



FY2021/22 Annual General Meeting Presentation

21 July 2022

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Group Overview

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Vincent Phang
Group CEO

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Resilient FY21/22 performance amid the COVID-19 pandemic

Resilient FY21/22 performance amid the COVID-19 pandemic and structural decline in core mail business

- Net Profit +74.5% YoY*
- Strong Growth in Logistics*
- Australia Acquisition Delivering*



Making every delivery count for people and planet



Adapting to COVID-19 and post-pandemic norm



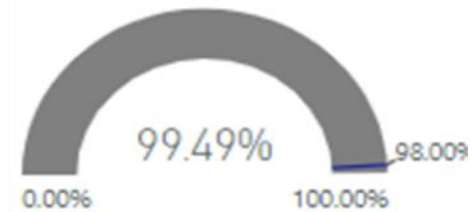
Continuing the Group's transformation

Domestic Post & Parcel: Committed to High Service Quality



Maintaining high service quality despite rising operating costs

Postal SLA FY21/22

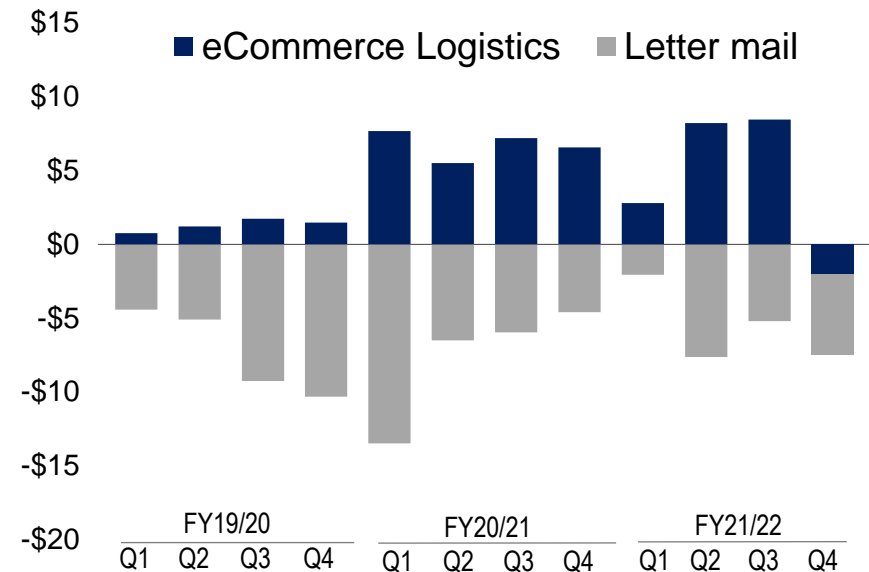


Parcel SLA FY21/22



Changing mail profile with structural decline in traditional letter mail

Change in Revenue (\$m)



Domestic Post & Parcel: Transforming to Serve Changing Needs



**Transforming Postal
for an effective, carbon efficient
and high quality service**

Investing in infrastructure:

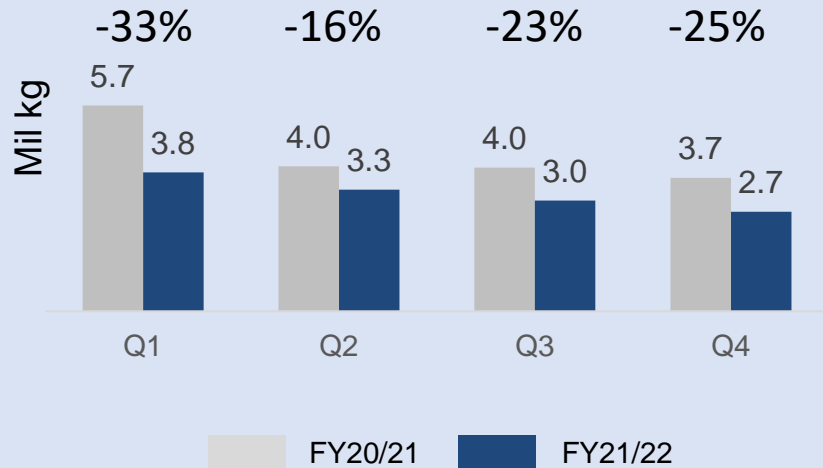
- PostPal smart letterbox trial
- Electrification of delivery fleet
- Automation/Sortation capabilities
- Expanded locker network
- SingPost Mobile App

