



Global Logistics Delivery

DELIVERY
INDUSTRIAL
DISTRIBUTION
PRODUCT
DESTINATION
INVENTORY
CARCO
MANUFACTURING
ANALYSIS
CUSTOMERS

Singapore
POST

H2 & FY2023/24 Results Presentation

10 May 2024

Disclaimer



The following presentation contains forward looking statements by the management of Singapore Post Limited ("SingPost") relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial condition, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to the future performance of SingPost. In particular, such targets should not be regarded as a forecast or projection of future performance of SingPost. It should be noted that the actual performance of SingPost may vary significantly from such statements.

"\$" means Singapore dollars unless otherwise indicated.



Group Overview

Vincent Phang, Group CEO

H2 & FY2023/24 Overview

S\$1,686.7m

FY23/24 Revenue

S\$81.5m

↑ **110.2% YoY**

FY23/24 Net Profit

S\$859.5m

H2 FY23/24 Revenue

S\$68.1m

↑ **65.4% YoY**

H2 FY23/24 Net Profit



Delivering on growth

Strong operating results amidst challenging markets and freight forwarding decline

Singapore postal business reset; Australia and International growth

Exceptional gain on property revaluation

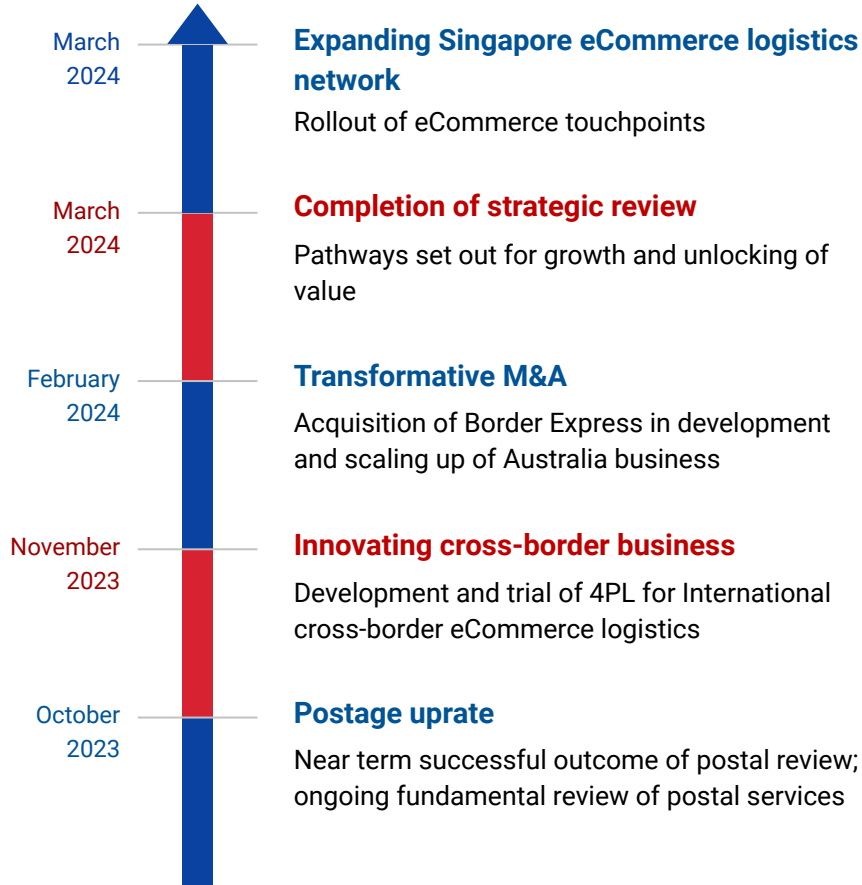


Delivering on strategic initiatives

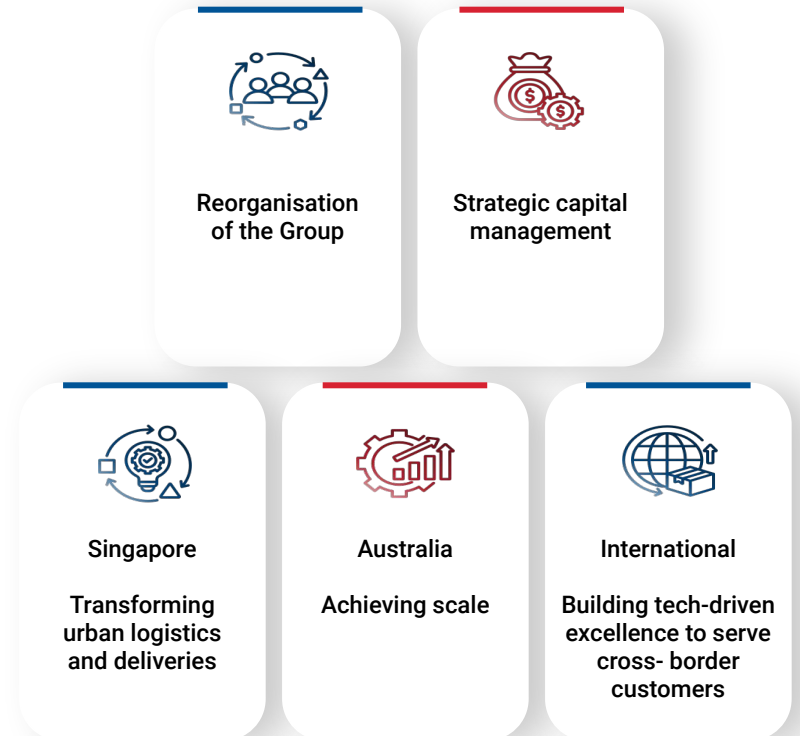
Pathways to shareholder value enhancement following strategic review

Accelerated strategic initiatives across the organisation

Delivering on Strategic Initiatives



5 key strategic thrusts over FY24/25 to FY26/27

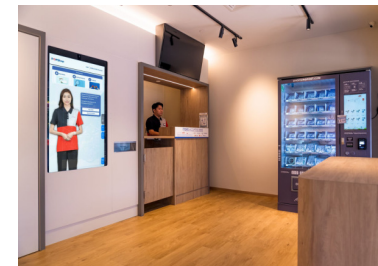


Re-engineering the postal network; capturing eCommerce opportunities

- ✓ Driving eCommerce volumes; benefit of postage uprate
- ✓ Enhanced eCommerce logistics solutions and network connectivity
 - Increasing eCommerce touchpoints (POPStops and POPDrops)
- ✓ Reviewing and optimising postal services and infrastructure

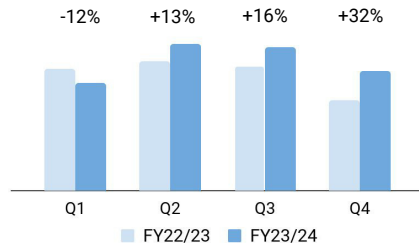


Rolling out dedicated eCommerce touchpoints (POPStops) at key transportation nodes with SMRT

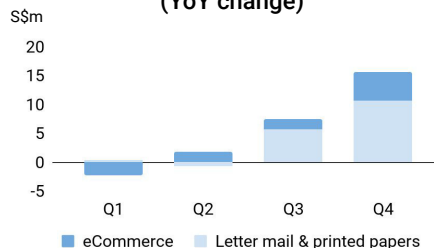


POPStop@Tampines - the first of a planned network of standalone touchpoints for drop-offs and returns

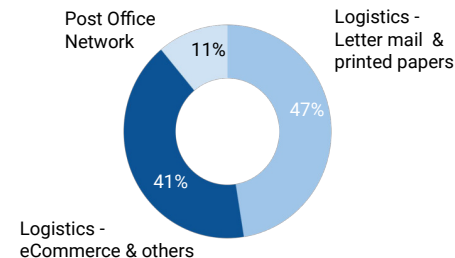
Continued growth in eCommerce delivery volumes



