



SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

(Registration number: 199201623M)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF YEAR AND FULL YEAR ENDED 31 MARCH 2024 AND DIVIDEND ANNOUNCEMENT

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SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT For the second half year and full year ended 31 March 2024

Group	Note	Second half year ended			Full year ended		
		31 March			31 March		
		2024	2023	Variance	2024	2023	Variance
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	859,453	913,380	(5.9)	1,686,743	1,872,259	(9.9)
Labour and related expenses		(182,566)	(175,317)	4.1	(365,066)	(350,743)	4.1
Volume-related expenses		(506,258)	(571,361)	(11.4)	(1,009,048)	(1,214,042)	(16.9)
Administrative and other expenses		(72,337)	(67,146)	7.7	(138,913)	(126,227)	10.1
Depreciation and amortisation		(41,770)	(42,196)	(1.0)	(81,048)	(82,570)	(1.8)
Selling-related expenses		(5,493)	(6,034)	(9.0)	(10,417)	(9,731)	7.0
(Impairment loss) / reversal of impairment loss on trade and other receivables		(568)	(363)	56.5	(1,913)	131	N.M.
Operating expenses		(808,992)	(862,417)	(6.2)	(1,606,405)	(1,783,182)	(9.9)
Other income		3,053	864	253.4	4,586	4,089	12.2
Operating profit		53,514	51,827	3.3	84,924	93,166	(8.8)
Share of (loss) / profit of associated companies and joint venture		(927)	(115)	@	(1,543)	23	N.M.
Exceptional items	5	38,826	16,264	138.7	36,833	(7,705)	N.M.
Earnings before interest and tax		91,413	67,976	34.5	120,214	85,484	40.6
Interest income and investment income (net)		5,216	2,891	80.4	10,046	2,148	@
Finance expenses		(15,824)	(9,752)	62.3	(30,367)	(19,623)	54.8
Profit before tax	6	80,805	61,115	32.2	99,893	68,009	46.9
Income tax expense	7	(12,719)	(19,952)	(36.3)	(18,417)	(29,249)	(37.0)
Profit after tax		68,086	41,163	65.4	81,476	38,760	110.2
Profit attributable to:							
Equity holders of the Company		66,883	34,583	93.4	78,333	24,679	217.4
Non-controlling interests		1,203	6,580	(81.7)	3,143	14,081	(77.7)
		68,086	41,163	65.4	81,476	38,760	110.2
Underlying net profit ¹		28,057	18,319	53.2	41,500	32,384	28.1
Basic and diluted earnings per share attributable to ordinary shareholders of the Company							
- Excluding distribution to perpetual securities holders	8	2.73 cents	1.30 cents	110.0	3.00 cents	0.62 cents	@
- Including distribution to perpetual securities holders	8	2.97 cents	1.54 cents	92.9	3.48 cents	1.10 cents	216.4

Notes

- 1 Underlying net profit is defined as net profit before exceptional items, net of tax.
N.M. Not meaningful.
@ Denotes variance more than 300%.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the second half year and full year ended 31 March 2024

<u>Group</u>	Second half year ended			Full year ended		
	31 March			31 March		
	2024	2023	Variance	2024	2023	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit after tax	68,086	41,163	65.4	81,476	38,760	110.2
Other comprehensive income (net of tax):						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences						
- Gain / (loss) on translation of foreign operations	1,202	(3,000)	N.M.	(6,744)	(12,350)	(45.4)
- Disposal / liquidation of foreign subsidiaries	-	-	-	-	(34)	N.M.
- Transfer to profit or loss arising from loss of significant influence in an associated company	136	-	N.M.	136	-	N.M.
Cash flow hedges						
- Fair value changes arising during the year	(4,620)	-	N.M.	848	-	N.M.
- Realised and transferred to profit or loss	(548)	-	N.M.	(932)	-	N.M.
Items that will not be reclassified subsequently to profit or loss:						
Equity investments at fair value through other comprehensive income						
- Fair value gain / (loss) 12	31,372	(43,453)	N.M.	38,118	(48,532)	N.M.
- (Loss) / gain on fair value hedge of an equity instrument designated at FVTOCI 10	(25,313)	56,879	N.M.	(44,353)	56,879	N.M.
Revaluation gain on property, plant and equipment upon transfer to investment properties	-	298	N.M.	-	298	N.M.
Other comprehensive income / (loss) for the period (net of tax)	2,229	10,724	(79.2)	(12,927)	(3,739)	245.7
Total comprehensive income for the period	70,315	51,887	35.5	68,549	35,021	95.7
Total comprehensive income attributable to:						
Equity holders of the Company	63,346	40,725	55.5	67,577	19,996	238.0
Non-controlling interests	6,969	11,162	(37.6)	972	15,025	(93.5)
	70,315	51,887	35.5	68,549	35,021	95.7

N.M. Not meaningful.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at 31 March 2024

	Note	Group		Company	
		As at 31 Mar 2024 S\$'000	As at 31 Mar 2023 S\$'000	As at 31 Mar 2024 S\$'000	As at 31 Mar 2023 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		476,738	495,696	362,373	375,071
Trade and other receivables		252,430	229,831	129,395	117,132
Derivative financial instruments	10	402	372	402	372
Inventories		343	513	5	5
Other current assets		31,125	25,394	9,314	7,851
		761,038	751,806	501,489	500,431
Assets classified as held for sale	11	-	11,700	-	11,700
		761,038	763,506	501,489	512,131
Non-current assets					
Trade and other receivables		3,237	4,945	218,236	218,238
Derivative financial instruments	10	14,006	56,879	-	-
Financial assets	12	88,570	42,076	-	-
Investments in subsidiaries		-	-	361,313	361,313
Investments in associated companies and joint venture		23,107	31,949	21,891	21,891
Investment properties	13	1,002,341	965,771	983,645	953,033
Property, plant and equipment	14	454,270	386,928	238,610	229,741
Right-of-use assets		140,008	71,565	28,304	38,259
Intangible assets	15	636,262	500,958	-	-
Deferred income tax assets		3,729	7,361	-	-
Other non-current assets		9,360	5,832	5,682	-
		2,374,890	2,074,264	1,857,681	1,822,475
Total assets		3,135,928	2,837,770	2,359,170	2,334,606
LIABILITIES					
Current liabilities					
Trade and other payables		605,645	632,539	417,378	416,086
Current income tax liabilities		10,592	22,359	12,984	9,149
Contract liabilities		28,204	30,037	26,023	26,541
Lease liabilities		43,137	32,152	11,060	12,257
Derivative financial instruments	10	105	1,413	105	1,132
Borrowings	16	10,319	1,370	-	-
		698,002	719,870	467,550	465,165
Non-current liabilities					
Trade and other payables		31,068	21,616	609,138	604,565
Borrowings	16	816,814	623,020	-	-
Contract liabilities		-	7,177	-	7,177
Lease liabilities		105,532	47,575	18,175	26,859
Deferred income tax liabilities		61,701	44,214	19,997	22,521
Derivative financial instruments	10	1,846	-	-	-
		1,016,961	743,602	647,310	661,122
Total liabilities		1,714,963	1,463,472	1,114,860	1,126,287
NET ASSETS		1,420,965	1,374,298	1,244,310	1,208,319
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	17	638,762	638,762	638,762	638,762
Treasury shares	17	(29,243)	(29,516)	(29,243)	(29,516)
Other reserves		(130,742)	(77,620)	36,094	35,390
Retained earnings		653,171	598,558	598,697	563,683
Ordinary equity		1,131,948	1,130,184	1,244,310	1,208,319
Perpetual securities	18	251,534	251,504	-	-
		1,383,482	1,381,688	1,244,310	1,208,319
Non-controlling interests		37,483	(7,390)	-	-
Total equity		1,420,965	1,374,298	1,244,310	1,208,319

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY For the full year ended 31 March 2024

Group	Note	Attributable to ordinary shareholders of the Company					Perpetual securities	Total	Non-controlling interests	Total equity
		Share capital	Treasury shares	Retained earnings	Other reserves	Total				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000				
Balance at 1 April 2023		638,762	(29,516)	598,558	(77,620)	1,130,184	251,504	1,381,688	(7,390)	1,374,298
Total comprehensive income for the year		-	-	78,333	(10,756)	67,577	-	67,577	972	68,549
Transactions with owners, recognised directly in equity										
Acquisition of non-controlling interest	(a)	-	-	-	(49,344)	(49,344)	-	(49,344)	49,344	-
Distribution of perpetual securities	18	-	-	(10,905)	-	(10,905)	10,905	-	-	-
Distribution paid on perpetual securities	18	-	-	-	-	-	(10,875)	(10,875)	-	(10,875)
Dividends paid to shareholders	19	-	-	(13,050)	-	(13,050)	-	(13,050)	-	(13,050)
Dividends paid to non-controlling interests in subsidiaries		-	-	-	-	-	-	-	(5,443)	(5,443)
Issuance of shares to employee		-	273	-	(179)	94	-	94	-	94
Employee share option scheme: - Value of employee services		-	-	235	7,157	7,392	-	7,392	-	7,392
Total		-	273	(23,720)	(42,366)	(65,813)	30	(65,783)	43,901	(21,882)
Balance at 31 March 2024		638,762	(29,243)	653,171	(130,742)	1,131,948	251,534	1,383,482	37,483	1,420,965

