensive income for the year	-	-	100,803	383	101,186	-	101,186
Transactions with owners, recognised directly in equity							
Transfer upon disposal of investment	-	-	5	(5)	-	-	-
Distribution on perpetual securities	-	-	(14,915)	-	(14,915)	14,915	-
Distribution paid on perpetual Securities	-	-	-	-	-	(14,915)	(14,915)
Dividends paid to shareholders	-	-	(78,736)	-	(78,736)	-	(78,736)
Employee share option scheme: - Value of employee services	-	-	-	2,804	2,804	-	2,804
- Treasury shares re-issued	-	450	-	(450)	-	-	-
Total	-	450	(93,646)	2,349	(90,847)	-	(90,847)
Balance at 31 March 2020	638,762	(29,724)	592,989	42,859	1,244,886	346,826	1,591,712

- (1)(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the 2nd half ended 31 March 2021, no share was issued under the Singapore Post Share Option Scheme.

As at 31 March 2021, there were unexercised options for 12,116,000 (31 March 2020: 13,689,000) unissued ordinary shares under the Singapore Post Share Option Scheme (including Performance Option Plan but excluding Restricted Share Plan) and unvested shares for 13,592,092 (31 March 2020: 8,470,475) unissued ordinary shares under the Restricted Share Plan.

As at 31 March 2021, the Company held 25,511,422 treasury shares (31 March 2020: 25,511,422).

- (1)(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 March 2021, total issued shares excluding treasury shares were 2,249,578,103 (31 March 2020: 2,249,578,103).

- (1)(d)(iv) A statement showing all sales, transfers, disposal, cancellation and / or use of treasury shares as at end of the current financial period reported on.**

During the 2nd half ended 31 March 2021, no treasury share was re-issued.

- (2) Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed.

- (3) Where figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

- (3A) Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

(4) Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed under paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 March 2020.

(5) If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the amendments and interpretations of Singapore Financial Reporting Standards (International) ("SFRS(I)s") that are relevant to its operations and effective from 1 April 2020.

The adoption of these pronouncements did not have any significant impact on the financial performance or position of the Group except for the early adoption of Amendment to SFRS(I) 16: Covid 19 - Related Rental Concessions that is effective for annual periods beginning on or after 1 June 2020. As a practical expedient, the amendment to SFRS(I) 16 allows a lease to elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this standard if the change were not a lease modification. The Group has applied the practical expedient to all rent concessions that meet the conditions set out.

(6) Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	FY2020/21 H2	FY2019/20 H2	FY2020/21 Full Year	FY2019/20 Full Year
<u>Continued Operations</u>				
Based on weighted average number of ordinary shares in issue	0.41¢	1.34¢	1.46¢	3.92¢
On fully diluted basis	0.41¢	1.34¢	1.46¢	3.92¢
<u>Discontinued Operations</u>				
Based on weighted average number of ordinary shares in issue	-	-	-	(0.53¢)
On fully diluted basis	-	-	-	(0.53¢)
<u>Total</u>				
Based on weighted average number of ordinary shares in issue	0.41¢	1.34¢	1.46¢	3.39¢
On fully diluted basis	0.41¢	1.34¢	1.46¢	3.39¢

(7) Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.

	The Group		The Company	
	Mar-21	Mar-20	Mar-21	Mar-20
Net asset value per ordinary share based on issued share capital of the Company at the end of the financial period (cents)	72.17	71.10	70.54	70.76
	The Group		The Company	
	Mar-21	Mar-20	Mar-21	Mar-20
Ordinary equity per ordinary share based on issued share capital of the Company at the end of the financial period (cents)	56.76	55.68	55.12	55.34

(8) Review of the performance of the group.

The consolidated income statement of the Group is presented as “Continuing Operations”, which excludes the U.S. Subsidiaries that had been deconsolidated with effect from September 2019.