Delivery revenue improvements on higher eCommerce volume and postage uprate (YoY change)



Segment revenue contributors



Australia

Advancing our B2B2C logistics growth

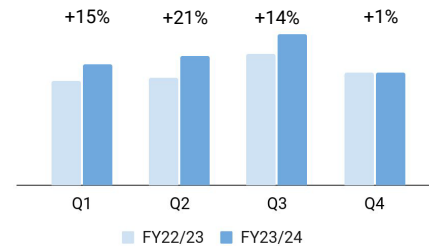
- ✓ Transformative development of Australia business with Border Express acquisition
 - Expanded size and scale; among top 5 integrated logistics service operators
- ✓ Focusing on merger and integration of the Australia operations for synergies

Synergy focus areas

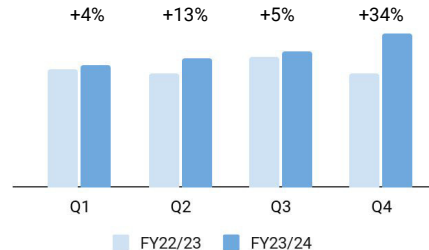
- Consolidating and optimising proprietary B2B2C network
- Unlocking network synergies, maximising operational efficiency - consolidating procurement; streamlining processes and overlaps



CouriersPlease: good volume growth amidst challenging market



FMH: continued growth, with Border Express uplift in Q4

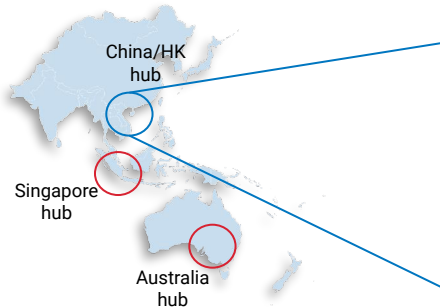


International

Enhancing the International cross-border network

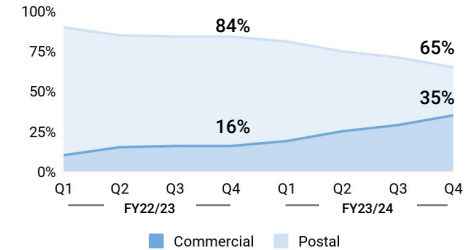


- ✓ Established strategic partnerships in various markets - Indonesia, China, Vietnam, UK; development of Singapore transshipment hub
- ✓ Developed and introduced new customer solutions
 - Hybrid postal-commercial solutions across key trade lanes
 - Digital 4PL platform for greater connectivity, customer experience
- ✓ Improved operational efficiency with network redesign and linehaul management

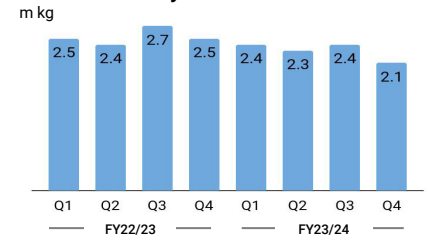


Enhancing China/HK hub operation with new Shenzhen office to tap the Greater Bay Area and wider China market

Changing mix of commercial vs postal channel revenues



Lower cross-border volume amidst industry-wide slowdown



FY23/24 Sustainability Highlights



Cherishing our Planet

Net-Zero Goals

Net-Zero Scope 1 & 2 emissions in Singapore by 2030

Net-Zero Scope 1, 2 & 3 emissions globally by 2050



Expansion of onsite

Solar Generation

at two facilities - SingPost Centre in Singapore and Dandenong South in Australia

Letterbox and POP Stations

most carbon efficient options in Singapore based on Life Cycle Assessment



EV trial with CouriersPlease franchise partners

Collaborative Partnerships

Best Innovation Strategy and Commitment to Sustainability

awarded to SingPost at the World Post & Parcel Awards 2023



Best Carrier in 2023

awarded to CouriersPlease by the National Online Retailers Association (NORA) Solution Partners Awards in Australia