Note

- (a) The acquisition of non-controlling interest in a subsidiary comprises the reserve for an obligation which arose from put options written with non-controlling shareholders of Freight Management Holdings Pty Ltd ("FMH"). In November and December 2023, the put options were exercised for the acquisition of the remaining 12% equity interest in FMH and the related gross liabilities were transferred to other reserves. Following the acquisitions, FMH became a wholly-owned subsidiary of the Group.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY For the full year ended 31 March 2024

Group	Note	Attributable to ordinary shareholders of the Company					Perpetual securities	Total	Non-controlling interests	Total equity
		Share capital	Treasury shares	Retained earnings	Other reserves	Total				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000				
Balance at 1 April 2022		638,762	(29,724)	616,527	81,841	1,307,406	-	1,307,406	(165,305)	1,142,101
Total comprehensive income for the year		-	-	24,679	(4,683)	19,996	-	19,996	15,025	35,021
Transactions with owners, recognised directly in equity										
Acquisition of non-controlling interest	(a)	-	-	-	(152,860) ⁽ⁱⁱⁱ⁾	(152,860)	-	(152,860)	152,873	13
Issuance of perpetual securities	18	-	-	-	-	-	248,972	248,972	-	248,972
Distribution of perpetual securities	18	-	-	(10,726)	-	(10,726)	10,726	-	-	-
Distribution paid on perpetual securities	18	-	-	-	-	-	(8,194)	(8,194)	-	(8,194)
Dividends paid to shareholders	19	-	-	(33,296)	-	(33,296)	-	(33,296)	-	(33,296)
Dividends paid to non-controlling interests in a subsidiary		-	-	-	-	-	-	-	(9,983)	(9,983)
Issuance of shares to employee		-	208	-	(104)	104	-	104	-	104
Employee share option scheme: - Value of employee services		-	-	1,374	(1,814)	(440)	-	(440)	-	(440)
Total		-	208	(42,648)	(154,778)	(197,218)	251,504	54,286	142,890	197,176
Balance at 31 March 2023		638,762	(29,516)	598,558	(77,620)	1,130,184	251,504	1,381,688	(7,390)	1,374,298

Notes

(a) The acquisition of non-controlling interest in a subsidiary comprises:

- (i) A net amount of S\$13,000 measured by reference to the proportionate share of the reserves and net assets and liabilities on acquisition date.
- (ii) Gross liabilities were recognised for an obligation which arose from a put option written with the non-controlling shareholder of FMH. In March 2023, the put option was exercised for the acquisition of an additional 37% equity interest in FMH and the related gross liabilities were transferred to other reserves.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY For the full year ended 31 March 2024

<u>Company</u>	<u>Note</u>	Attributable to ordinary shareholders of the Company				
		Share	Treasury	Retained	Other	<u>Total</u>
		<u>capital</u>	<u>shares</u>	<u>earnings</u>	<u>reserves</u>	
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 April 2023		638,762	(29,516)	563,683	35,390	1,208,319
Total comprehensive income for the year		-	-	47,829	208	48,037
<i>Transactions with owners, recognised directly in equity</i>						
Dividends paid to shareholders	19	-	-	(13,050)	-	(13,050)
Issuance of shares to employee		-	273	-	(179)	94
Employee share option scheme: - Value of employee services		-	-	235	675	910
Total		-	273	(12,815)	496	(12,046)
Balance at 31 March 2024		638,762	(29,243)	598,697	36,094	1,244,310
Balance at 1 April 2022		638,762	(29,724)	587,328	37,308	1,233,674
Total comprehensive income for the year		-	-	8,277	-	8,277
<i>Transactions with owners, recognised directly in equity</i>						
Dividends paid to shareholders	19	-	-	(33,296)	-	(33,296)
Issuance of shares to employee		-	208	-	(104)	104
Employee share option scheme: - Value of employee services		-	-	1,374	(1,814)	(440)
Total		-	208	(31,922)	(1,918)	(33,632)
Balance at 31 March 2023		638,762	(29,516)	563,683	35,390	1,208,319

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the full year ended 31 March 2024

Group	Full year ended 31 March	
	2024 S\$'000	2023 S\$'000
Cash flows from operating activities		
Profit after tax	81,476	38,760
Adjustments for:		
Income tax expense	18,417	29,249
Impairment loss on / (Reversal of) trade and other receivables	1,913	(131)
Amortisation of contract liabilities	(8,639)	(7,925)
Amortisation of intangible assets	7,083	7,641
Depreciation	73,965	74,929
Fair value loss on put option redemption liabilities	2,592	21,719
Fair value gain on investment properties	(38,442)	(18,565)
Gain on derecognition of right-of-use assets and lease liabilities	(27)	-
(Gain) / Loss on disposal of property, plant and equipment	(2,284)	227
Gain on sale of assets held for sale	(900)	-
Gain on disposal of an associated company	-	(99)
Net gain on disposal / liquidation of subsidiaries	-	(448)
Recognition / (Reversal) of share-based staff costs	7,392	(440)
Finance expenses	30,367	19,623
Interest income	(11,514)	(7,500)
Fair value gain on contingent consideration	(1,106)	(1,284)
Impairment of property, plant and equipment	-	1,441
Reversal of impairment in an associated company	(2,762)	-
Loss on deemed disposal / divestment of an associated company and a joint venture	147	-
Impairment of loans to associated companies	-	(525)
Share of loss / (profit) of associated companies and joint venture	1,543	(23)
	77,745	117,889
Operating cash flow before working capital changes	159,221	156,649
Changes in working capital, net of effects from acquisition and disposal of subsidiaries		
Inventories	654	10
Trade and other receivables	(3,941)	20,832
Trade and other payables	(30,801)	(29,397)
Contract liabilities	(793)	348
Cash generated from operations	124,340	148,442
Income tax paid	(30,952)	(32,786)
Net cash provided by operating activities	93,388	115,656
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(97,730)	(7,982)
Contingent consideration paid in relation to acquisition of subsidiaries	(25,764)	(10,697)
Disposal / liquidation of subsidiaries, net of cash disposed	-	418
Additions to property, plant and equipment and intangible assets	(55,210)	(28,429)
Dividends received from an associated company	293	-
Interest received	11,470	6,614
Investment in a joint venture company	-	(10)
Proceeds from disposal of an associated company	-	1,380
Proceeds from disposal of property, plant and equipment	8,434	721
Proceeds on sale / maturity of financial assets	-	8,000
Proceeds from sale of assets held for sale	12,600	-
Repayment of loans by an associated company	-	2,803
Net cash used in investing activities	(145,907)	(27,182)

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS For the full year ended 31 March 2024

<u>Group</u>	Full year ended 31 March	
	2024 S\$'000	2023 S\$'000
Cash flows from financing activities		
Acquisition of additional interest in existing subsidiary	(67,138)	(156,119)
Distribution paid to perpetual securities	(10,875)	(8,194)
Dividends paid to shareholders	(13,050)	(33,296)
Dividends paid to non-controlling interests in subsidiaries	(5,443)	(9,983)
Finance expenses paid	(29,609)	(21,899)
Repayment of principal portion of lease liabilities	(33,335)	(21,501)
Proceeds from issuance of perpetual securities	-	248,972
Proceeds from bank loans and notes	228,518	185,952
Repayment of bank loans and notes	(35,507)	(57,148)
Net cash provided by financing activities	33,561	126,784
Net (decrease) / increase in cash and cash equivalents	(18,958)	215,258
Cash and cash equivalents at beginning of financial year	495,696	280,438
Cash and cash equivalents at end of financial year	476,738	495,696

Significant non-cash transaction

During the financial year ended 31 March 2024, the Group paid S\$1,707,965 under the 3rd Partial Award for the 1st Arbitration to the Claimant which is offset against the Claimant Loan. Refer to details in Note 24.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half year and full year ended 31 March 2024

1. General information

Singapore Post Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 10 Eunos Road 8, Singapore Post Centre, Singapore 408600.

The principal activities of the Company consist of the operation and provision of post & parcel, eCommerce logistics and property. Its subsidiaries are principally engaged in provision of delivery services and eCommerce logistics solutions, provision of integrated supply chain and distributions services, freight forwarding and investment holding.

2. Material accounting policies

2.1 Basis of preparation

The condensed interim financial statements for the second half year and full year ended 31 March 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* and International Accounting Standard 34 *Interim Financial Reporting* and should be read in conjunction with the Group’s audited financial statements as at and for the year ended 31 March 2023. SFRS(I)s are issued by the Accounting Standards Council and comprise standards and interpretations that are equivalent to International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standard Board. All references to SFRS(I)s and IFRS Accounting Standards are subsequently referred to as SFRS(I)s in these condensed interim financial statements unless otherwise stated.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2023.

The accounting policies applied are consistent with those disclosed in the Group’s financial statements as at and for the year ended 31 March 2023 which were prepared in accordance with SFRS(I)s, except for the below:

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the ‘Exceptional items’ line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

Cash flow hedges (continued)

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in hedging reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

The Group adopted various new and amended pronouncements which are effective from 1 April 2023. The adoption of these new and amended pronouncements did not have a material effect on the condensed interim financial statements. For the full year ended 31 March 2024, the Group's exposure to Pillar Two income taxes is not material. Management has assessed and determined that the Group qualifies for the Transitional Country by Country Reporting ("CbCR") Safe Harbour in all its jurisdictions.