Revenue

	FY20/21	FY19/20		FY20/21	FY19/20	
	H2	H2	Variance	Full Year	Full Year	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Post and Parcel	350,234	389,714	(10.1%)	742,839	763,079	(2.7%)
Logistics	325,222	256,958	26.6%	619,118	501,223	23.5%
Property	59,924	60,910	(1.6%)	115,428	121,095	(4.7%)
Inter-segment eliminations*	(38,480)	(39,447)	2.5%	(72,704)	(71,614)	(1.5%)
Total	696,900	668,135	4.3%	1,404,681	1,313,783	6.9%

* Inter-segment eliminations relate to the elimination of inter-segment billings for internal services to better reflect the profitability of each business segment.

Profit on operating activities

	FY20/21	FY19/20		FY20/21	FY19/20*	
	H2	H2	Variance	Full Year	Full Year	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Post and Parcel	20,835	51,015	(59.2%)	43,502	119,825	(63.7%)
Logistics	5,551	(2,053)	N.M.	11,256	(5,541)	N.M.
Property	26,290	27,144	(3.1%)	50,013	53,909	(7.2%)
Others#	(13,127)	(13,466)	2.5%	(25,439)	(24,588)	(3.5%)
Profit on operating activities	39,549	62,640	(36.9%)	79,332	143,605	(44.8%)

*With effect from 1 April 2020, corporate cost allocation has been revised and prior year's numbers have been restated for comparative purposes.

Others refer to unallocated corporate overhead items

Group

Group revenue rose 4.3% for the half year ended 31 March 2021 (“H2”), and 6.9% for the full year ended 31 March 2021. These were largely led by strong eCommerce volume growth in the Logistics and Domestic Post and Parcel segments, offset by lower International Post and Parcel revenue.

Notwithstanding the higher Group revenue, Covid-19 related disruptions impacted profitability, in particular for the International Post and Parcel segment. Group Profit on operating activities declined 36.9% and 44.8% for H2 and the full year respectively.

More details are provided below.

Post & Parcel

In the Post & Parcel segment, revenue declined 10.1% for H2 and 2.7% for the full year.

International Post and Parcel volumes continued to be impacted by the constraints on air capacity out from Changi Airport, and revenue declined 17.7% for H2, and 3.1% for the full year.

On the other hand, Domestic Post and Parcel business saw significant eCommerce volume growth of 32% in H2, on higher eCommerce adoption. Even though volumes of letters and printed papers continued to decline as expected, the growth from eCommerce led to a 6.6% increase in Domestic revenue in H2.

For the full year, eCommerce revenue contributed 34% of total Domestic Post and Parcel revenues, up from 21% in the same period last year.

Notwithstanding the strong revenue performance the Domestic business, Covid-19 related disruptions impacted profitability for the Post and Parcel segment.

The massive disruption to international air freight out of Changi Airport had resulted in significantly higher conveyance costs, and International Post and Parcel's margins were largely eroded for the year.

In addition, the Group incurred higher costs for Domestic Post and Parcel as a result of health and safety arrangements for Covid-19 during the year, including temporary housing for our Malaysian colleagues in Singapore.

Consequently, Profit on Operating activities declined 59.2% in H2 and 63.7% for the full year.

Logistics

In the Logistics segment, revenue rose 26.6% for H2 and 23.5% for the full year.

The Logistics entities Couriers Please, Quantum Solutions and SP eCommerce benefited from the increased adoption and rapid growth of eCommerce activities in Asia-Pacific.

In particular, Couriers Please has seen solid volume growth in Australia, with revenue rising 52.4% in H2 and 50.3% for the full year.

Quantum Solutions and SP eCommerce benefited from the reengineering of processes to improve customer experience, efficiency, and scalability. This resulted in more customers coming on board for eCommerce logistics solutions, including warehousing, fulfilment as well as front-end solutions. This helped cushioned the impact of lower cross-border volumes via Changi Airport for Quantum Solutions.

The freight forwarding entity Famous Holdings, recorded higher volumes as well as higher sea freight rates, in particular for H2, resulting in revenue rising 27.0% for H2 and 14.5% for the full year.

With improved revenues and economies of scale, the Logistics segment delivered a strong turnaround to a profit of S\$5.6 million for H2 and S\$11.3 million for the full year.