International Post & Parcel: Re-engineering Assets to Connect Globally



Challenging conditions for IPP business with high conveyance costs

IPP Outbound Volume



Integration of International Businesses

Global Postal Network
(International Post
& Parcel)



Cross Border & Last-mile
Transportation, Warehousing /
Fulfilment (Quantum Solutions)

- One-stop cross-border solutions
- Greater synergies, cost efficiency



Logistics: Further Expansion into Australia



**Integrating and Building Scale,
Developing End-to-end Capabilities**

fmhgroup

17 Facilities
150+ Partner carriers
~253k Footprint (sqm)





CouriersPlease

22 Facilities
>90% Population coverage
~97k Footprint (sqm)



Quantum SOLUTIONS

QS (Australia)
~7k Warehouse footprint (sqm)



Property: Resilient Business and Enabler for the Group



SingPost Centre in Paya Lebar comprising a retail mall, office tower and housing SingPost's headquarters and mail processing facility

Paya Lebar precinct envisaged by URA to be developed into a lively commercial centre

Transformation Into A Leading Ecommerce Logistics Solutions Provider In Asia Pacific



AUSTRALIA

Building Scale And Combining Capabilities

Establish a leadership position in the B2B2C logistics market

Build a comprehensive logistics platform differentiated by technology



SINGAPORE

Leveraging Infrastructure & Technology

Lead in eCommerce last-mile delivery

Develop a smart, environmentally sustainable urban logistics ecosystem



INTERNATIONAL

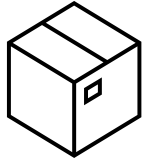
Re-engineering Assets To Connect Globally

Integration of international businesses for one-stop cross-border solutions

Digital innovation to drive service quality and cost efficiency

Property As Enabler

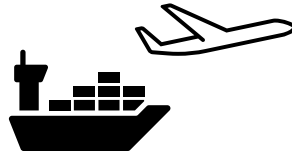
Key Challenges in FY2022/23



Letter mail decline; competitive eCommerce logistics market

Continued decline in traditional letter mail volumes

Highly competitive eCommerce logistics market; insourcing by a major customer

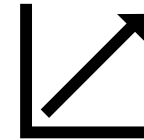


Global supply chain disruption

Further supply chain disruptions

Knock-on impact from ongoing lockdowns in cities in China due to COVID-19

Air freight capacity yet to recover to pre-pandemic levels



Inflationary pressures

Oil price volatility and impact on electricity and fuel expenses

Wage pressures amid labour crunch

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Sustainability Updates

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Michelle Lee

Head, Corporate Services and Sustainability

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Advancing Sustainability Goals

Purpose

Pillars

Material Matters

Making Every Delivery Count for People and Planet

Cherishing our Planet

Sustaining a liveable planet for future generations

Climate Action and Resilience
Resource Efficiency and Waste Management



Global Operations

Net-zero carbon (Scope 1, 2 and 3 emissions) by 2050

Collaborative Partnerships

Transforming markets and delivering value for our communities and customers

Responsible Supply Chain
Product and Service Innovation
Customer Experience
Community Investment

Culture of Trust

Caring for and doing the right thing for our stakeholders

Data Privacy and Cybersecurity
Ethical and Transparent Business Practices
Employee Engagement and Talent Practices
Health and Safety



Singapore Operations

Net-zero carbon (Scope 1 and 2 emissions) by 2030



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FY2021/22 Financial Highlights