The condensed interim financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

2.2 Critical accounting estimates, assumptions and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023. In the current financial year, critical accounting estimates, assumptions and judgement were also applied in the accounting for the acquisition of M J Luff Pty Ltd through its subsidiary, FMH.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Seasonality

The Group's business experiences seasonality which is tied to holiday seasons and eCommerce promotions that could vary from market to market. However, on a Group basis, the performance in the first half of the financial year when compared to the second half of the financial year is not significantly different. This is because the differences between the two periods in the various markets broadly even out on a Group basis.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half year and full year ended 31 March 2024

4. Revenue

Revenue from external customers is derived from the provision of mail, logistics solutions, agency and financial services and front-end ecommerce solutions.

	Group			
	Second half year ended 31 March		Full year ended 31 March	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Post and Parcel	259,640	252,542	499,440	508,718
Logistics	570,904	637,128	1,131,263	1,313,027
Property	28,909	23,710	56,040	50,514
	859,453	913,380	1,686,743	1,872,259

A disaggregation of the Group's revenue is as follows:

	Group					
	Second half year ended 31 March					
	2024			2023		
	Revenue from services rendered S\$'000	Sale of products S\$'000	Total S\$'000	Revenue from services rendered S\$'000	Sale of products S\$'000	Total S\$'000
Post and	259,155	485	259,640	251,904	638	252,542
Logistics	570,904	-	570,904	637,128	-	637,128
Property	28,909	-	28,909	23,710	-	23,710
	858,968	485	859,453	912,742	638	913,380

Timing of revenue recognition in respect of revenue from contracts with customers

At a point in	3,572	485	4,057	4,194	638	4,832
Over time	833,235	-	833,235	890,384	-	890,384
	836,807	485	837,292	894,578	638	895,216

	Group					
	Full year ended 31 March					
	2024			2023		
	Revenue from services rendered S\$'000	Sale of products S\$'000	Total S\$'000	Revenue from services rendered S\$'000	Sale of products S\$'000	Total S\$'000
Post and Parcel	498,486	954	499,440	507,454	1,264	508,718
Logistics	1,131,263	-	1,131,263	1,313,02	-	1,313,02
Property	56,040	-	56,040	50,514	-	50,514
	1,685,789	954	1,686,743	1,870,99	1,264	1,872,25

Timing of revenue recognition in respect of revenue from contracts with customers ⁽¹⁾

At a point in	7,293	954	8,247	9,328	1,264	10,592
Over time	1,635,496	-	1,635,496	1,822,21	-	1,822,21
	1,642,789	954	1,643,743	1,831,54	1,264	1,832,80

⁽¹⁾ These disclosures under SFRS(I) 15 are not applicable to revenue from lease contracts amounting to S\$43,000,000 (2023: S\$39,452,000).

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

5. Exceptional items

	Group			
	Second half year ended 31 March		Full year ended 31 March	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Disposals:				
- Gain / (loss) on disposal of property, plant equipment	2,139	(92)	2,284	(227)
- Gain on disposal of assets held for sale	-	-	900	-
- Gain on disposal of an associated company	-	-	-	99
- Net gain on disposal / liquidation of subsidiaries	-	-	-	448
Acquisitions:				
- Gain on contingent consideration	1,136	1,284	1,106	1,284
Fair value gain / (loss):				
- Investment properties (Note 13)	38,442	18,565	38,442	18,565
- Derivative instruments for hedging	-	(282)	-	(282)
- Put option redemption liabilities ⁽¹⁾	596	(707)	(2,592)	(21,719)
Reversal of impairment charges / (Impairment charges) ⁽²⁾ :				
- Property, plant and equipment	-	(425)	-	(1,441)
- Associated company	2,762	-	2,762	-
- Loans to associated companies	-	-	-	525
Loss on deemed disposal / divestment of investments in an associated company and a joint venture	(147)	-	(147)	-
M&A related expenses	(6,102)	(2,079)	(5,922)	(3,399)
Restructuring of operations	-	-	-	(1,558)
	38,826	16,264	36,833	(7,705)

⁽¹⁾ For the financial year ended 31 March 2024, the Group completed the acquisition of the remaining 12% equity interest in Freight Management Holdings Pty Limited ("FMH") through exercising of put options written with non-controlling shareholders. The fair value loss of the put option redemption liability of S\$1.5 million was included as part of the S\$2.6 million loss above and arose from the fair value movement of this liability from 1 April 2023 to 30 June 2023.

For the financial year ended 31 March 2023, the Group completed its acquisition of additional 37% equity interest in FMH through exercising of a put option written with the non-controlling shareholder. The fair value loss of put option redemption liability of S\$22.9 million was included as part of the \$21.7 million loss above (offset by a separate fair value gain) and arose from the fair value movement of this liability from 1 April 2022 to 31 March 2023.

Further details on the acquisitions are included in the announcements dated 30 November 2021, 14 March 2022, 2 December 2022, 11 January 2023, 30 March 2023, 31 March 2023, 28 November 2023 and 6 December 2023.

⁽²⁾ Total reversal of impairment charges amounted to S\$2,762,000 (2023: impairment charge of S\$916,000).

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half year and full year ended 31 March 2024

6. Profit before tax

Other than as disclosed elsewhere in these condensed interim financial statements, profit before tax for the period has been arrived at after charging/(crediting) the following:

	Group			
	Second half year ended		Full year ended	
	31 March		31 March	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	17,899	20,289	41,096	40,970
Depreciation of right-of-use assets	19,276	18,754	32,869	33,959
Amortisation of intangible assets	4,595	3,153	7,083	7,641
Interest expense:				
- Fixed rate notes	4,790	4,764	9,581	9,555
- Bank borrowings	7,908	2,274	14,093	4,740
- Lease liabilities	2,674	2,159	5,751	4,031
- Significant financing component from contracts with customers	174	321	422	717
Other borrowing costs	278	234	520	580
Currency exchange (gains) / losses - net	(255)	2,350	(2,196)	5,184

7. Income tax expense

	Group			
	Second half year ended		Full year ended	
	31 March		31 March	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Tax expense / (benefit) attributable to profit is made up of:				
- Current income tax	8,811	22,575	20,580	32,768
- Deferred income tax	4,584	(3,587)	2,619	(3,048)
	13,395	18,988	23,199	29,720
Under / (Over) provision in preceding financial periods:				
- Current income tax	11	(177)	(4,095)	(1,612)
- Deferred income tax	(687)	1,141	(687)	1,141
	12,719	19,952	18,417	29,249

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

8. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding, excluding treasury shares, during the financial period.

	Group			
	Second half year ended 31 March	2023	Full year ended 31 March	2023
	2024	2023	2024	2023
Net profit attributable to equity holders of the Company (S\$'000)	66,883	34,583	78,333	24,679
Less: Net profit attributable to perpetual securities holders of the Company (S\$'000)	(5,453)	(5,423)	(10,905)	(10,726)
Net profit attributable to ordinary shareholders of the Company (S\$'000)	61,430	29,160	67,428	13,953
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	2,249,953	2,249,740	2,249,917	2,249,700
Basic earnings per share (cents per share)				
- Excluding distribution to perpetual securities holders	2.73	1.30	3.00	0.62
- Including distribution to perpetual securities holders	2.97	1.54	3.48	1.10

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, excluding treasury shares, are adjusted for the effects of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares are in the form of share options.

For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial period) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net profit.

There is no dilution of earnings per share for the second half years and financial years ended 31 March 2024 and 2023.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the second half year and full year ended 31 March 2024

9. Net asset value

	<u>Group</u>		<u>Company</u>	
	As at	As at	As at	As at
	31 Mar 24	31 Mar 23	31 Mar 24	31 Mar 23
Net asset value per ordinary share (cents)	61.49	61.42	55.30	53.71
Ordinary equity ⁽¹⁾ per ordinary share (cents)	50.31	50.24	55.30	53.71

⁽¹⁾ Total equity excluding non-controlling interests and perpetual securities.

10. Derivative financial instruments

	<u>Group</u>		<u>Company</u>	
	As at	As at	As at	As at
	31 Mar 24	31 Mar 23	31 Mar 24	31 Mar 23
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current assets</u>				
Other non-hedging derivatives				
Currency forwards	402	372	402	372
<u>Non-current assets</u>				
Hedge instrument relating to cash flow hedge				
Interest rate swap	1,480	-	-	-
Hedge instrument relating to fair value hedge				
Equity option (Note 12)	12,526	56,879	-	-
	14,006	56,879	-	-
	14,408	57,251	402	372
<u>Current liabilities</u>				
Other non-hedging derivatives				
Interest rate swap	-	281	-	-
Currency forwards	105	1,132	105	1,132
	105	1,413	105	1,132
<u>Non-current liabilities</u>				
Hedge instrument relating to cash flow hedge				
Interest rate swap	1,846	-	-	-
	1,951	1,413	105	1,132

The Group has equity option over its investment in Shenzhen 4PX Information Technology Co., Limited ("4PX") classified as hedging instruments relating to fair value hedge amounting to S\$12.5 million (2023: S\$56.9 million) which hedges the fair value changes arising from the financial assets designated at FVTOCI (Note 12). During the financial year ended 31 March 2024, the fair value loss arising from the hedging instrument is S\$44.4 million (2023: fair value gain of S\$56.9 million).

