

## **ADDRESS BY MR SIMON ISRAEL, CHAIRMAN OF THE SINGPOST BOARD OF DIRECTORS AT THE 32ND ANNUAL GENERAL MEETING, HELD ON WEDNESDAY, 24TH JULY 2024**

### **Welcome**

Good afternoon, Ladies and Gentlemen. On behalf of the Board and Management, I would like to extend a warm welcome to shareholders, present in person and online, for your attendance today.

Additionally, I would like to extend my thanks to those who submitted enquiries in anticipation of the AGM. Our responses to these have been published on the SGX.

Let me take this opportunity to welcome two of our new Directors; Mr Gan Chee Yen and Ms Yasmin Binti Aladad Khan.

This afternoon, we will have presentations on the business, financial highlights and sustainability progress of the Group from our Chief Executive Officer, Chief Financial Officer and Chief Sustainability Officer. Before turning to these, I would like to make some comments on the Board Strategic Review.

### **Strategic Review**

The Strategic Review was initiated by the Board last year, out of concern that the value being created by our transformation was not flowing through to our share price.

We concluded the Strategic Review with the assistance of our external advisors and in March made an announcement that the Board is of the view that the share price at that time did not appropriately reflect the intrinsic value of the company.

In the course of the review, your Board approved a number of principles:

- Defining what are core and non-core assets and businesses in the context of transitioning into a pure-play logistics business over time.
- Divesting non-core assets and businesses and those which are not expected to earn a return above their cost of capital.
- Recycling capital to support further investment in logistics.
- Optimising the Group's balance sheet and gearing – this will follow divestments of non-core assets and businesses.
- Resetting the Group's Dividend Policy.

And most importantly, ensuring that the structure of the Group allows the Group and its underlying businesses to be more appropriately valued, while creating optionality around the future of each business.

### **Australia**

We also announced in June that we would be conducting a strategic review of the Australia business to formulate optionalities for the Group's Australia business specifically.

In March, we completed the acquisition of Border Express in Australia. This is a large investment, which provides a step change in scale, profitability and valuation of the Australian business.

Given that Australia is now our largest and most profitable business, we decided it warranted its own follow-on Board Strategic Review, so we can fully understand the options open to us – including but

not limited to further M&A, strategic partnerships, taking in external capital and other liquidity options – so we can identify where the most value can be created.

We are exploring these options with Merrill Lynch Markets Australia as our financial advisors. There is, however, no assurance that SingPost will implement any of the options identified. If and when there are any material developments which warrant disclosure, SingPost will make further announcements as appropriate.

**Unlocking Value**

The Board's focus is now on unlocking the value of SingPost. We will assess the options open to us and come to shareholders with our recommendation on any proposal and seek your approval to proceed.