Property

In the Property segment, revenue declined marginally by 1.6% in H2 largely due to lower receipts from car-park and atrium sales for the SPC mall. For the full year, revenue declined 4.7%, largely due to rental rebates provided for eligible tenants amounting to approximately S\$3.2 million recognised in the first half of the financial year, as well as lower receipts from car-park and atrium sales.

Accordingly, Profit on Operating activities declined by 3.1% in H2 and 7.2% for the full year.

In the first half of the financial year, the retail mall saw a substantial decline in footfall due to the circuit breaker measures and many tenants had to temporarily close as a result.

However, the mall's footfall and tenant sales have been on a recovery since the gradual reopening measures and easing of restrictions by the Government. Tenant sales have recovered to around 85% of pre Covid-19 levels.

In spite of a weak leasing market due to the challenging economic environment, committed occupancy at the SingPost Centre retail mall and office remained high.

As at 31 March 2021, committed occupancy for the SPC mall was 94.1%, due to plans to reposition a part of the mall upon the exit of a food and beverage tenant. Since the close of the financial period, a portion of this space has already been taken up, and committed occupancy for the mall stood at 96.0% as at 20 April 2021. Active discussions are ongoing for the remainder of the vacant space.

For the office and enrichment area, committed occupancy stood at 96.6% as at 31 March 2021, and 97.6% as at 20 April 2021.

Others

The Others segment refers to unallocated corporate overhead items. Expenses under the Others segment were lower by 2.5% in H2. For the full year, it was higher by 3.5% due largely to the reversal of one off expenses in H1 last year. Excluding this, the Others segment would have been stable.

Operating Expenses

Total operating expenses rose 9.5% in H2 and 13.6% for the full year, due largely to increase in volume-related expenses as a result of Covid-19 disruptions as well as eCommerce volume growth.

Volume-related expenses rose 11.1% in H2 and 18.5% for the full year, due to higher per unit rates for line haul costs as a result of Covid-19 disruptions.

There has been a massive disruption to international air freight out of Changi Airport, and this resulted in substantially higher conveyance costs for the Group's International Post and Parcel business.

In addition, there were higher eCommerce volumes at Couriers Please and Domestic Post & Parcel, and higher sea freight volumes at Famous Holdings.

Labour and related expenses rose 9.1% in H2 and 7.7% for the full year. This was due largely to higher contracted services for eCommerce related deliveries at Couriers Please in line with strong volume growth and higher costs for Domestic Post and Parcel related to Covid-19 disruptions.

The Group recognised approximately S\$11.5 million for the Job Support Scheme ("JSS") relief in H2, and approximately S\$24.5 million for the full year, as part of the Government of Singapore's measures to help businesses in coping with the impact from Covid-19. These were offset against labour and related expenses and have helped the Group mitigate the impact of Covid-19.

Administrative expenses rose 7.5% in H2 and 5.6% for the full year, largely due to the roll out of a new information system in Australia to improve customer experience and manage the higher volumes.

Selling-related expenses and Impairment loss on trade receivables was marginally higher by 1.9% for the full year due largely to compensation for delayed deliveries, offset by settlement of related bad debt provision. For H2, this was lower by 43.6% largely due to reversal of the same bad debt provision.

Other income

Other income was higher at S\$7.4 million for H2 and S\$9.7 million for the full year, due largely to foreign exchange translation differences.

Exceptional items

Total exceptional losses in H2 amounted to S\$12.0 million, which comprised largely:

- Fair value loss on investment properties of S\$6.7 million, largely due to fair value loss of S\$6.8 million for SPC Retail Mall as a result of lower rental income
- Fair value loss on put option of an indirect subsidiary under the Famous Group of S\$3.5 million due to higher market valuation of the entity arising from improved performance
- Professional fees of S\$2.8 million relating to strategic activities of the Group
- Impairment for Property, plant & equipment of S\$1.2 million, on some of CouriersPlease's assets due to obsolescence

These were partly offset by a gain on disposal of warrants from GDEX Berhad of S\$3.4 million.

For H2 last year, there was an exceptional loss of S\$10.1 million comprising largely fair value loss on investment properties of S\$1.6 million, impairment on associated companies of S\$3.9 million, and professional fees of S\$3.7 million.