The option exercise period, valid till June 2025 coincides with various contingent events relating to the loan capitalisation exercise. The fair value of the hedge is derived using the discounted cash flow approach and incorporates the probability of the various contingent events that affect the exercise of the options, including the completion of the loan capitalisation exercise that is closely related to the term of the options; such probabilities are considered as key management judgement and key sources of estimation uncertainty. It is expected that the value of the equity option and the value of 4PX will change in the opposite direction in response to movements in the underlying fair value of the company.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

11. Assets classified as held for sale

As at 31 March 2023, the Group and Company had a property over which land had been gazetted for compulsory acquisition by the Singapore government. The major classes of assets comprising the “non-current assets held for sale” were as follows:

	<u>Group</u> As at 31 March 23 S\$'000
Assets classified as held for sale	
Investment properties	10,914
Property, plant and equipment	786
	<u>11,700</u>

The disposal was completed on 30 June 2023 and a gain on disposal of assets held for sale of S\$0.9 million was recognised in ‘Exceptional items’ (Note 5). The assets classified as held for sale were included in Property segment for the purpose of segmental reporting.

12. Financial assets

		<u>Group</u> As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000
<i>Financial assets designated as FVTOCI</i>			
- Equity investments – quoted	(i)	9,266	-
- Equity investments – unquoted	(ii)	79,304	42,076
		<u>88,570</u>	<u>42,076</u>

(i) During the financial year ended 31 March 2024, the Group lost its significant influence over a former associated company, Efficient E-Solutions Berhad. The retained interest is measured at fair value and accounted for as an equity investment measured at FVTOCI amounting to S\$9.3 million, and is classified within Level 1 of the fair value hierarchy. During the financial year ended 31 March 2024, the fair value gain recognised within other comprehensive income was S\$0.8 million.

(ii) The Group carries an investment in Shenzhen 4PX classified as an equity investment designated at FVTOCI amounting to S\$79.1 million (2023: S\$41.9 million) for which fair value hedge accounting (Note 10) has been applied.

The valuation of 4PX is determined based on Enterprise Value / Revenue multiples of selected comparable companies at the end of the reporting period. The inputs to the valuation model are derived from market observable data where possible, including but not limited to financial data of selected public companies in logistics services, freight management, supply chain management and e-commerce, but where this is not feasible, a degree of judgement is required to establish fair value.

During the financial year ended 31 March 2024, the fair value gain recognised within other comprehensive income was S\$37.3 million (2023: fair value loss of S\$48.5 million).

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

13. Investment properties

	<u>Group</u>		<u>Company</u>	
	As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000	As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000
Beginning of financial year	965,771	956,610	953,033	945,274
Reclassification (to) / from property, plant and equipment (net)	(1,872)	1,353	(7,708)	52
Reclassification from right-of-use assets	-	157	-	-
Reclassification to held for sale (Note 11)	-	(10,914)	-	(10,914)
Fair value gain recognised in profit or loss	38,442	18,565	38,320	18,621
End of financial year	1,002,341	965,771	983,645	953,033

<u>Group</u>	<u>Fair value measurements using</u>		
	<u>Quoted prices in active markets for identical assets (Level 1) S\$'000</u>	<u>Significant other observable inputs (Level 2) S\$'000</u>	<u>Significant unobservable inputs (Level 3) S\$'000</u>
As at 31 March 2024			
- Commercial and retail / warehousing – Singapore	-	2,636	999,705
As at 31 March 2023			
- Commercial and retail / warehousing – Singapore	-	2,484	963,287

There were no transfers in or out of fair value hierarchy levels.

Valuation techniques and processes

Level 2 fair values of the Group's properties have been derived using the sales comparison approach.

Level 3 fair values have been generally derived using capitalisation/income approach, discounted cash flow approach and sales comparison approach.

14. Property, plant and equipment

During the full year ended 31 March 2024,

- The Group acquired assets amounting to S\$50,478,000 (2023: S\$24,011,000) and disposed assets amounting to S\$6,150,000 (2023: S\$948,000).
- The Company acquired assets amounting to S\$26,364,000 (2023: S\$8,750,000) and disposed assets amounting to S\$3,204,000 (2023: S\$526,000).

As at 31 March 2024, commitments for the purchase of property, plant and equipment amount to S\$22,402,000 (2023: S\$15,334,000) and S\$2,728,000 (2023: S\$6,189,000) for the Group and Company respectively.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

15. Intangible assets

	<u>Group</u>	
	As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000
Goodwill on acquisitions	492,466	415,659
Customer relationships	47,197	21,258
Acquired software license	24,743	15,309
Trademarked brands	71,856	48,732
	636,262	500,958

16. Borrowings

	<u>Group</u>	
	As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000
<u>Current</u>		
- Borrowings (secured)	10,319	1,370
<u>Non-current</u>		
- Borrowings (secured)	150,128	39,809
- Borrowings (unsecured)	666,686	583,211
	816,814	623,020
Total borrowings	827,133	624,390

As at 31 March 2024, secured borrowings comprise external bank loans and are generally secured over the following:

- a) trade receivables with carrying amount of S\$106.1 million.
- b) property, plant and equipment with carrying amount of S\$105.6 million.
- c) a general security containing first fixed and floating charges over all assets and undertakings of Freight Management Holdings Pty Ltd and its subsidiaries.
- d) charge of all the subsidiaries' shares held by Freight Management Holdings Pty Ltd and its subsidiaries.

As at 31 March 2023, secured borrowings comprise external bank loans and are generally secured over the following:

- a) trade receivables with carrying amount of S\$75.5 million.
- b) property, plant and equipment with carrying amount of S\$36.2 million.

As at 31 March 2024, the Group's unsecured borrowings consist of S\$250 million 10-year Notes, S\$100 million 5-year Notes and A\$362.1 million (S\$318.5 million) 5-year term loan facilities.

As at 31 March 2023, the Group's unsecured borrowings consist of S\$250 million 10-year Notes, S\$100 million 5-year Notes, A\$264.4 million (S\$235.2 million) 5-year term loan facility and short-term loan of S\$50.0 million.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

16. Borrowings (continued)

Fair value of non-current borrowings

	<u>Group</u>	
	As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000
<u>Non-current</u>		
- Borrowings (secured)	150,128	39,809
- Borrowings (unsecured)	647,991	551,912
	798,119	591,721

The fair value of the Notes above is determined based on the over-the-counter quoted price.

The fair value of external bank loans is computed based on cash flows discounted at market borrowing rates. The fair value is classified within Level 2 of the fair value hierarchy.

17. Share capital and treasury shares

	<u>Number of ordinary shares</u>		<u>Amount</u>	
	<u>Issued share capital '000</u>	<u>Treasury shares '000</u>	<u>Share capital S\$'000</u>	<u>Treasury shares S\$'000</u>
<u>Group and Company</u>				
As at 1 April 2023	2,275,089	(25,350)	638,762	(29,516)
Issuance of shares to employee	-	213	-	273
As at 31 March 2024	2,275,089	(25,137)	638,762	(29,243)
As at 1 April 2022	2,275,089	(25,512)	638,762	(29,724)
Issuance of shares to employee	-	162	-	208
As at 31 March 2023	2,275,089	(25,350)	638,762	(29,516)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Treasury shares

During the financial year ended 31 March 2024, 213,000 treasury shares (2023:162,000) amounting to S\$273,000 (2023: S\$208,000) were reissued.

Share options

During the financial years ended 31 March 2024 and 2023, no share was issued under the Singapore Post Share Option Scheme.

As at 31 March 2024, there were unexercised options for 2,163,000 (2023: 3,253,000) unissued ordinary shares under the Singapore Post Share Option Scheme (including Performance Option Plan but excluding Restricted Share Plan) and vested shares for 11,674,843 (2023: 8,129,828) unissued ordinary shares under the Restricted Share Plan.

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18. Perpetual securities

On 6 April 2022, a wholly owned subsidiary of the Group issued SGD Subordinated Perpetual Securities with an aggregate principal amount of S\$250,000,000 ("Perpetual Securities 2022") under the S\$1 billion Multicurrency Debt Issuance Programme which is guaranteed by the Company. Incremental costs incurred amounting to S\$1,028,000 were recognised in equity as a deduction from proceeds. Perpetual Securities 2022 bear distributions at a rate of 4.35% per annum up to 6 July 2027, payable semi-annually. The distribution rate will be reset every 5 years starting 6 July 2027.

Subject to the relevant terms and conditions in the offering memorandum, the Group and Company may elect to defer making distributions on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

As a result, the Group and Company are considered to have no contractual obligations to repay its principal or to pay any distributions and the perpetual securities do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends.

During the financial year, distributions to perpetual securities holders amounted to S\$10,905,000 (2023: S\$10,726,000).

