

ADDRESS BY MR SIMON ISRAEL, CHAIRMAN OF THE SINGPOST BOARD OF DIRECTORS AT THE 30TH ANNUAL GENERAL MEETING, HELD 21ST JULY 2022

Welcome

I once again welcome shareholders both present and on-line for your attendance today. I thank those of you who have sent in questions in advance of the AGM and our responses have been posted on SGX.

Business

I believe you will appreciate that last year remained very challenging in the context of the operating environment, and in balancing the risks and opportunities.

Despite this, SingPost was able to maintain high public service standards in our Postal business, deliver a resilient Group performance, while continuing to execute on our transformation into a logistics business.

Logistics now contributes significantly to the Group's revenues and earnings and has helped to offset declines in Post and Parcel, which continues to be impacted by limited airfreight capacity and high costs amidst the pandemic.

Since the close of the financial year, challenges facing the business have intensified. Domestic Post and Parcel has seen further declines in traditional letter mail, while costs, particularly fuel, labour and utilities, have risen considerably.

Further supply chain disruptions, ongoing lock-downs of cities in China and elevated air conveyance costs are impacting our International Post and Parcel business.

While management is working to mitigate these challenges, some elements are beyond their control.

Our Logistics business, including Famous Holdings and Freight Management Holdings continue to perform well, while our Property business remains stable.

Our investment in FMH, together with Couriers Please, has seen Australia emerge as a key market for our growth and earnings. We are gaining scale and the market opportunity is large.

My comments highlight the importance of continuing to invest in transformation, including the necessary infrastructure and capabilities.

I will leave it to our Group CEO Vincent Phang and Group CFO Vincent Yik to give you more colour when they present the business and financial performance to you this afternoon.

Sustainability

I would like to touch on SingPost's commitment to sustainability. This has seen us launch a new company purpose "Making Every Delivery Count for People and Planet".

This is now a guiding principle for our business, embedded in our strategy, business models, investment decisions and management compensation. You will have a presentation this afternoon on this from our Head of Sustainability Michelle Lee.

Management

During last financial year the Board appointed Vincent Phang as the Group CEO. Vincent's appointment has ensured continuity in strategy and added drive to executing our transformation.

Vincent has since put in place an organisation structure and management team aligned with strategy and the growing importance of Logistics and Australia to the Group's business.

Appreciation

On behalf of the Board, I would like to express our appreciation to all SingPost staff for their commitment in making 'Every Delivery Count' and for their resilience throughout a challenging year. Their efforts have been the reason for our performance.

I would like to thank our Union who have worked closely with Management in addressing the challenges we have had to deal with.

I would also like to personally thank my fellow Directors who attended many unscheduled meetings during the year, and for their counsel and guidance to management.

Governance

The year concluded has also seen progress in Governance. SingPost was ranked 7th in the Singapore Governance and Transparency Index 2021 – an improvement of 5 ranks from the previous year. SingPost was also an ASEAN Corporate Governance Scorecard Award Winner. This reflects the Board and Management's commitment to continuous improvement and upholding the highest standards of Governance.

Simon Israel
Chairman