Interest Income and Finance Expense

Interest income and investment income was lower at S\$195,000 in H2, and S\$3.5 million for the full year, with lower interest income.

Finance expenses were lower at S\$6.0 million in H2 and S\$11.0 million for the full year, with lower interest expenses.

Share of Results of Associated Companies and Joint Venture

The share of profit from associated companies and joint venture rose to S\$0.7 million in H2, and S\$1.0 million for the full year, largely due to share of profit for Freight Management Holdings Pty Ltd ("FMH"), with effect from 31 December 2020.

Income Tax Expense

Income tax expense was lower by 45.6% in H2 and 53.2% for the full year, largely due to lower profit before tax, as well as the effect of the JSS payouts received, which are exempt from tax.

Discontinued Operations

The Group had deconsolidated the financials for the U.S. Subsidiaries with effect from September 2019. Accordingly, there was no loss from discontinued operations in FY2020/21, compared to a loss of S\$12.0 million in the corresponding period last year.

Net Profit

Net profit attributable to equity holders of the Company declined 55.7% to S\$16.7 million for H2, and 47.7% to S\$47.6 million for the full year, mainly due to Covid-19 related disruptions.

This was partly offset by higher earnings contribution from the Logistics segment, as well as the absence of losses from discontinued operations.

Excluding exceptional items, underlying net profit declined 40.1% to S\$28.6 million in H2, and 40.0% to S\$60.1 million for the full year.

Statement of Financial Position

Assets

The Group's total assets amounted to S\$2.7 billion as at 31 March 2021.

Current assets declined to S\$693.4 million as at 31 March 2021, from S\$785.6 million as at 31 March 2020. Trade and other receivables declined to S\$166.4 million from S\$262.1 million, mainly due to payments received for eCommerce deliveries from China.

Cash and cash equivalents increased to S\$501.2 million as at 31 March 2021, from S\$493.0 million as at 31 March 2020, as a result of cash generated from operations.

Current financial assets, which comprise SingPost's investments in corporate bonds, declined to S\$6.5 million from S\$9.5 million due to redemption upon maturity, partly offset by a reclassification of some non-current bonds to current financial assets.

Current derivative financial instruments declined to S\$40,000 from S\$2.1 million, due to maturity of a foreign currency hedge.

Current inventories increased to S\$0.6 million from S\$0.3 million in line with increased business activities in Australia.

Non-current assets were stable at S\$2.0 billion as at 31 March 2021.

Non-current financial assets rose to S\$111.1 million from S\$95.8 million due to fair value gains.

Non-current trade and other receivables were stable at S\$8.6 million.

Investments in associated companies and JV increased to S\$97.5 million from S\$35.3 million, mainly due to the Group's investment in FMH, while Investment properties remained largely stable at S\$1,010.8 million.

Property, plant and equipment declined to S\$405.4 million from S\$441.5 million, mainly due to depreciation charges for the period, while Right-of-use assets declined marginally to S\$70.2 million.

Intangible assets rose to S\$314.5 million from S\$297.4 million, largely due to translation differences from the Australian dollar.

Deferred income tax assets rose to S\$4.2 million from S\$2.3 million, due to recognised tax benefits in Australia.

Other non-current asset increased to S\$6.0 million from S\$3.8 million, due to payment for extension of call/put option for an indirect subsidiary under the Famous Group.

Liabilities

The Group's total liabilities stood at S\$1.1 billion as at 31 March 2021.

Current liabilities declined to S\$594.8 million from S\$756.7 million, substantially due to a decline in current borrowings to S\$9.5 million from S\$157.0 million, due to repayment of a term loan.

Trade and other payables were largely stable at S\$506.0 million, while current income tax liabilities decreased to S\$19.8 million from S\$40.5 million due to payment of tax, partly offset by tax provisioning for the year.

Current lease liabilities rose to S\$23.7 million from S\$19.3 million due largely to reclassification from long-term leases.

Current contract liabilities rose to S\$34.8 million from S\$32.0 million, largely due to higher advanced collections.

Derivative financial instruments increased to S\$1.2 million from S\$0.9 million, mainly due to forward currency contracts being marked to market.