19. Dividends

	<u>Group and Company</u> Full year ended 31 March	
	2024	2023
	S\$'000	S\$'000
<i>Ordinary dividends paid</i>		
Final exempt (one-tier) dividend paid in respect of the previous financial year of 0.4 cents per share (2023: 1.3 cents)	9,000	29,247
Interim exempt (one-tier) dividend paid in respect of the first half of the current financial year of 0.18 cents per share (2023: 0.18 cents)	4,050	4,049
	13,050	33,296

Final dividend

The Board is recommending a final exempt (one-tier) dividend of 0.56 cents per ordinary share amounting to S\$12.6 million for the financial year ended 31 March 2024. Including the interim dividend of 0.18 cents per share paid out in November 2023, total dividend would amount to 0.74 cents per share, or approximately 40% of the underlying net profit.

The proposed final dividend is subject to the approval of shareholders at the 32nd Annual General Meeting to be duly convened. The date payable and record date of the final dividend will be announced at a later date. These condensed interim financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 March 2025.

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20. Fair value measurement

The following table presents financial assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

<u>Group</u>	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Total</u> S\$'000
As at 31 March 2024				
Assets				
Financial assets designated at FVTOCI	9,266	-	79,304	88,570
Derivative financial instruments	-	1,882	12,526	14,408
Liabilities				
Derivative financial instruments	-	1,951	-	1,951
Contingent consideration payable	-	-	13,196	13,196
Put option redemption liability	-	-	7,723	7,723
As at 31 March 2023				
Assets				
Financial assets designated at FVTOCI	-	-	42,076	42,076
Derivative financial instruments	-	372	56,879	57,251
Liabilities				
Derivative financial instruments	-	1,413	-	1,413
Contingent consideration payable	-	-	27,063	27,063
Put option redemption liability	-	-	72,827	72,827

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20. Fair value measurement (continued)

	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Total</u> S\$'000
<u>Company</u>				
As at 31 March 2024				
Assets				
Derivative financial instruments	-	402	-	402
Liabilities				
Derivative financial instruments	-	105	-	105
As at 31 March 2023				
Assets				
Derivative financial instruments	-	372	-	372
Liabilities				
Derivative financial instruments	-	1,132	-	1,132

There were no transfers between Levels 1, 2 and 3 during the full years ended 31 March 2024 and 2023.

21. Related party transactions

The Group had the following significant transactions with its related parties at terms agreed between the parties:

Sales and purchases of goods and services

	<u>Group</u>			
	Second half year ended 31 March	2023	Full year ended 31 March	2023
	2024 S\$'000	S\$'000	2024 S\$'000	S\$'000
Services received from associated companies	(301)	(4,069)	(866)	(6,765)
Services rendered to related companies of a substantial shareholder	8,945	6,066	15,352	11,974
Sale of property, plant and equipment to a substantial shareholder	4,500	-	4,500	-
Services received from related companies of a substantial shareholder	(8,904)	(9,518)	(14,928)	(14,526)
Interest received from loans to associated companies	-	-	-	17

During the full year ended 31 March 2024, the Company made payments on behalf of subsidiaries totaling S\$1.0 million (2023: S\$2.0 million) which were subsequently reimbursed.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

22. Segment information

Management has determined the operating segments based on the reports reviewed by the Group Chief Executive Officer and Group Chief Financial Officer (“Chief Operating Decision Maker” or “CODM”) that are used to make strategic decisions.

SingPost Group classifies the reporting of business units into three key business segments, namely Post and Parcel, Logistics and Property.

- **Post and Parcel** segment comprises the core postal and parcel delivery business of the Group. This includes Domestic post and parcels, International post and parcels, as well as products and services transacted at the post offices.
- **Logistics** segment comprises the logistics businesses of the Group. The services are divided into Freight forwarding and eCommerce logistics, which includes front-end related eCommerce solutions, warehousing, fulfilment, delivery and other value-added services in Asia Pacific.
- **Property** segment includes the provision of commercial property rental, as well as the self-storage business.

All other segments comprising of unallocated corporate overhead items are categorised as Others.

(a) Segment revenues and results

The following is an analysis of the Group’s revenues and results by reportable segments that were provided to the CODM for the second half years and full years ended 31 March 2024 and 2023.

Group	Post and Parcel		Property	Eliminations	Total	All other segments	Total
	Parcel	Logistics					
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Second half year ended 31 March 2024							
Revenue:							
- External	259,640	570,904	28,909	-	859,453	-	859,453
- Inter-segment	8,399	28,053	10,805	(47,257)	-	-	-
	268,039	598,957	39,714	(47,257)	859,453	-	859,453
Operating profit/(loss)	17,542	33,814	20,807	-	72,163	(18,649)	53,514
Second half year ended 31 March 2023							
Revenue:							
- External	252,542	637,128	23,710	-	913,380	-	913,380
- Inter-segment	7,068	4,381	13,825	(25,274)	-	-	-
	259,610	641,509	37,535	(25,274)	913,380	-	913,380
Operating profit/(loss)	(3,830)	43,213	21,382	-	60,765	(8,938)	51,827

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

22. Segment information (continued)

(a) Segment revenues and results (continued)

Group	Post and				Total	All other segments	Total
	Parcel	Logistics	Property	Eliminations			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Full year ended							
31 March 2024							
Revenue:							
- External	499,440	1,131,263	56,040	-	1,686,743	-	1,686,743
- Inter-segment	14,664	34,027	21,640	(70,331)	-	-	-
	514,104	1,165,290	77,680	(70,331)	1,686,743	-	1,686,743
Operating profit/(loss)	7,496	67,370	42,228	-	117,094	(32,170)	84,924
Full year ended							
31 March 2023							
Revenue:							
- External	508,718	1,313,027	50,514	-	1,872,259	-	1,872,259
- Inter-segment	15,801	9,331	26,119	(51,251)	-	-	-
	524,519	1,322,358	76,633	(51,251)	1,872,259	-	1,872,259
Operating profit/(loss)	(12,030)	84,742	40,168	-	112,880	(19,714)	93,166

Sales between segments are carried out at arm's length. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the statement of comprehensive income.

Reconciliation of Segment profits

The CODM assesses the performance of the operating segments based on a measure of operating profit, which is profit before interest, tax and share of results of associated companies and joint venture. Interest income and finance expenses are not allocated to segments.

A reconciliation of operating profit to profit after tax is provided as follows:

	Group			
	Second half year ended		Full year ended	
	31 March		31 March	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Operating profit for reportable segments	72,163	60,765	117,094	112,880
Operating loss for all other segments	(18,649)	(8,938)	(32,170)	(19,714)
Exceptional items	38,826	16,264	36,833	(7,705)
Finance expenses	(15,824)	(9,752)	(30,367)	(19,623)
Interest income and investment income (net)	5,216	2,891	10,046	2,148
Share of (loss) / profit of associated companies and joint venture	(927)	(115)	(1,543)	23
Profit before tax	80,805	61,115	99,893	68,009
Tax expense	(12,719)	(19,952)	(18,417)	(29,249)
Profit after tax	68,086	41,163	81,476	38,760

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

22. Segment information (continued)

(b) Segment assets

The following is an analysis of the Group's segment assets as at 31 March 2024 and 2023 that were provided to the CODM:

<u>Group</u>	<u>Post and Parcel</u> S\$'000	<u>Logistics</u> S\$'000	<u>Property</u> S\$'000	<u>Total</u> S\$'000	<u>All other segments</u> S\$'000	<u>Total</u> S\$'000
31 March 2024						
Segment assets	212,092	1,300,718	1,221,581	2,734,391	39,685	2,774,076
Segment assets include:						
Investment in associated companies	-	2,130	-	2,130	20,977	23,107
Intangible assets	4,134	632,128	-	636,262	-	636,262
31 March 2023						
Segment assets	240,885	1,007,617	1,174,111	2,422,613	40,518	2,463,131
Segment assets include:						
Investment in associated companies	-	3,018	-	3,018	28,931	31,949
Intangible assets	4,329	496,629	-	500,958	-	500,958

Reconciliation of segment assets

Reportable segments' assets are reconciled to total assets as follows:

Segment assets are measured in a manner consistent with that of the financial statements. The CODM does not review statement of financial position items by reportable segments, but rather monitors them at the Group level. All assets are allocated to reportable segments other than derivative financial instruments and financial assets. Cash and cash equivalents are allocated to reportable segments where applicable.

	<u>Group</u>	
	As at 31 Mar 24 S\$'000	As at 31 Mar 23 S\$'000
Segment assets for reportable segments	2,734,391	2,422,613
Segment assets for all other segments	39,685	40,518
Unallocated:		
Cash and cash equivalents	361,450	374,267
Derivative financial instruments	402	372
Total assets	3,135,928	2,837,770

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

22. Segment information (continued)

(c) Geographical information

The Group's three business segments operate in two main geographical areas:

- Singapore - the Company is headquartered and has operations in Singapore where 34% (2023: 32%) of its revenues are generated. The operations in this area comprise principally of the core postal business, post office products and services, courier activities and investment holding.
- Australia - the operations in this area are principally delivery services and e-commerce logistics solutions.
- Other countries - the operations include warehousing and logistics delivery in Japan and Hong Kong, and freight forwarding businesses in Europe and New Zealand.

