

Bulletin:

Singapore Post Removes Top Management; Ratings Remain On CreditWatch Negative

December 24, 2024

This report does not constitute a rating action.

SINGAPORE (S&P Global Ratings) Dec. 24, 2024--Singapore Post Ltd.'s (SingPost) termination of three top executives casts uncertainty over the company's future. This comes weeks after SingPost announced its intention to sell its Australia business. Given SingPost's record of frequent turnover in management, the latest departures increase the company's credit risks. We will assess this management and governance issue as part of our resolution of a CreditWatch placement on our ratings on the company.

We placed our 'BBB' long-term issuer credit rating on SingPost and our 'BB+' issue rating on the subordinated perpetual securities that the company guarantees on CreditWatch with negative implications on Dec. 5, 2024. We did this to reflect a heightened probability that we might lower our ratings one notch following the company's intention to reset its strategy and sell its Australia business. We aim to resolve the CreditWatch placement when the company unveils details of the strategy, which we expect in the first half of fiscal 2026 (ending March 31, 2026).

On Dec. 22, 2024, SingPost announced the termination of three senior executives, including its CEO and CFO, with immediate effect on Dec. 21, 2024. The dismissals relate to the handling of internal investigations following a whistleblower report earlier this year. The whistleblower report relates to false data entries in SingPost's nonregulated international e-commerce logistics parcels business.

Related Research

- Singapore Post Ltd., Dec. 16, 2024
- Research Update: Singapore Post Ltd. 'BBB' Rating Placed On CreditWatch Negative Over Strategy Reset, Dec. 5, 2024
- Singapore Post Ltd. 'BBB' Rating Affirmed On Financial Flexibility; Outlook Negative, June 4, 2024
- Singapore Post Ltd., March 7, 2024
- Singapore Post's Proposed Acquisition Will Delay Deleveraging, Nov. 3, 2023

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- Singapore Post Downgraded To 'BBB' from 'BBB+' On Weakening Business Prospects; Outlook Negative, May 23, 2023

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