Non-current liabilities increased to S\$455.5 million as at 31 March 2021 from S\$352.6 million as at 31 March 2020, mainly due to increase in net borrowings to S\$312.8 million from S\$207.5 million, with the issuance of a medium term note in November to refinance short-term borrowings, and a bank loan in Australian dollars for better matching of currency exposure for the investment in FMH.

Non-current trade and other payables increased to S\$22.3 million from S\$13.2 million, mainly due to contingent consideration for an indirect subsidiary.

Non-current contract liabilities relate mainly to upfront payments received from our postassurance collaboration with AXA Life Insurance Singapore Private Limited for which a financing component exists. The decline to S\$23.3 million from S\$30.7 million was mainly due to amortisation for the year.

Non-current lease liabilities declined to S\$60.2 million due largely to reclassification to current liabilities.

Deferred income tax liabilities rose to S\$36.9 million, from S\$34.4 million, largely due to foreign currency translation and increase in an Australia subsidiary's profit.

Cash Flow

For the year ended 31 March 2021, operating cash flow before working capital changes was S\$141.5 million, compared to S\$194.6 million last year, mainly due to lower profit.

Working capital movement for the year improved significantly to positive S\$109.3 million, due largely to favourable movement in trade receivables for eCommerce deliveries from China.

Consequently, net cash inflow from operating activities for the year rose to S\$215.4 million, compared against S\$183.2 million in the corresponding period last year.

Net cash outflow for investing activities was S\$67.5 million for the year, compared to S\$17.8 million for the corresponding period last year, mainly due to the Group's investment in FMH.

Capital expenditure declined to S\$21.9 million compared to S\$27.1 million last year, with careful management of spending amid the Covid-19 operating environment. This was offset by proceeds from maturity of financial assets of S\$9.5 million.

Net cash outflow from financing activities for the year amounted to S\$139.7 million, compared to outflow of S\$64.6 million last year. This was largely due to net repayment of bank loans of S\$41.9 million for the year, compared to net proceeds from notes and bank loans of S\$73.1 million last year, partly offset by lower dividends and interest paid.

Financial Position

Despite the challenges brought about by Covid-19, the Group has strengthened its net asset and financial position.

The Group recorded fair value gains on non-current financial assets, with improved financial performances from its investments as a result of higher eCommerce related activities.

On the other hand, despite challenges in the property leasing market, the Group recorded only a marginal decline to fair value for its investment properties, with a high renewal or replacement rate for expiring leases.

In addition, the Group has extended its short term liabilities to the long term, with the issuance of a 10-year medium term note that significantly extended its debt maturity profile.

As at 31 March 2021, the Group was in a net cash position of S\$178.9 million, compared to a net cash position of S\$128.6 million as at 31 March 2020, due to a higher cash position driven by positive working capital, offset by lower borrowings.

Ordinary shareholders' equity stands at S\$1.28 billion as at 31 March 2021, marginally higher compared to 31 March 2020.

- (9) Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- (10) A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

As the Covid-19 pandemic continues to create disruptions across the global economy, the Group is actively adapting measures to navigate the current environment, including seeking new eCommerce growth opportunities in Singapore, Australia and the Asia-Pacific region.

The Group's performance in certain business segments will continue to be affected by factors beyond its control, including the impact of higher international conveyance costs out of Changi Airport. While the recovery of the International Post and Parcel business will largely be driven by any recovery in the number of flights departing from Singapore, the Group is also actively exploring different ways to improve the performance of the International Post and Parcel segment.

In Singapore, the Group is implementing the Future of Post initiative, which will reengineer the Postal business to capture the broader growing opportunities for smart urban logistics. Public trials have commenced for a key component of this ecosystem, called PostPal, the world's first-ever "Smart Letterbox".

On 31 December 2020, the Group completed the Tranche One acquisition of FMH which will allow it to further scale its Business-to-Business-to-Consumer ('B2B2C') logistics capabilities as well as to make further inroads in the eCommerce market in Australia. This will further entrench Australia as a second home market for the Group.

The Group will continue to execute on its transformation initiatives to reposition itself for the long term while carefully managing expenses, cashflow and liquidity.