	<u>Group</u>			
	Second half year ended 31 March		Full year ended 31 March	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:				
Singapore	298,791	291,909	577,675	594,562
Australia	437,024	432,180	843,235	857,800
Other countries	123,638	189,291	265,833	419,897
	859,453	913,380	1,686,743	1,872,259

The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

23. Acquisition of subsidiaries

On 1 March 2024, the Group acquired 100% shares and voting interest in M J Luff Pty Ltd through its subsidiary, FMH. M J Luff Pty Ltd is an investment holding company that owns 100% of the shares of Border Express Pty Ltd and Yandilla Pty Ltd, (collectively "Border Express"), and operate under the trading name "Border Express". Border Express offers courier and logistics services and occupies a national network that captures all States and Territories of Australia.

The initial accounting for the acquisition of Border Express has only been provisionally determined at 31 March 2024. At the date of finalisation of these condensed interim financial statements, the necessary purchase price allocations and other calculations had not been finalised and they have therefore only been provisionally determined based on the management's best estimate of the likely values.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

23. Acquisition of subsidiaries (continued)

Details at the acquisition date of the consideration paid, the provisional fair value amounts of assets acquired and liabilities assumed, and the effects on the cash flows of the Group, are as follows:

	S\$'000
(i) <u>Purchase consideration</u>	
Cash paid to vendor	104,820
Deferred consideration	53,324
Contingent consideration	13,103
Total purchase consideration	<u>171,247</u>
(ii) <u>Effect on cash flows of the Group</u>	
Effect on cash flows of the Group	104,820
Less: Cash and cash equivalent balances acquired	<u>(7,090)</u>
Cash outflow on acquisition	<u>97,730</u>
(iii) <u>Identifiable assets acquired and liabilities assumed, at fair value</u>	
<u>Current assets</u>	
Cash and cash equivalents	7,090
Trade and other receivables	32,048
Inventories	484
Other current assets	2,458
	<u>42,080</u>
<u>Non-current assets</u>	
Property, plant and equipment	62,998
Intangible assets	61,232
Right-of-use assets	69,892
	<u>194,122</u>
<u>Current liabilities</u>	
Trade and other payables	34,893
Current income tax liabilities	2,753
Lease liabilities	13,261
Borrowings	8,006
	<u>58,913</u>
<u>Non-current liabilities</u>	
Trade and other payables	3,045
Borrowings	5,460
Lease liabilities	56,631
Deferred tax liabilities	19,060
	<u>84,196</u>
Total identifiable assets acquired and liabilities assumed	93,093
Add: Goodwill arising on acquisition	78,154
Consideration	<u>171,247</u>

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

23. Acquisition of subsidiaries (continued)

(iv) Contingent consideration

The contingent consideration is dependent on the earned revenue from services provided to qualifying customers within a stipulated period.

(v) Goodwill arising on acquisition

The goodwill of S\$78,154,000 arising from the acquisition is attributable to the synergies expected to arise from combining the operations of the Group with Border Express to expand the Group's logistics network and deliver enhanced value to its customers and partners.

None of the goodwill is expected to be deductible for tax purposes.

(vi) Acquisition-related cost

Acquisition-related costs of S\$2,171,000 are included in "Exceptional items" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(vii) Impact of acquisition on the results of the Group

Border Express contributed S\$29,561,000 revenue and a net profit of S\$909,000 to the Group's profit for the period between the date of acquisition and the reporting date.

If the acquisition of Border Express had been completed on the first day of the financial year, consolidated revenue and consolidated net profit for the year ended 31 March 2024 would have increased by S\$343,643,000 and S\$28,065,000 respectively.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

24. Contingent liabilities

1st Arbitration

A non-controlling shareholder (the “Claimant”) of Famous Holdings Pte Ltd (“FHPL”), a subsidiary of the Company, had exercised his put option in respect of his remaining 37.5% shares in FHPL in September 2016. As there were differences between the parties on the final valuation of the put option, the Claimant commenced arbitration proceedings against the Company in 2017 (the “1st Arbitration”).

On 3 June 2020, the arbitral tribunal issued its partial award with respect to the 1st Arbitration (the “1st Partial Award for the 1st Arbitration”) and dismissed the Claimant’s various claims against the Company for damages for breach of a shareholders’ agreement (the “SHA”), conspiracy and inducement of breach of contract. The tribunal also ruled in the Company’s favour on material accounting and computational issues under the SHA, which are the most significant determinants of what sums, if any, are due to be paid either by the Company to the Claimant, or by the Claimant to the Company, for the transfer of the Claimant’s remaining 37.5% shares in FHPL to the Company. Based on its findings, the tribunal directed the parties to see if they can agree on the final amount payable for the transfer of the Claimant’s 37.5% shares in FHPL to the Company, failing which the tribunal will make a final determination.

As there was divergence between the Company and the Claimant on the precise computation for the final amount payable, on 19 January 2022, the tribunal issued a further partial award in respect of the 1st Arbitration (the “2nd Partial Award for the 1st Arbitration”) that, amongst others, applied one out of several computation methodologies that were submitted by the parties within the parameters of the 1st Partial Award for the 1st Arbitration, and which would entail the Company paying the Claimant for his 37.5% shares in FHPL at a fair value.

On 28 July 2023, the tribunal issued a further partial award in respect of the 1st Arbitration (the “3rd Partial Award for the 1st Arbitration”) pursuant to which it directed, *inter alia*, that the final valuation of FHPL is S\$61,707,965, calculated in accordance with the tribunal’s determination in the 2nd Partial Award for the 1st Arbitration, which meant that the additional amount to be paid by the Company to the Claimant is S\$1,707,965, after taking into account the S\$60,000,000 already paid by the Company to the Claimant. The tribunal made further directions for, *inter alia*, the transfer by the Claimant of the 37.5% shares in FHPL to the Company or its nominee, and the payment by the Company of S\$1,707,965 to FHPL towards repayment of an outstanding loan amount owed by the Claimant to FHPL (the “Claimant Loan”).

The transfer of the 37.5% shares in FHPL to the Company’s wholly-owned subsidiary, SingPost Logistics Investments Pte. Ltd. (“SPLI”), and the payment of S\$1,707,965 by the Company to FHPL to partially offset the Claimant Loan were completed on 2 October 2023. The financial effects arising from the payment have been reflected in the consolidated income statement for the full year ended 31 March 2024 and statements of financial position as at 31 March 2024.

2nd Arbitration

In addition to the 1st Arbitration, a second arbitration was commenced by the Claimant against FHPL and SPLI on 15 and 16 September 2021 (the “2nd Arbitration”), in which the Claimant alleged breaches of a shareholders’ agreement (*viz.*, the SHA), minority oppression, the existence of a conspiracy, and his purported entitlement to dividends. On 29 March 2023, the arbitral tribunal issued a Final Partial Award dismissing all of the Claimant’s claims against SPLI and FHPL in the 2nd Arbitration (the “Final Partial Award in the 2nd Arbitration”). The Final Partial Award in the 2nd Arbitration was declared as immediately enforceable.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the second half year and full year ended 31 March 2024

24. Contingent liabilities (continued)

3rd Arbitration

A third arbitration was separately commenced by the Claimant against SPLI on 22 February 2022 (the “3rd Arbitration”), in which the Claimant alleged breaches of the SHA which impacted the final amount payable by the Company for the Claimant’s remaining 37.5% shares in FHPL which are the subject of the 1st Arbitration. The Claimant had initially quantified his claim at S\$16,514,119 plus interest, based on his Statement of Claim filed on 8 August 2022. Based on the revised Statement of Claim and supporting documentation re-filed by the Claimant on 29 October 2022 and 1 November 2022, the Claimant changed the quantum of his claim to S\$13,996,884 plus interest.

High Court Proceedings and 4th Arbitration

The Claimant had also commenced proceedings against the Company in the High Court. Based on the Statement of Claim which was served on the Company on 26 September 2022, it was alleged that the Claimant suffered loss and damage as a result of the Company’s conduct in the 1st Arbitration. The Claimant had alleged that the Company had engaged in fraud and/or concealed material evidence as regards the independence of a mutually appointed human resource consultant for the provision of market benchmarks on certain key management roles under the share purchase agreement in relation to FHPL and its subsidiaries (the “SPA”), and which allegedly has had an impact on the decisions of the arbitral tribunal in the partial awards in respect of the 1st Arbitration. The Claimant had sought declarations from the High Court that the partial awards issued in the 1st Arbitration are null and void and/or unenforceable as against him and that the human resource consultant was not properly appointed under the SPA. He further claimed for damages to be assessed and for interest, costs and such other relief as the High Court deems just. Subsequently, the Claimant served a Notice of Arbitration on the Company on 28 December 2022 (the “4th Arbitration”) and has since discontinued his claim in the High Court. The allegations in the Notice of Arbitration are similar to those in the discontinued claim in the High Court, and the Claimant is seeking for damages to be assessed. On 8 May 2023, the arbitral tribunal in the 1st Arbitration directed that the 4th Arbitration be consolidated with the 1st Arbitration.

