

## SINGAPORE Business Unit

# singapore



**During the period under review, uncertainties in the global economy, including geopolitical conflicts, trade frictions, and domestic challenges of declining mail volumes, continued to be headwinds for the Singapore business.**

## **Resilient Performance Against Challenging Environment**

Against this economic environment, SingPost registered a modest increase of 2.9 per cent in revenue to S\$326.7 million for the Singapore business unit in FY2024/25. The Singapore business unit comprises domestic postal services, including mail distribution and products and services transacted at the post offices; parcel distribution; eCommerce logistics and other value-added solutions; and property leasing, including the SingPost Centre.

Revenue of the Singapore postal and logistics business was impacted by lower contributions from services such as financial services, mailroom and warehousing, as well as lower volumes of letter mail and eCommerce packets. Although the domestic postage rate revision in October 2023 improved revenue contribution for Singapore, the domestic post office network remained unprofitable.

In Singapore, the property business recorded a strong 11.9 per cent increase in revenue to S\$86.9 million. The overall occupancy rate of SingPost Centre remained high at 98.2 per cent as of 31 March 2025 compared to 96.2 per cent a year ago. The retail mall was fully occupied compared to 99.6 per cent previously, while the office space occupancy rate improved to 97.6 per cent, up from 94.8 per cent a year ago.

## **Sharpening Focus Amidst Business Transformation for the Future**

Following a strategic review, the Group reintegrated the International eCommerce logistics business into the Singapore postal and logistics business to achieve business synergies and drive operational efficiencies.

SingPost continues to remain agile and responsive to Singapore's evolving delivery landscape, taking steps to focus on its core business while driving operational efficiencies and business synergies. Such efforts include a S\$30 million investment in a new automation system to expand processing capacity for small parcels at the Regional eCommerce Logistics Hub facility, creating a pathway for future growth. This investment will significantly expand eCommerce processing at our Regional eCommerce Logistics Hub, enabling a daily throughput of up to 400,000 small parcels (a substantial increase from the current 100,000), with new compact and modular machinery also optimising space for future growth, making the hub a key element of our enhanced operations.

To ensure long-term viability of the postal network, SingPost continues to work with the local authorities on a new operating model that will focus on optimising consumer touchpoints and transitioning some post office services to alternative channels. Additionally, the Property business continues to generate steady income and cashflows.

## **Pure-Play Logistics Enterprise**

SingPost is strategically transforming its Singapore business into a pure-play logistics enterprise. This shift aims to address changing consumer expectations while ensuring long-term resilience and competitiveness in the logistics sector, ultimately driving sustainable growth.

The Group is re-engineering its logistics network to enhance service efficiency, reliability, and sustainability. This includes improving last-mile delivery and expanding the eCommerce service network through initiatives like a growing network of POPStop agents and partnerships with island-wide retailers, such as U Stars Supermarket, alongside established local shops. Additionally, the POPDrop self-service kiosks provide convenience with instant status updates for both senders and recipients, streamlining the parcel delivery process.

At the core of these initiatives is a strong focus on cost management and operational excellence, which are vital for boosting the profitability of the Singapore postal business. The Group will continue to streamline operations and optimise resource allocations as it responds to competition and rising operating costs.



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### Technology and Innovation for Enhanced Customer Experiences

Recognising the critical role of technology in logistics, SingPost is accelerating its digitalisation efforts. This aims to enhance operational efficiency and customer experience. The company leverages data analytics and AI to optimise delivery routes and predict demand patterns. This ensures a more responsive and efficient logistics network.

The Group also launched PRIVY, a secured solution for managing a customer's mail and parcels without disclosing their address, marking a focus on digitalising services that could also streamline processes and boost efficiency.

During the year, SingPost focused on improving accessibility and convenience for customers in Singapore by strategically expanding its network of service points, such as bringing its services closer to where customers live and work. For instance, SingPost piloted a first-in-Singapore initiative – utilising the country's Mass Rapid Transit (MRT) network to collect postal items in two MRT stations and bringing these items to SingPost's sorting facility near Paya Lebar MRT station daily. This postal collection service aimed to drive operational cost efficiencies and carbon emission savings.





## Connecting Communities Through Services and Stamps

On the community front, SingPost has continued monitoring the letterboxes of selected HDB blocks in the Cheng San–Seletar Constituency for several years. Through this monitoring service, if SingPost observes any anomalies in a resident's mail collection pattern, it will alert the local constituency office to initiate a wellbeing check on the resident. As SingPost has been serving the communities for generations, this act of thoughtfulness could positively impact the community.

In April 2025, SingPost and Yuhua Primary School launched a pioneering six-year programme using Singapore's stamp heritage to enrich classroom learning and connect students to national history and culture. This initiative integrates stamp appreciation across the curriculum, fostering creativity and critical thinking. Through this collaboration, which included teacher immersion at SingPost, stamps are positioned as valuable tools for interdisciplinary learning and nurturing heritage appreciation in the next generation.

SingPost is also proud to report that its Philately division received the prestigious Gold Award at the Pride in Print Awards for the beautifully created Horoscope Collectors Sheet. This accolade underscores its commitment to creative design and high-quality production in its philatelic offerings, further solidifying SingPost's position as a leader in the world of stamps and collectibles, connecting generations through memorable keepsakes.

## Sustainability and Corporate Social Responsibility

As a responsible corporate citizen, SingPost is committed to sustainability and corporate social responsibility (CSR). The Group integrates eco-friendly initiatives into its operations to reduce environmental impact and promote community wellbeing.

In 2024, SingPost completed a 995 kilowatt-peak (kWp) solar energy power system on the roof of SingPost Centre, a mixed-use development with a retail mall and office space. The rooftop solar photovoltaic panels provide renewable energy and reduce reliance on 'brown energy'.

The Group is a member of the newly launched Queen Bee Enabled Sustainability Transition (QUEST) programme, which aims to enable SingPost's local small- and medium-sized enterprise (SME) suppliers on their sustainability journey. The Group also actively participates in the Alliance for Action (AfA) to reduce packaging waste in the eCommerce sector. More importantly, SingPost continues to explore innovative solutions to reduce its environmental impact.