- (11) Dividends**

Final dividend

For the financial year ended 31 March 2021, the Board of Directors has proposed a final dividend of 0.6 cent per ordinary share (tax exempt one-tier).

The final dividend is subject to shareholders' approval at the Annual General Meeting of the Company to be convened.

Including the proposed final dividend, total dividends for the financial year would be 1.1 cents, which represents a payout ratio of about 40% of underlying net profit.

With an uncertain outlook due to the ongoing pandemic, the Group continues to adopt a prudent approach in managing cash flows and conserving cash, for the ongoing execution of the Group's transformation initiatives.

The date payable and record date of the final dividend will be announced at a later date.

Corresponding period of the immediately preceding financial year

Final dividend

A final tax exempt one-tier dividend of 1.2 cent per ordinary share in relation to the financial year ended 31 March 2020 was proposed on 8 May 2020 and approved at the AGM on 16 July 2020. This dividend was paid on 12 August 2020.

- (12) **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- (13) **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Segment information is presented based on the information reviewed by the Group Chief Executive Officer and Group Chief Financial Officer ("Chief Operating Decision Maker" or "CODM") for performance measurement and resource allocation.

With effect from 1 April 2019, SingPost Group has reclassified the reporting of certain business units into three key business segments, namely Post and Parcel, Logistics, and Property. During the financial year ended 31 March 2020, businesses in the U.S. under TradeGlobal and Jagged Peak have been re-presented as discontinued operations (as defined in announcement dated 19 September 2019) in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations

- ◆ **Post and Parcel** segment comprises the core postal and parcel delivery business of the Group. This includes Domestic post and parcels, International post and parcels, as well as products and services transacted at the post offices.
- ◆ **Logistics** segment comprises the logistics businesses of the Group. The services are divided into Freight forwarding and eCommerce logistics, which includes front-end related eCommerce solutions, warehousing, fulfilment, delivery and other value-added services in Asia Pacific.
- ◆ **Property** segment includes the provision of commercial property rental, as well as the self-storage business.

With effect from 1 April 2020, corporate cost allocation has been revised and prior year segment results have been restated for comparative purposes.

The measurement of segment results is in line with the basis of information presented to management for internal reporting purpose.

(a) Segment revenue and results

The following is an analysis of the Group's revenues and results by reportable segments that were provided to the CODM for the financial years ended 31 March 2021 and 2020:

<u>Group</u> <u>(Continuing operations)</u>	<u>Post and</u> <u>Parcel</u> S\$'000	<u>Logistics</u> S\$'000	<u>Property</u> S\$'000	<u>All other</u> <u>segments</u> S\$'000	<u>Eliminations</u> S\$'000	<u>Total</u> S\$'000
2021						
Revenue:						
- External	721,475	608,347	74,859	-	-	1,404,681
- Inter-segment	21,364	10,771	40,569	-	(72,704)	-
	<u>742,839</u>	<u>619,118</u>	<u>115,428</u>	<u>-</u>	<u>(72,704)</u>	<u>1,404,681</u>
Profit / (loss) from operating activities	<u>43,502</u>	<u>11,256</u>	<u>50,013</u>	<u>(25,439)</u>	<u>-</u>	<u>79,332</u>

<u>Group</u> <u>(Continuing operations)</u>	<u>Post and</u> <u>Parcel</u> S\$'000	<u>Logistics</u> S\$'000	<u>Property</u> S\$'000	<u>All other</u> <u>segments</u> S\$'000	<u>Eliminations</u> S\$'000	<u>Total</u> S\$'000
2020						
Revenue:						
- External	737,239	496,845	79,699	-	-	1,313,783
- Inter-segment	25,840	4,378	41,396	-	(71,614)	-
	<u>763,079</u>	<u>501,223</u>	<u>121,095</u>	<u>-</u>	<u>(71,614)</u>	<u>1,313,783</u>
Profit / (loss) from operating activities	<u>119,825</u>	<u>(5,541)</u>	<u>53,909</u>	<u>(24,588)</u>	<u>-</u>	<u>143,605</u>

<u>Group</u> <u>(Discontinued operations)</u>	<u>U.S. Business</u> S\$'000	<u>Total</u> S\$'000
2020		
Revenue:		
- External	88,885	88,885
- Inter-segment	-	-
	<u>88,885</u>	<u>88,885</u>
Loss from discontinued operations	<u>(11,033)</u>	<u>(11,033)</u>

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 joint venture. Interest income and finance expenses are not allocated to segments.