5th Arbitration

On 17 May 2023, the Claimant served a new notice of arbitration on the Company (the “5th Arbitration”). In the Notice of Arbitration, the Claimant had sought, among others, declarations regarding his purported legal and beneficial ownership of the 37.5% shares in FHPL and his fiduciary duties to the Company in respect of the 37.5% shares in FHPL, and alleged that in the event that he is no longer the beneficial owner of the 37.5% shares in FHPL, the Company is estopped by representation/conduct from making any claim against him in relation to the 37.5% shares in FHPL and/or the manner in which he had exercised rights available under the 37.5% shares in FHPL from the date of exercise of his put option to the closing date specified in his put option exercise notice.

Findings regarding (among others) the Claimant’s beneficial ownership of the 37.5% shares in FHPL had previously been made in the arbitration proceedings commenced by the Claimant against SPLI and FHPL (viz., the 2nd Arbitration), in which the Claimant had claimed (among others) a purported entitlement to dividends under the 37.5% shares in FHPL. All of the Claimant’s claims against SPLI and FHPL in the 2nd Arbitration were dismissed under the Final Partial Award in the 2nd Arbitration.

Given the nature of the relief being sought by the Claimant in the 5th Arbitration, which does not include any claim for damages or other monetary relief, the potential financial impact of the 5th Arbitration cannot be quantified at this stage.

Claimant Loan

Apart from the above, the Group had an outstanding loan to the Claimant (viz., the Claimant Loan) amounting to S\$3,102,035 as at 31 March 2024 (31 March 2023: S\$4,810,000).

The Company will, in consultation with its advisors, continue to evaluate the various courses of action available to the Group.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 For the second half year and full year ended 31 March 2024

Other Information Required by Listing Rule Appendix 7.2

(1) Audit / Review

The condensed interim financial statements of Singapore Post Limited and its subsidiaries (the "Group") as at and for the second half year and full year ended 31 March 2024 have not been audited nor reviewed.

(2) Review of the performance of the group

Revenue

	FY23/24	FY22/23		FY23/24	FY22/23	
	Second	Second	Variance	Full Year	Full Year	Variance
	half	half		Full Year	Full Year	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Logistics	598,957	641,509	(6.6)	1,165,290	1,322,358	(11.9)
Post and Parcel	268,039	259,610	3.2	514,104	524,519	(2.0)
Property	39,714	37,535	5.8	77,680	76,633	1.4
Inter-segment eliminations*	(47,257)	(25,274)	87.0	(70,331)	(51,251)	37.2
Total	859,453	913,380	(5.9)	1,686,743	1,872,259	(9.9)

* Inter-segment eliminations relate to the elimination of inter-segment billings for internal services to better reflect the profitability of each business segment.

Operating profit

	FY23/24	FY22/23		FY23/24	FY22/23	
	Second	Second	Variance	Full Year	Full Year	Variance
	half	half		Full Year	Full Year	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Logistics	33,814	43,213	(21.7)	67,370	84,742	(20.5)
Post and Parcel	17,542	(3,830)	N.M.	7,496	(12,030)	N.M.
Property	20,807	21,382	(2.7)	42,228	40,168	5.1
Others#	(18,649)	(8,938)	108.6	(32,170)	(19,714)	63.2
Operating profit	53,514	51,827	3.3	84,924	93,166	(8.8)

Others refer to unallocated corporate overhead items.

N.M. Not meaningful.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half year and full year ended 31 March 2024

Group

For the full year, Group revenue amounted to S\$1.69 billion compared to S\$1.87 billion last year, while operating profit decreased to S\$84.9 million from S\$93.2 million.

The decline was largely due to lower freight forwarding revenue and profit from Famous Holdings post pandemic which offset the improved performance in the Post and Parcel segment, as well as the Australia business in the Logistics segment.

For the second half, Group revenue was lower at S\$859.5 million compared to S\$913.4 million in the same period last year. The Group recorded an increase in operating profit to S\$53.5 million from S\$51.8 million for the period.

More details are provided below.

Logistics

Logistics revenue was lower at S\$1.17 billion compared to S\$1.32 billion while operating profit declined to S\$67.4 million from S\$84.7 million for the full year.

The Australia business, comprising FMH and CouriersPlease, posted revenue of A\$921.3 million compared to A\$866.7 million, and operating profit of A\$63.2 million compared to A\$62.3 million, for the full year. The continued growth in the Australia business was underpinned by new customer acquisitions and volume growth, despite challenging market conditions. The results included a 1-month consolidation of Border Express following the completion of the acquisition on 1 March 2024.

The operations of Quantum Solutions have been re-engineered as part of the new International business segment. Besides driving operational efficiency, low yielding warehousing contracts were phased out, resulting in an improved performance.

In the freight forwarding business, the industry-wide contraction in sea freight rates and volumes post pandemic has led to a decline in revenue and profit contributions from Famous Holdings group. Freight forwarding revenue was lower at S\$263.1 million compared to S\$417.7 million, while operating profit decreased to S\$22.4 million from S\$43.4 million for the full year.

Post and Parcel

Post and Parcel revenue for both domestic and international businesses declined to S\$514.1 million from S\$524.5 million for the full year. The segment recorded an operating profit of S\$7.5 million largely contributed by the International business, compared to a segment loss of S\$12.0 million last year.

The Domestic Post and Parcel business posted higher revenue on the back of eCommerce volume growth of 11% for the full year. It also had the benefit of the postage rate adjustment in October 2023 which helped to mitigate the impact of the continued decline in volumes of letter mail and printed papers. In the International Post and Parcel business, the moderating conveyance costs, stringent cost management, as well as operational synergies, contributed to an improved performance.

Property

Property revenue was stable at S\$77.7 million for the full year, compared to S\$76.6 million last year. This was due to positive rental reversions at SingPost Centre. Overall occupancy at SingPost Centre was 96.2% compared to 98.2% as at 31 March 2023, with the occupancy for the retail mall and office space running at 99.6% and 94.8% respectively.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half year and full year ended 31 March 2024

Others

The Others segment refers to unallocated corporate overheads and trade related exchange differences. The increase in the full year was mainly due to spending on information technology as the Group invests in business and operational support systems, cyber security and other digital solutions.

Operating Expenses

Total operating expenses declined to S\$1.61 billion from S\$1.78 billion for the full year, largely due to lower volume related expenses which accounted for about 60% of total expenses.

Volume-related expenses, which include conveyance costs and outpayments for international deliveries, decreased to S\$1.0 billion from S\$1.2 billion for the full year, in tandem with lower air freight costs in the International cross-border business as well as lower sea freight rates and volumes in the freight forwarding business.

Labour and related expenses increased to S\$365.1 million from S\$350.7 million, largely due to wage increment and share option expenses.

Administrative expenses were higher at S\$138.9 million compared to S\$126.2 million, largely due to increases in property related expenses such as rental, as well as repairs and maintenance costs.

Depreciation and amortisation expenses were marginally lower at S\$81.0 million compared to S\$82.6 million for the full year.

Selling-related expenses increased to S\$10.4 million from S\$9.7 million due to higher promotion costs.

Impairment loss on trade and other receivables amounted to S\$1.9 million for the full year on higher loss allowance for bad or doubtful debts compared to a reversal of S\$0.1 million last year.

Share of (Loss) / Profit of Associated Companies and Joint Venture (“JV”)

The Group recorded a share of loss amounting to S\$1.5 million compared to share of profit of S\$23,000 for the full year, largely due to the weaker performance of associated companies.

Exceptional Items

Exceptional items amounted to S\$36.8 million for the full year, largely due to fair value gain on investment property amounting to S\$38.4 million.

Refer to Note 5 for details on exceptional items.

Interest Income and Investment Income

The increase in interest income and investment income to S\$10.0 million from S\$2.1 million for the full year was due to higher deposit rates and foreign exchange gain on investments.

Finance Expenses

Finance expenses increased to S\$30.4 million from S\$19.6 million as a result of higher interest expenses with additional borrowings.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half year and full year ended 31 March 2024

Income Tax Expense

Income tax expense was lower at S\$18.4 million compared to S\$29.2 million, largely due to utilisation of tax losses within the Australia business, as well as reversal of unutilised tax provision in the previous year.

Non-controlling Interest

The decline in non-controlling interest to S\$3.1 million from S\$14.1 million was attributed to the increase in shareholdings in FMH to 100% during the year.

Net Profit

Consequently, net profit attributable to equity holders of the Company amounted to S\$78.3 million for the full year, compared to S\$24.7 million. Excluding exceptional items, underlying net profit was S\$41.5 million for the full year, an increase from S\$32.4 million last year.

STATEMENT OF FINANCIAL POSITION

Assets

The Group's total assets amounted to S\$3.1 billion as at 31 March 2024, compared to S\$2.8 billion as at 31 March 2023. This included the consolidation of Border Express following the completion of the acquisition by FMH on 1 March 2024.

Current assets were relatively steady at S\$761.0 million. The Group maintained a positive net working capital position with a stable current ratio (current assets to current liabilities) of 1.1x as at 31 March 2024.

Cash and cash equivalents amounted to S\$476.7 million, compared to S\$495.7 million. Please see Cashflow section below for details on cashflow changes.

Trade and other receivables increased to S\$252.4 million from S\$229.8 million as at 31 March 2023 with the addition of Border Express. The Group monitors its receivables ageing closely and promptly takes appropriate actions on overdue accounts.