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Vincent Yik
Group CFO

Group Performance – FY2021/22



Improved full year performance despite challenging environment amid pandemic

Supported by

- Acquisition of majority stake in Freight Management Holdings (FMH)
- Growth in freight forwarding and delivery volumes in Logistics segment

Offsetting impact in / from

- International Post & Parcel business
- Letter mail decline
- Absence of Jobs Support Scheme relief and other government grants
- Divestment of General Storage Company (GSC)

Revenue

S\$1,665.6m
+18.6% YoY

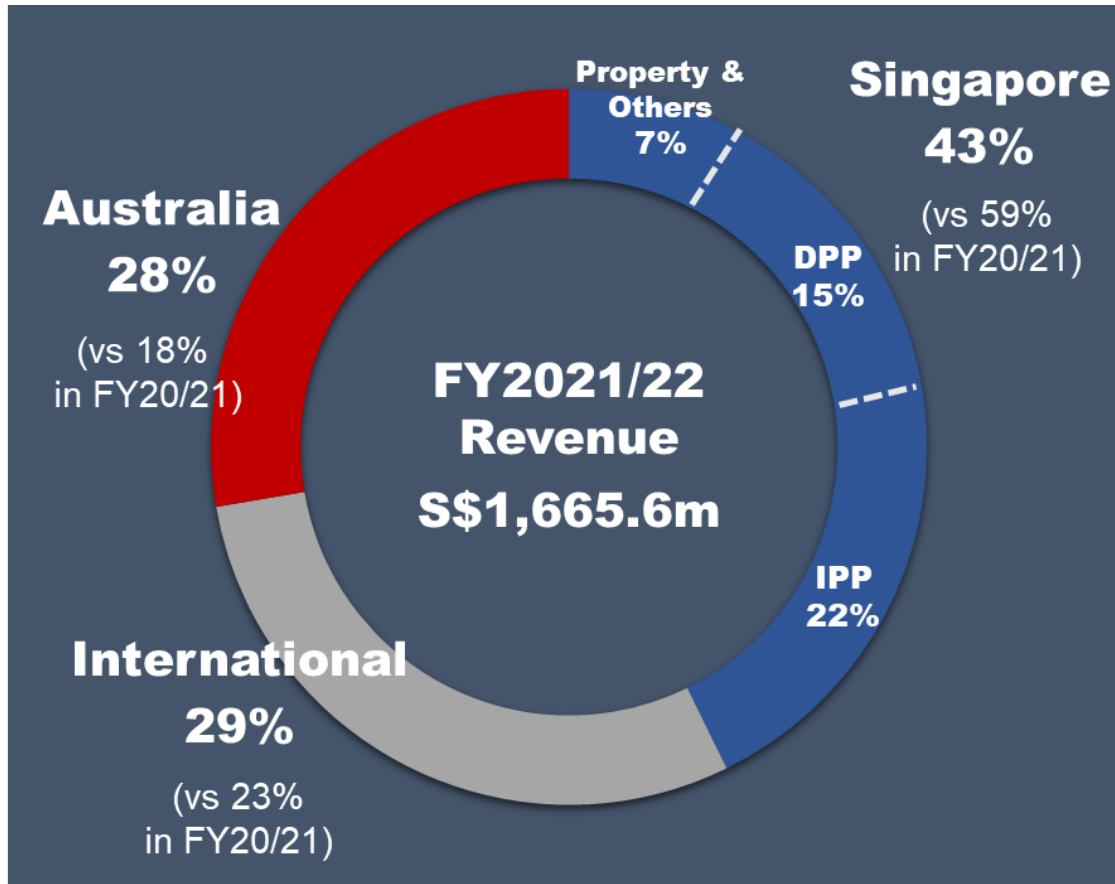
Operating Profit

S\$112.1m
+41.3% YoY

Underlying Net Profit

S\$81.3m
+35.2% YoY

Revenue Split by Markets



Growing contributions from Australia and International businesses

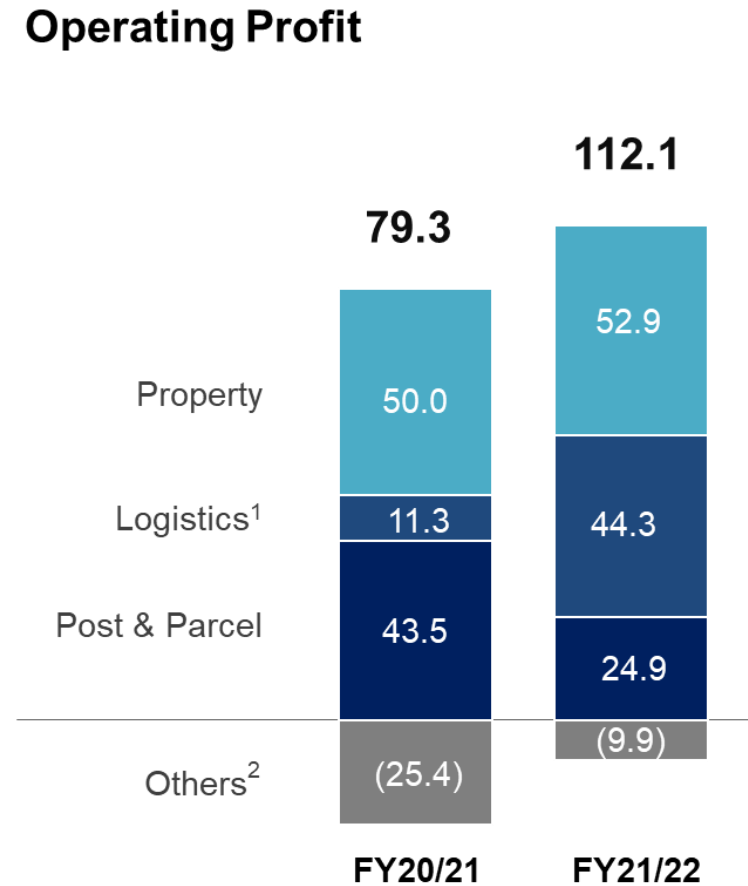
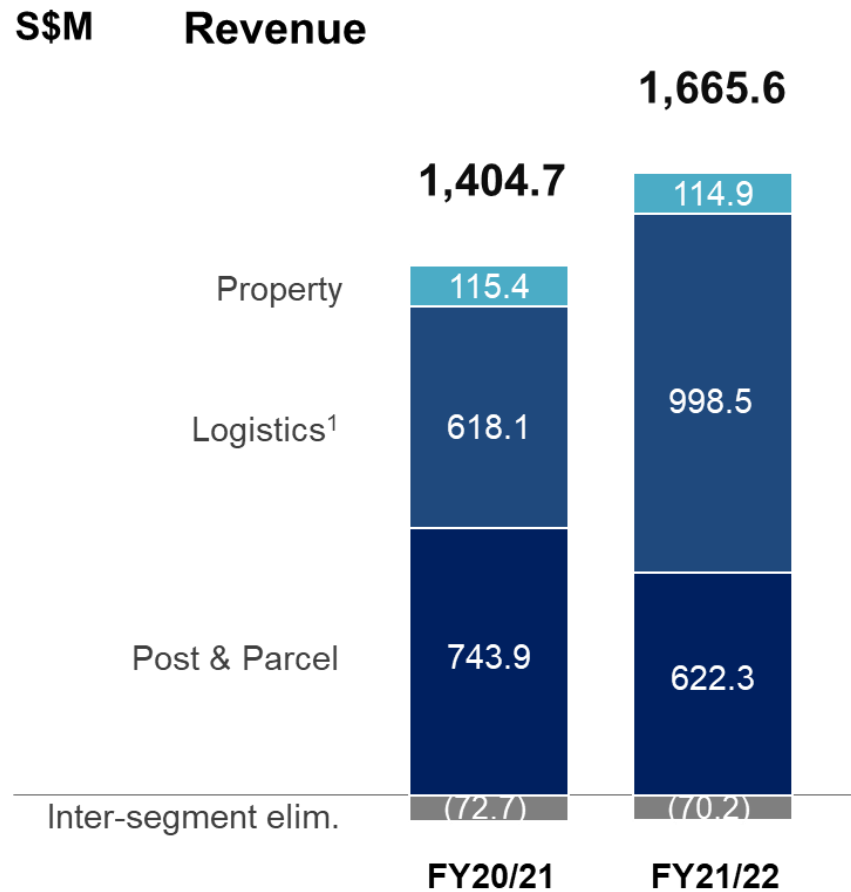
Shift in revenue contributions as the Group continues transformation to become a leading logistics player in Asia Pacific