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

<u>Continuing operations</u>	<u>Group</u>	
	2021 S\$'000	2020 S\$'000
Profit on operating activities for reportable segments	104,771	168,193
Other segments loss on operating activities	(25,439)	(24,588)
Exceptional items	(12,491)	(9,122)
Finance expenses	(11,031)	(12,648)
Interest income and investment income (net)	3,470	6,872
Share of profit / (loss) of associated companies and joint venture	989	(114)
Profit before tax	60,269	128,593
Tax expense	(13,259)	(28,319)
Profit after tax	47,010	100,274

A reconciliation of loss on operating activities to loss from discontinued operations is provided as follows:

<u>Discontinued operations</u>	<u>Group</u>	
	2021 S\$'000	2020 S\$'000
Loss on operating activities for reportable	-	(11,033)
Finance expenses	-	(860)
Interest income and investment income (net)	-	(29)
Loss before tax	-	(11,922)
Tax expense	-	(72)
Loss from discontinued operations	-	(11,994)

(b) Segment assets

The following is an analysis of the Group's segment assets as at 31 March 2021 and 2020 that were provided to the CODM:

<u>Group</u>	<u>Post and Parcel</u> S\$'000	<u>Logistics</u> S\$'000	<u>Property</u> S\$'000	<u>All other segments</u> S\$'000	<u>Total</u> S\$'000
31 March 2021					
Segment assets	182,720	660,137	1,400,006	43,121	2,285,984
Segment assets include:					
Investment in associated companies	-	66,490	-	30,979	97,469
Intangible assets	-	283,665	30,867	-	314,532
31 March 2020					
Segment assets	278,842	543,437	1,415,157	54,655	2,292,091
Segment assets include:					
Investment in associated companies	-	7,496	-	27,838	35,334
Intangible assets	-	265,219	32,144	-	297,363

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 derivative financial instruments and financial assets. Cash and cash equivalents are allocated to reportable segments where applicable.

	Group	
	31 March 2021	31 March 2020
	S\$'000	S\$'000
Segment assets for reportable segments	2,242,863	2,237,436
Other segments assets	43,121	54,655
Unallocated:		
Cash and cash equivalents	416,657	428,830
Financial assets	19,086	28,605
Derivative financial instruments	40	2,109
Total assets	2,721,767	2,751,635

(c) Other segment information

<u>Group</u>	<u>Post and</u>			<u>All other</u>	
	<u>Parcel</u>	<u>Logistics</u>	<u>Property</u>	<u>segments</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2021					
Depreciation and amortisation	22,291	18,117	23,979	4,338	68,725
Additions to*:					
- Property, plant and equipment	3,305	5,197	2,841	2,243	13,586
- Investment property	-	-	-	-	-
- Right-of-use assets	812	10,461	13,004	92	24,369
2020					
Depreciation and amortisation	16,992	23,472	21,577	5,938	67,979
Additions to*:					
- Property, plant and equipment	2,894	8,070	6,385	1,940	19,289
- Investment property	-	-	4,057	-	4,057
- Right-of-use assets	7,441	2,778	8,645	-	18,864

* net of inter-segment elimination

In addition to the depreciation and amortisation reported above, impairment losses of S\$1.2 million (2020: S\$3.9 million) and S\$1.2 million (2020: Nil) were recognised in respect of investment in and loan to associated companies and property, plant and equipment respectively.

These impairment losses were attributable to the following reportable segments:

	2021	2020
	S\$'000	S\$'000
Logistics	(2,427)	(1,542)
Others	-	(2,340)
	(2,427)	(3,882)

(d) Geographical information

The Group's four business segments operate in four main geographical areas:

- Singapore - the Company is headquartered and has operations in Singapore where 59% (2020: 60%) of its revenues are generated. The operations in this area comprise principally of the core postal business, post office products and services, courier activities and investment holding.
- Australia - the operations in this area are principally delivery services and e-commerce logistics solutions.
- Other countries - the operations include warehousing and logistics delivery in Japan and Hong Kong, and freight forwarding businesses in Europe and New Zealand.