Other current assets rose to S\$31.1 million from S\$25.4 million, mainly from higher prepayments.

Non-current assets amounted to S\$2.4 billion compared to S\$2.1 billion last year, largely due to the inclusion of Border Express.

Non-current trade and other receivables was marginally lower at S\$3.2 million compared to S\$4.9 million last year. While the level of non-current trade and other receivables is not substantial relative to the Group's scale of business, appropriate measures are being taken to manage the receivables.

Non-current derivative financial instruments mainly pertain to equity options for the hedging of fair value risk associated with its equity investments, which are recognised at fair value through other comprehensive income. This decreased to S\$14.0 million from S\$56.9 million due to the higher valuation of the 4PX investment.

Investments in associated companies and joint venture were lower largely due to the reclassification of the Group's investment in Efficient E-Solutions Berhad to financial assets following the decrease in shareholding as a result of new share issuance by Efficient E-Solutions Berhad. This, along with the higher valuation of 4PX, resulted in financial assets increasing from S\$42.1 million to S\$88.6 million.

Investment properties increased to S\$1.0 billion from S\$965.8 million due to fair value gain recognised for SingPost Centre.

SINGAPORE POST LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half year and full year ended 31 March 2024

The increase in property, plant and equipment to S\$454.3 million from S\$386.9 million was largely due to the addition of Border Express and purchase of fixed assets, partially offset by depreciation charges.

Right-of-use assets increased to S\$140.0 million from S\$71.6 million due to the addition of Border Express and leases by the Australia businesses, partially offset by depreciation charges.

Intangible assets rose to S\$636.3 million from S\$501.0 million, mainly due to the recognition of goodwill and intangible assets from the acquisition of Border Express, which partially offset amortisation expenses and translation loss.

Deferred income tax assets were lower at S\$3.7 million compared to S\$7.4 million.

Liabilities

The Group's total liabilities were S\$1.7 billion as at 31 March 2024, compared to S\$1.5 billion as at 31 March 2023.

Current liabilities decreased to S\$698.0 million from S\$719.9 million as at 31 March 2023.

Current trade and other payables declined to S\$605.6 million from S\$632.5 million due to settlements made, as well as lower collections on behalf related to agency services provided at the post offices.

Current income tax liabilities were lower at S\$10.6 million, compared to S\$22.4 million, with the payment of taxes partially offset by income tax recognised and inclusion of Border Express' tax liabilities.

Current contract liabilities declined to S\$28.2 million from S\$30.0 million, mainly due to lower deferred billings and lower deferred revenue from the post assurance collaboration which will end in January 2025.

Current lease liabilities were higher at S\$43.1 million compared to S\$32.2 million, largely due to the addition of Border Express.

Current borrowings were higher at S\$10.3 million compared to S\$1.4 million, due to FMH's bank loans.

Non-current liabilities were higher at S\$1.0 billion as at 31 March 2024, compared to S\$743.6 million as at 31 March 2023.

The increase in non-current borrowings to S\$816.8 million from S\$623.0 million was due to additional borrowings for the acquisitions of Border Express and the remaining 12% stake in FMH.

Non-current contract liabilities mainly relate to upfront payments received from the post assurance collaboration which will end in January 2025 and hence has been reclassified to current liabilities.

Non-current lease liabilities were higher at S\$105.5 million compared to S\$47.6 million previously, mainly due to new leases by the Australia businesses and the addition of Border Express.

Deferred income tax liabilities were higher at S\$61.7 million compared to S\$44.2 million.

Non-current derivative financial instruments of S\$1.8 million relate to interest rate swaps.

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Equity

Ordinary shareholders' equity was steady at S\$1.13 billion as at 31 March 2024.

Other reserves amounted to negative S\$130.7 million compared to negative S\$77.6 million last year, as the acquisition of the remaining 12% interest in FMH resulted in a reclassification from non-controlling interests to other reserves. Non-controlling interest recorded a corresponding change, amounting to S\$37.5 million compared to negative S\$7.4 million.

Retained earnings were higher with the increase in net profit attributable to shareholders for the year.

Cash Flow

Operating cash flow before working capital changes as at 31 March 2024 was steady at S\$159.2 million, compared to S\$156.6 million last year. Changes in net working capital of S\$34.9 million were largely due to settlement of trade and other payables. Operating cash flow from operating activities were lower at S\$93.4 million compared to S\$115.7 million previously.

Net cash used in investing activities was S\$145.9 million, compared to S\$27.2 million in the previous period. The increase was largely due to the acquisition of Border Express and additions to property, plant and equipment, offset partially by the proceeds from the disposal of assets held for sale and interest received.

Net cash inflow from financing activities amounted to S\$33.6 million, compared to S\$126.8 million last year. Proceeds from bank loans were partially offset by the acquisition of the remaining 12% interest in FMH, interest payments, repayments of bank loans and lease liabilities, as well as dividends to shareholders and distributions to perpetual securities holders.

- (3) **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- (4) **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The economic and business landscape continues to be marked by ongoing challenges of slower global trade, inflationary pressures and geopolitical tensions. Nevertheless, the Group is focused on executing its five key strategic thrusts to establish itself as a global logistics enterprise over the next three years, creating and unlocking value for shareholders.

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The strategic thrusts, listed below, were set out subsequent to the strategic review of the Group and its portfolio of businesses:

1. Reorganisation of the Group
2. Strategic capital management
3. Singapore: Transforming urban logistics and deliveries
4. Australia: Achieving scale
5. International: Building tech-driven excellence to serve cross-border customers

(Please refer to the SGX announcement "Board strategic review unveils pathways to growth and unlocking shareholder value" dated 19 March 2024 for the details.)

As part of the Group's reorganisation into the business segments of Singapore, Australia and International, as well as Corporate, the Group will revise its segmental reporting for financial disclosures in the financial year starting 1 April 2024 ("FY2024/25").

The Singapore business remains focused on eCommerce growth, building on market share and new customer acquisitions. The Group continues to work with the regulator to explore opportunities to optimise the post office network while continuing to maintain high service standards.

In Australia, the Group is consolidating its entities and businesses in the market as it builds a national B2B2C integrated logistics business, integrating FMH, Border Express and CouriersPlease into a single business. The combination of the assets, scale and technology of the Australia businesses is expected to enhance the enlarged FMH group's service offerings and improve efficiency, delivering revenue and operational synergies.

The International business continues to strengthen its cross-border eCommerce logistics capabilities to capitalise on the global eCommerce logistics market. It is innovating its eCommerce logistics services with the development of a 4PL platform and additional commercial offerings. The International business continues to explore strategic partnerships to enhance its cross-border eCommerce logistics capabilities.

The outlook of the sea freight forwarding industry remains challenging with continued uncertainty stemming from the Middle East developments. This continues to have an impact on the freight forwarding business.

The Group continues to explore opportunities to monetise non-core assets to unlock value for shareholders, manage its gearing and recycle capital into growth initiatives.

(5) A breakdown of sales

	Group	
	FY23/24 S\$'000	FY22/23 S\$'000
(a) Sales reported for the first half year	827,290	958,879
(b) Total profit/(loss) after tax before deducting non-controlling interest reported for the first half year	13,390	(2,403)
(c) Sales reported for the second half year	859,453	913,380
(d) Total profit after tax before deducting non-controlling interest reported for the second half year	68,086	41,163

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(6) Interested Person Transactions

During the second half year and full year ended 31 March 2024, the following interested person transactions were entered into by the Group:

	Nature of Relationship	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		Second half year ended		Second half year ended	
		31 March		31 March	
		2024	2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Sales					
Singapore Telecommunications Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	-	12,234*
Starhub Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	-	140
		-	-	-	12,374
Purchases					
CapitaLand Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	-	3,679*
Sembcorp Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	74,000*	-
Singapore Telecommunications Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	1,195*	28,052*
SMRT Corporation	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	144	-
		-	-	75,339	31,731
Total interested person transactions		-	-	75,339	44,105

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(6) Interested Person Transactions (continued)

	Nature of Relationship	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		Full year ended		Full year ended	
		31 March		31 March	
		2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Sales					
Singapore Telecommunications Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	34,728*	12,625*
Starhub Group		-	-	-	140
		-	-	34,728	12,765
Purchases					
CapitaLand Group	Each interested person is an associate of Singapore Post Limited's controlling shareholder, Temasek Holdings (Private) Limited	-	-	1,170*	3,679*
Harbourfront Centre Pte Ltd		-	-	538*	-
Sembcorp Group		-	-	74,000*	13,782*
Singapore Telecommunications Group		-	-	3,158*	28,304**
SMRT Corporation		-	-	144*	-
Starhub Group		-	-	119	-
		-	-	79,129	45,765
Total interested person transactions		-	-	113,857	58,530

Note

All the transactions set out in the above table were based on the Group's interested person transactions register. They were either based on contractual values for the duration of the contracts (which vary from 1 month to 5 years) or annual values for open-ended contracts.

* Include contracts of duration exceeding one year.

** Include contracts that were terminated amounting to S\$5,375,000 (A\$6,110,000).

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(7) Confirmation by the Board pursuant to rule 720(1) of the Listing Manual

The Board had received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 in pursuant to Rule 720(1) of the listing manual of the Singapore Exchange Securities Trading Limited.

(8) Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.