



MEDIA RELEASE

FOR IMMEDIATE RELEASE

## **SingPost Invests S\$30 million to Boost Processing Capacity in Regional eCommerce Logistics Hub**

- Investment in eCommerce capacity as pathway for growth for Singapore business
- Plans to consolidate all operations at Regional eComm LogHub
- SingPost working with the Government on a business model to ensure long-term financial sustainability of postal services including the Post Office Network

**Singapore, 13 March 2025** – Singapore Post Limited (SingPost) today announced a S\$30 million investment in its Regional eCommerce Logistics Hub (eComm LogHub) facility, to expand eCommerce processing capacity as a pathway for future growth.

This investment will go towards the installation of new sorting equipment that can process up to 300,000 small parcels per day at the eComm Loghub, up from the present 100,000. The compact and modular design of the new machinery also frees up significantly more floor space, enabling future enhancements.

“The investment in capacity building not only enhances operational efficiency but unlocks a pathway for growth,” said Simon Israel, Chairman of the Board, SingPost. “Singapore’s eCommerce logistics market is fragmented. By leveraging our infrastructure, SingPost could play the role of an industry consolidator, opening our historically closed networks to partnerships or undertaking services for other parties in the industry. I am optimistic about the growth potential of our business as this could result in more integrated and sustainable logistics solutions for the industry.”

This also represents the first significant renovation of SingPost’s eComm LogHub. Launched in 2016, the S\$182 million, 553,000 square foot facility houses a number of operations spanned over three floors. The larger parcel processing occupies all of the ground floor with a sortation capacity of approximately 100,000 parcels a day. Together with the new sorting equipment for small parcels to be housed on the third floor, the eComm LogHub will have eCommerce processing of some 400,000 parcels a day. The facility also features a warehouse on the second floor, 150 simultaneous loading bays as

well as an office block.

“Some 70% of eCommerce shipments that come through SingPost are small parcel deliveries that can fit into a letterbox. In Singapore, letterbox deliveries are the most convenient, secure and carbon-friendly delivery option available,” said Neo Su Yin, Group Chief Operating Officer, SingPost. “With the robust growth of eCommerce, we are presently operating at maximum sortation capacity. The new sortation equipment will increase our throughput by 300%, while utilising less floor space, giving us room to expand further within the same premises at our eComm LogHub in future.”

### **Future Consolidation of Mail with Parcel Operations**

Future consolidation of mail with parcel operations to the eComm LogHub will consolidate all operations under one roof to achieve greater efficiency. At present, SingPost’s Postal and eCommerce parcel sortation is managed in two separate locations. The SingPost Centre (SPC) in Paya Lebar is where mail and small parcel sortation is handled. Larger eCommerce parcels are sorted at the eComm LogHub in Tampines. The timeline for this consolidation, however, requires careful review.

“The incorporation of all these elements to purpose fit eComm LogHub would take more time, significant planning and further investment, which SingPost will consider in line with divestment plans for non-core assets, including our property portfolio,” said Israel.

### **More Leasing Opportunities: SingPost Centre**

By mid-2026, concentrating eCommerce parcel sortation at the eComm LogHub will vacate some 83,000 square feet lettable industrial space at the SPC in Paya Lebar, potentially opening up more leasing opportunities, subject to necessary regulatory approvals. When mail operations are consolidated to the eComm Loghub, it will potentially further free up more lettable space.

### **Forging a Sustainable Business Model for Postal Operations with the Government**

SingPost is working with the Government on a business model that would ensure long-term financial sustainability of postal services including the Post Office Network. “On our part, SingPost is focusing on optimising and digitalising our services to enhance cost-effectiveness, fulfilling postal obligations and relevance in a digital environment,” said Neo. “Together with our investments in eCommerce logistics and consolidating our operations to improve efficiencies, we believe these measures will enable SingPost to focus on establishing pathways to growth by capitalising on opportunities in the eCommerce logistics market.”

## **About Singapore Post Limited (SingPost)**

Singapore Post (SingPost) is a leading postal and eCommerce logistics provider in Asia Pacific. The portfolio of businesses spans from national and international postal services to warehousing and fulfilment, international freight forwarding and last mile delivery, serving customers in more than 220 global destinations. Headquartered in Singapore, SingPost has over 4,900 employees, with presence in 14 markets worldwide. Since its inception in 1858, the Group has evolved and innovated to bring about best-in-class integrated logistics solutions and services, making every delivery count for people and planet. [www.singpost.com](http://www.singpost.com)

### MEDIA CONTACT

Belinda Tan - [belinda.tan@singpost.com](mailto:belinda.tan@singpost.com)

Hong Mei Yu - [Hongmeiyu@singpost.com](mailto:Hongmeiyu@singpost.com)