	Revenue	
	2021 S\$'000	2020 S\$'000
Singapore	832,156	847,787
Australia	252,484	175,977
Other countries*	320,041	378,904
	<u>1,404,681</u>	<u>1,402,668</u>

* Prior year included discontinued operations of S\$88,885,000.

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

(14) In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

(15) A breakdown of sales.

	FY2020/21	The Group	
	S\$'000	FY2019/20	Variance
		S\$'000	%
(a) Sales reported for the first half year	707,781	645,648	9.6%
(b) Total profit after tax before deducting minority interest reported for the first half year	30,807	52,104	(40.9%)
(c) Sales reported for the second half year	696,900	668,135	4.3%
(d) Total profit after tax before deducting minority interest reported for the second half year	16,203	36,176	(55.2%)

(16) A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Group and Company	
	FY2020/21	FY2019/20
	S\$'000	S\$'000
<i>Ordinary dividends paid</i>		
Final exempt (one-tier) dividend paid in respect of the previous financial year of 1.2 cents per share (FY19/20: 2.0 cents)	26,995	44,991
Interim exempt (one-tier) dividend paid in respect of the first quarter of current financial year of Nil per share (FY19/20: 0.5 cent)	-	11,248
Interim exempt (one-tier) dividend paid in respect of the first half / second quarter of current financial year of 0.5 cent per share (FY19/20: 0.5 cent)	11,248	11,248
Interim exempt (one-tier) dividend paid in respect of the third quarter of current financial year of Nil per share (FY19/20: 0.5 cent)	-	11,249
	38,243	78,736

(17) Interested Person Transactions

During the 2nd half and full year ended 31 March 2021, the following interested person transactions were entered into by the Group:

	Nature of Relationship	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		FY2020/21	FY2019/20	FY2020/21	FY2019/20
		H2	H2	H2	H2
		S\$'000	S\$'000	S\$'000	S\$'000
Sales					
Singapore Telecommunications Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	431	13,314*
SP Services Ltd	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	317	1,047
		-	-	748	14,361
Purchases					
PSA Corporation	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	-	273*
Singapore Telecommunications Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	-	297*
Starhub Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	-	349*
		-	-	-	919
Total interested person transactions		-	-	748	15,280

	Nature of Relationship	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		FY2020/21 Full Year S\$'000	FY2019/20 Full Year S\$'000	FY2020/21 Full Year S\$'000	FY2019/20 Full Year S\$'000
Sales					
Singapore Power Limited	Each interested person is an associate of	-	-	379*	-
Singapore Telecommunications Group	Singapore Post Limited's controlling shareholder,	-	-	1,338*	14,679*
SP Services Ltd	Temasek Holdings (Private) Limited	-	-	317	1,047
Starhub Group		-	-	266	432
		-	-	2,300	16,158
Purchases					
Ascendas Real Estate Investment Trust	Each interested person is an associate of	-	-	1,686*	-
Harbourfront Centre Pte Ltd	Singapore Post Limited's controlling shareholder,	-	-	524*	-
PSA Corporation	Temasek Holdings (Private) Limited	-	-	-	1,222*
Sembcorp Group		-	-	-	8,200*
Singapore Airlines Group		-	-	12,236	18,780
Singapore Telecommunications Group		-	-	109	297*
SMRT Corporation		-	-	267	-
Starhub Group		-	-	-	349*
		-	-	14,822	28,848
Total interested person transactions		-	-	17,122	45,006

Note

All the transactions set out in the above table were based on the Group's interested person transactions register. They were either based on contractual values for the duration of the contracts (which vary from 3 months to 3 years) or annual values for open-ended contracts.

*Include contracts of duration exceeding one year.

(18) Confirmation by the Board pursuant to rule 720(1) of the Listing Manual

The Board had received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 in pursuant to Rule 720(1) of the listing manual of the Singapore Exchange Securities Trading Limited.

(19) Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.