Adoption of Artificial Intelligence (AI)

across the businesses to improve operational efficiency, workplace safety and security, and enhance customer experience



Culture of Trust



Recognised as a Great Place to Work

with Great Place to Work Certification™ achieved in Australia, China, Singapore and Taiwan

Zero work-related fatalities for SingPost Group employees

8th in Singapore Governance and Transparency Index (SGTI) 2023

among 474 companies evaluated

Achieved Cyber Trust Mark Certification

awarded by the Cyber Security Agency of Singapore highlighting good cybersecurity practices



Executing our strategic thrusts over the next 3 years

Reorganisation of Group

- Corporate restructuring to facilitate future optionalities

Strategic capital management

- Non-core divestments
- Selective investments

Transforming urban logistics and deliveries

Singapore

- A sustainable commercial framework for postal business
- Optimisation of postal infrastructure

Achieving scale

Australia

- Business integration
- Strategic partners and fund raising

Building tech-drive excellence to serve cross-border customers

International

- Expansion of cross-border networks
- Partnerships in International business

Transforming into a global logistics enterprise



Financial Results

Vincent Yik, Group CFO

H2 & FY23/24 Financial Highlights

01

Strong set of results from Group's growth initiatives

Good performance amidst challenges in operating environment and adverse currency translation impact with over 80% of revenue generated internationally

02

Improvements across all core businesses

Singapore business reset; Australia resilient and growing; International business improvements sustained

Freight forwarding contraction on sea freight normalisation post pandemic

03

Healthy financials; higher absolute final dividend

Sound balance sheet, cash flows

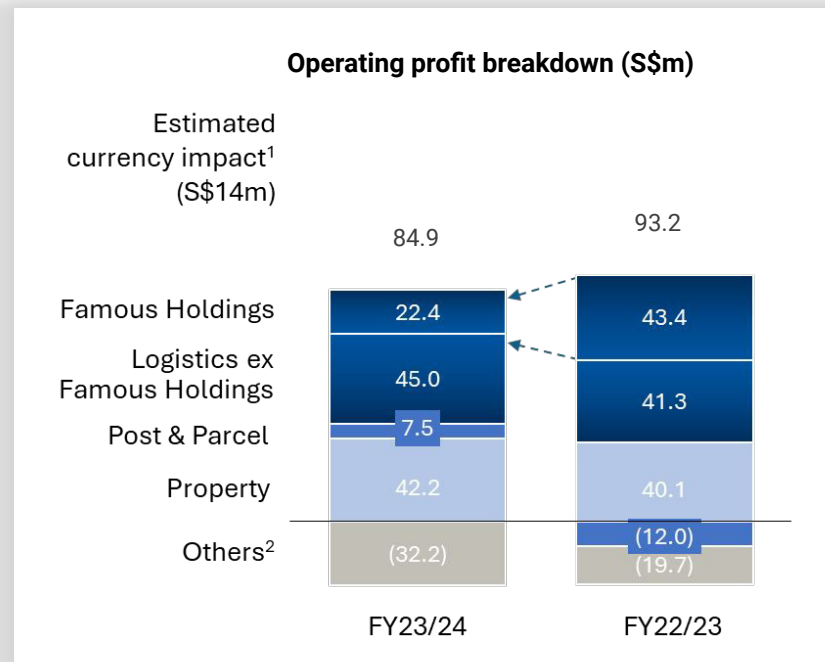
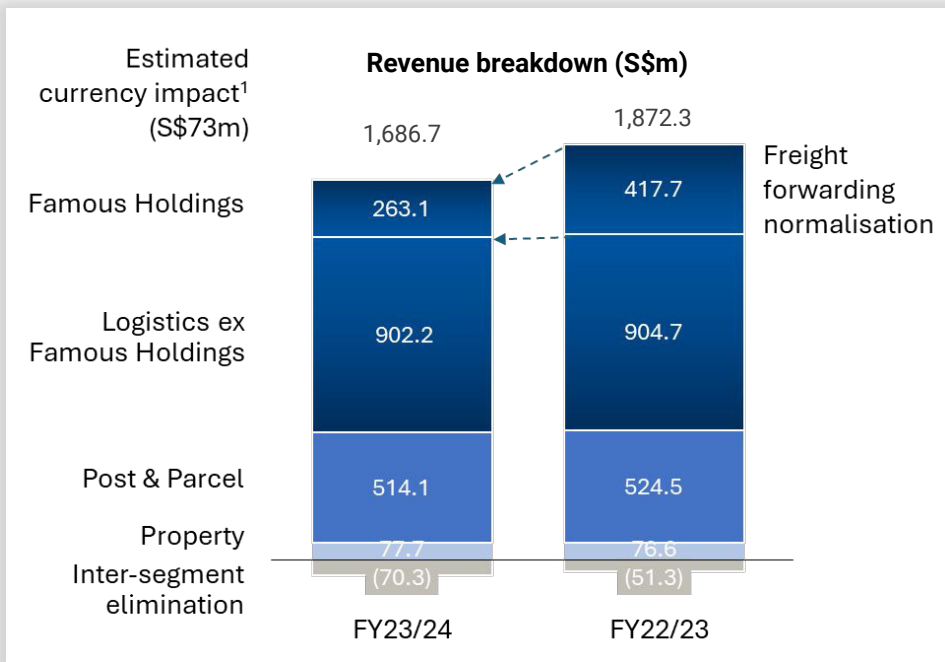
Higher proposed final dividend on earnings growth

