Business Update for 1st Quarter ended 30 June 2025

- **Q1 Revenue of S$162.3 million and Operating Profit of S$3.4 million on the back of increased market pressure and competition**
- **Leaner and more focused organisation for enhanced operational efficiency**
- **Continued focus on building market share, maximising asset utilisation and elevating customer service**

All figures disclosed in this business update are unaudited.

GROUP FINANCIAL HIGHLIGHTS

Unaudited **S$ million**	**Q1 FY25/26**	Q1 FY24/25*	**YoY Change**
Group Revenue	**162.3**	213.0	**(23.8%)**
Group Operating Expenses	**158.2**	204.6	**(22.7%)**
Group Operating Profit	**3.4**	8.4	**(60.0%)**
Operating Margin (%)	**2.1%**	3.9%	

** Excluding discontinued operations*

The Group posted revenue of S$162.3 million in the first quarter of FY25/26, a decline of 23.8% YoY from S$213.0 million, amidst challenges in the operating environment. The decline was largely attributed to the significant reduction in international deliveries.

Operating expenses declined by 22.7% YoY from S$204.6 million to S$158.2 million with prudent cost management. Following the divestment of the Australia business in March 2025, the Group initiated the right-sizing of its cost base to align with its reduced operating footprint.

Group operating profit was lower at S$3.4 million, compared to S$8.4 million a year ago.

Postal and logistics

The domestic and international delivery business recorded lower revenue due to the decline in delivery volumes. Letter mail volume contracted due to continuing e-substitution. Domestic and international eCommerce volumes were lower amidst competitive pressure.

During the period, SingPost unwound Quantium Solutions International's (QSI) minority cross-holdings with Alibaba, resulting in the sale of QSI's 17.6% stake in Shenzhen 4PX to Cainiao and the cessation of Alibaba's holdings in QSI.

Subsequently, SingPost entered into a sale and purchase agreement for the divestment of Quantium Solutions (QS) in five Asia Pacific countries and territories to Morning Global. This transaction is part of the Group's ongoing strategy to focus on its core Singapore business and streamline operations. The final details of the divestment are subject to the completion of the shareholding transfers and integration process.

Property

Property leasing revenue, comprising mainly rental income from SingPost Centre, was stable. Overall occupancy rate at SingPost Centre remained healthy.

SingPost has initiated a one-off divestment of 10 HDB shophouses on a sale and leaseback basis. Current post office services will be maintained. A preferred bid for the sale of the 10 shophouses has been identified, and the transaction is subject to the necessary approvals before completion.

Freight forwarding

The freight forwarding business recorded lower revenue amidst volatility in the sea freight market.

Subsequent to the end of the first quarter, the Group disposed of the entire freight forwarding business. Please refer to SGX announcement "Sale of Famous Holdings Pte Ltd and Rotterdam Harbour Holding B.V." dated 22 July 2025.

OPERATING STATISTICS

Delivery volume	**Q1 FY25/26**	**Q1 FY24/25**	**YoY Change**
Domestic delivery ('000 items)	**85,451**	94,800	(9.9%)
- eCommerce related	**6,022**	7,012	(14.1%)
- Letter mail and printed papers	**79,428**	87,784	(9.5%)
International delivery ('000 kg)	**1,120**	2,750	(59.3%)
- eCommerce related	**919**	2,473	(62.8%)
- Letter mail and printed papers	**201**	277	(27.7%)
Property occupancy (as at 30 June)			
SingPost Centre overall	**97.8%**	96.0%	
- Retail mall	**100.0%**	99.1%	
- Office space	**97.0%**	95.0%	

SELECTED BALANCE SHEET ITEMS

(Unaudited)

S$ million	As at Jun 2025	As at Mar 2025	Change
Cash and Cash Equivalents	**728.1**	696.4	+4.5%
Borrowings	**349.6**	349.6	-
Net Cash Position	**378.5**	346.9	+9.1%
Total Assets	**2,349.4**	2,390.4	(1.7%)
Total Liabilities	**746.1**	782.9	(4.7%)
Total Equity	**1,603.4**	1,607.5	(0.3%)

The Group's balance sheet remained relatively stable over the quarter, with no material movements in assets, liabilities, or equity. Cash holdings were higher largely due to proceeds from the divestment of Shenzhen 4PX. Subsequent to end-June 2025, special dividend distribution amounting to S$202.5m was made in August 2025 following shareholders' approval at the AGM.

MOVING FORWARD

The Group's recent divestments are a pivotal step in reshaping SingPost towards a leaner and more focused business. These actions have strengthened its balance sheet, reduced debt, and enhanced its flexibility to respond to market opportunities. With a streamlined structure and resources concentrated on its postal & logistics business, and property, SingPost is better positioned to drive operational efficiency, grow and create sustainable value for stakeholders over the long term.

SingPost continues to focus on building market share, maximising asset utilisation and enhancing its digital capability in the domestic delivery business. With the consolidation of international delivery operations into the business, SingPost is streamlining its infrastructure, operations and cost structure to enhance operational efficiencies.

The Group will continue its commitment to customer service to meet evolving consumer demands for postal services in a digital landscape.

The property assets business, including SingPost Centre, is expected to remain stable.

The Group will continue to take an active approach to prioritise yield enhancement and operational efficiency of all assets.

END