Singapore: Includes Post & Parcel, Property, SP eCommerce and Singapore units of Quantum Solutions and Famous Holdings

Australia: Includes FMH, CouriersPlease and Australia units of Quantum Solutions and Famous Holdings

International: Includes Quantum Solutions and Famous Holdings

Performance by Segments



1. Includes CouriersPlease, Quantum Solutions, Famous Holdings, SP eCommerce and FMH which became a subsidiary in Nov 2021
 2. Refers to unallocated corporate overhead expenses
 Prior year numbers have been restated for comparative purposes



Balance sheet optimisation to support growth

Redeemed S\$350m outstanding perpetual securities in March 2022

Undertook financing activities

- S\$100m senior notes issued in March 2022
- S\$250m perpetual securities issued in April 2022



Divest non-strategic assets and focus on core business

Divested self-storage business GSC for ~S\$87m in December 2021

Proceeds redeployed towards transformation initiatives

Continually review asset portfolio to assess strategic fit with core business

Financial Position

Balance sheet optimisation

New S\$250m perpetual securities issued subsequent to financial year end

Higher coverage on improved EBITDA performance which offset higher finance expenses

Net Debt Position¹

S\$236.6m

vs S\$178.9m net cash in FY20/21

EBITDA to Finance Expenses

13.1x

vs 12.4x in FY20/21

1. Subsequent to financial year end, the new perpetual securities issued in April 2022 would bring the Group back to a net cash position on a pro forma basis based on the Group's balance sheet as at 31 March 2022

Operating Cash Inflow

S\$89.5m

vs S\$215.4m in FY20/21

Working capital changes

Investing Cash Outflow

S\$53.3m

vs S\$67.5m in FY20/21

FMH acquisition and PPE additions, partly offset by GSC divestment

Financing Cash Outflow

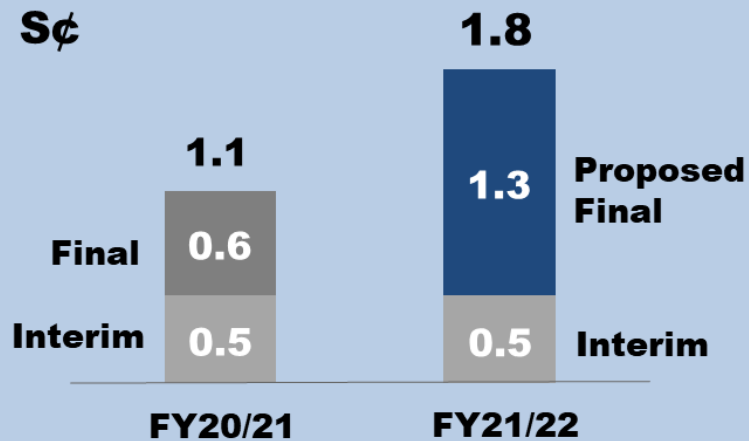
S\$255.8m

vs S\$139.7m in FY20/21

Redemption of outstanding perpetual securities partly offset by new senior notes

Proposed Dividend

Dividend per share



Proposed final dividend of 1.3 cents per share, bringing total dividend to 1.8 cents per share for FY2021/22

Represents 50% of FY2021/22 Underlying Net Profit, compared to 40% last year

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THANK YOU

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