H2 & FY23/24 Profit & Loss Highlights

P&L, S\$m	FY23/24	FY22/23	% change	H2 FY23/24	H2 FY22/23	% change	
Revenue	1,686.7	1,872.3	(9.9%)	859.5	913.4	(5.9%)	
Operating Expenses	(1,606.4)	(1,783.2)	(9.9%)	(809.0)	(862.4)	(6.2%)	
Operating Profit (OP)	84.9	93.2	(8.8%)	53.5	51.8	+3.3%	
Share of Associates & JV	(1.5)	(0.0)	n/m	(0.9)	(0.1)	@	
Exceptional Items	36.8	(7.7)	n/m	38.8	16.3	+138.7%	Mainly due to fair value gain on SingPost Centre
EBIT	120.2	85.5	+40.6%	91.4	68.0	+34.5%	
Net Interest & Invt Income	10.0	2.1	@	5.2	2.9	+80.4%	Higher deposit rates, foreign exchange gain on investments
Finance Expenses	(30.4)	(19.6)	+54.8%	(15.8)	(9.8)	+62.3%	Higher finance expenses with increased borrowings
Income Tax	(18.4)	(29.2)	(37.0%)	(12.7)	(20.0)	(36.3%)	Utilisation of tax losses within Australia businesses; reversal of unutilised tax provision in previous year
Profit after Tax	81.5	38.8	+110.2%	68.1	41.2	+65.4%	
Underlying Net Profit (UNP)	41.5	32.4	+28.1%	28.1	18.3	+53.2%	

@ denotes more than 300%; n/m denotes not meaningful

FY23/24 Segment Performance



¹ Estimated assuming constant exchange rates for Australian Dollar, Chinese Yuan and/or relevant currencies from the corresponding periods ended 31 March 2023

² Refers to unallocated corporate overhead items

Logistics: H2 & Full Year FY23/24 Performance



Segment P&L, S\$m	FY23/24	FY22/23	% change	H2 FY23/24	H2 FY22/23	% change
Revenue	1,165.3	1,322.4	(11.9%)	599.0	641.5	(6.6%)
Australia businesses ¹	815.1	815.1	0.0%	424.2	413.4	+2.6%
Freight forwarding	263.1	417.7	(37.0%)	127.5	183.3	(30.4%)
Other logistics businesses ²	94.7	93.4	+1.4%	52.6	46.4	+13.5%
Operating Profit	67.4	84.7	(20.5%)	33.8	43.2	(21.7%)

¹ FMH, Couriers Please and Border Express

² Quantum Solutions and SP eCommerce

Growth in Australia offset by freight forwarding decline

Higher FMH contribution on 4PL growth and inclusion of Border Express; 3PL margin compression due to higher operating costs, lower fuel levies; CouriersPlease growth with full-year volume +13%

Lower freight forwarding contributions from Famous Holdings on continued contraction in sea freight rates and volumes post pandemic

Quantum Solutions - integrated with International cross-border business for greater operational synergy and to offer hybrid postal-commercial solutions to customers

Post & Parcel: H2 & Full Year FY23/24 Performance



Segment P&L, S\$m	FY23/24	FY22/23	% change	H2 FY23/24	H2 FY22/23	% change
Revenue	514.1	524.5 ¹	(2.0%)	268.0	259.6	+3.2%
International	270.1	299.8	(9.9%)	131.5	146.2	(10.0%)
Domestic	244.0	224.7	+8.6%	136.3	113.4	+20.4%
Operating Profit	7.5	(12.0)	n/m	17.5	(3.8)	n/m

¹ Reclassification of operational properties from Property segment

Revenue growth in Domestic business due to increase in eCommerce volume and postage uprate wef October 2023

Improvement in International business

- Moderating conveyance costs, stringent cost management and operational synergies with integration with Quantum Solutions
- Rollout of hybrid commercial-postal cross-border solutions mitigated volume decline amidst weak volumes globally

Financial Position, Capital Management

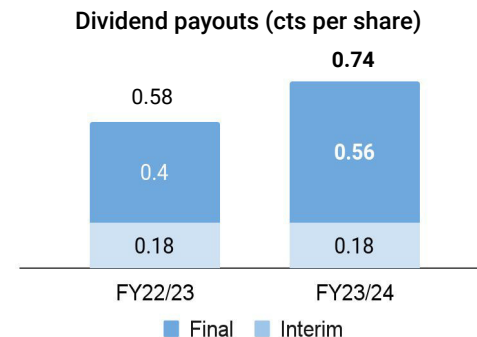
- ✓ Sound balance sheet
 - Healthy liquidity ratios
 - Cash and cash equivalents of S\$476.7m
 - Higher borrowings for acquisitions of remaining 12% interest in FMH (December 2023) and Border Express (March 2024)

- ✓ Capital management focus
 - Exploring opportunities to monetise non-core businesses/assets to reduce debt, invest for growth and return to shareholders
 - Dividend policy from FY24/25 – payout of 30-50% of UNP; sustainable dividend payouts with earnings growth

Proposed FY23/24 final dividend

Proposed final dividend of 0.56 cents per share

Including interim dividend of 0.18 cents, total dividend of 0.74 cents - 28% YoY increase and 40% of UNP





Global Logistics Delivery

- TRANSPORT
- DELIVERY
- INDUSTRIAL
- DISTRIBUTION
- PERSONAL
- DESTINATION
- INVENTORY
- CRUISE
- MANUFACTURING
- ANALYSIS
- CUSTOMER

Annex

Making Every Delivery Count for People and Planet



Property: H2 & Full Year FY23/24 Performance

Segment P&L, S\$m	FY23/24	FY22/23	% change	H2 FY23/24	H2 FY22/23	% change
Revenue	77.7	76.6 ¹	+1.4%	39.7	37.5	+5.8%
Operating Profit	42.2	40.2	+5.0%	20.8	21.4	(2.9%)

¹ Reclassification of operational properties to Post & Parcel segment

Higher revenue from positive rental reversions at SingPost Centre

Overall occupancy at SingPost Centre was 96.2% compared to 98.2% as at 31 March 2023

Occupancy rates of the retail mall and office space were 99.6% and 94.8% respectively





End

Please refer to the SGXNET announcement dated 10 May 2024 for details.

Making Every Delivery Count for People and Planet

