SINGAPORE POST LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199201623M)

33rd ANNUAL GENERAL MEETING TO BE HELD ON WEDNESDAY, 23 JULY 2025 RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM SHAREHOLDERS PRIOR TO THE COMPANY'S ANNUAL GENERAL MEETING

The board of directors of Singapore Post Limited (the "**Company**" or "**SingPost**") wishes to address the substantial and relevant questions received from shareholders of the Company prior to the upcoming 33rd Annual General Meeting to be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Summit 1, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 23 July 2025 at 2.30 p.m..

The Appendix annexed herein sets out the Company's responses to the substantial and relevant questions received from shareholders as of 10 July 2025.

Issued by Singapore Post Limited on 17 July 2025.

<u>Appendix</u>

<u>RESPONSES TO QUESTIONS FROM SHAREHOLDERS</u>

Category	No.		Question (as received from shareholders)	Response
Board & Management	1.	1.1	The company has a board size of 11 members. The market cap of the company is only 1.39B SGD. Our major shareholder, Singtel has a market cap of 62.43B SGD and the board size is 11 members too. In fact, there are many other companies with a higher market cap but smaller or equal board size. A study conducted found that the average board size for STI component stocks is 10. Please justify clearly why Singpost, a company with a $1.39B market cap, which is not a STI component stock, needs such a large board size of 11 members. In my view, a board size of 8 members should be more than sufficient.	The Company will have 7 Directors on its Board following the conclusion of the 33rd Annual General Meeting ("AGM"), on the assumption that Shareholders approve the resolutions to re-elect the Directors who are seeking re-election at the AGM. In the Notice of AGM dated 24 June 2025, the explanatory notes at page 1 explain that 4 Directors will be stepping down at the close of the AGM.
Board & Management		1.2	It is proposed that the director fees would be increased from 1.21m to 1.34m The underlying net profit of the company fell very significantly last year to only 24.8 million (a five year	The fee structure for Directors has not changed. One component of the Directors' fee structure is on the Directors' attendance at Board meetings and Board committee meetings. As there were more Board meetings and Board committee meetings held in FY24/25 than the previous financial year, due to significant matters such as the

Category	No.		Question (as received from shareholders)	Response
			low). Please justify why the company is proposing to increase director fees when the company underlying net profits have dropped to a five year low of 24.8million? Shouldn't the director fees be reduced (or maintained) instead? Please explain and elaborate clearly.	divestment of the Company's Australia business and the events surrounding certain whistleblowing reports and the termination of employment of certain key Management personnel which occurred in FY24/25, there was consequently an increase in Directors' fees for FY24/25.
Dividends		1.3	Ordinary dividends to shareholders have decreased to 0.34 cents last year, a five year low. What is the dividend policy of the company? Minus any disposal allowing the company to pay special dividends, should shareholders be expecting miniscule ordinary dividends of less than 0.5 cents yearly only going forward? Please explain and elaborate clearly.	The Company's dividend policy is a payout of 30% to 50% of underlying net profit annually. Ordinary dividends are declared in accordance with the dividend policy. For FY24/25, the total ordinary dividend (excluding special dividend) of 0.34 cents per share represents approximately 31% of the underlying net profit.
Property		1.4	It was announced more than a year ago that Singpost intends to sell Singpost Building. What is the progress of the proposed sale of	The Board and Management are reviewing the strategic options ahead for the Company, including how best to optimise the property assets in line with long-term objectives. The timing and phasing of any divestment of the Company's property estates will be evaluated

Category	No.		Question (as received from shareholders)	Response
			Singpost Building? Please explain and elaborate clearly.	to ensure long-term value for stakeholders. Meanwhile, SingPost Centre continues to perform well, with increased rental income and an occupancy rate of 98.2% as at 31 March 2025, up from 96.2% at 31 March 2024.
Property		1.5	It was reported recently that Singpost is putting 10 HDB Shophouses for sale. The company is also looking to sell Singpost Building and other properties. Instead of selling the buildings, has the company considered putting all our properties in a REIT and listing it? Why did the company decide against a REIT listing of our assets? Please explain and elaborate clearly.	The Company's property portfolio is relatively small and varied – including approximately half of the post office sites (21 out of 42), 5 delivery bases/industrial buildings, the Regional eCommerce Logistics Hub ("eLog Hub") and SingPost Centre. The Company's focus remains on strengthening its core postal and logistics business, and any real estate decisions will be guided by how best to support that strategic direction.
Postal		1.6	Is the government looking to privatise the local postal business of Singpost? Please explain and elaborate clearly.	The question of privatisation is not within the scope of the Company to address. The Company continues to focus on engaging the government to ensure the financial sustainability of postal services.
Business & Operations	2	2.1	Can you elaborate on the key drivers behind the recent financial	Group revenue was lower by 7.5% at S$813.7 million, compared to S$879.2 million for the previous year. This was attributed to the

Category	No.		Question (as received from shareholders)	Response
			performance, especially in the logistics and postal segments?	decline in revenues from the International cross-border and Quantium Solutions ("QS") Australia businesses, which offset the improved revenues in the Singapore postal & logistics, Property and freight forwarding businesses. Group operating profit rose by 30.8% YoY to S$44.3 million from S$33.9 million. Higher profit from Singapore postal and logistics, and Property businesses offset the losses in the International cross-border and QS Australia businesses, and lower freight forwarding profit. The Singapore postal and logistics business (which consists of the delivery business, post office network and other services) posted revenue of S$259.3 million compared to S$258.7 million in the previous year. Higher delivery revenues for the year, largely due to the benefit of the October 2023 postage rate increase, offset the decline in revenues from other services namely mailroom, warehousing and financial services. Operating profit amounted to S$6.5 million for the year, an increase of 241.6% YoY from S$1.9 million as improved profit from the delivery business offset losses in the post office network and other services.
			What measures are being taken to return the company to sustainable profitability, especially given the declining domestic mail volumes?	The Company is focused on driving eCommerce logistics volume on its delivery network as letter mail volume continues to decline. The delivery business continues to be profitable. SingPost is investing S$30 million to consolidate parcel sortation at the eLog Hub, increasing its sortation capacity and improving operational efficiency.

Category	No.		Question (as received from shareholders)	Response
				At the same time, the Company is engaging with the government on an operating model to ensure the financial sustainability of postal services including reviewing the post office network which remains unprofitable.
			How is SingPost managing rising operating costs, including fuel and labour, and what cost-efficiency improvements are planned?	SingPost has undertaken organisational streamlining and aligned its corporate cost with its smaller operating footprint following the divestment of the Australia business, and continues to focus on prudent cost management. The Company continues to invest in automation for efficiency and productivity, such as the S$30 million investment at the eLog Hub. The Company is also actively exploring and redesigning the delivery network to enhance route optimisation. Specific initiatives aimed at reducing the use of resources such as electricity and fuel are identified and monitored consistently.
			How is SingPost adapting to the increasing competition from major logistics players and tech-enabled delivery startups?	SingPost leverages its postal infrastructure and delivery network to serve customers with a cost effective, high service quality and low-carbon delivery offering. The S$30 million investment in parcel sortation further enhances its parcel processing capability and capacity, and improves operational efficiency. The Company is also innovating with service offerings such as automated self-service parcel drop-off boxes equipped with in-built trackability and RFID technology (“POPDrop”) and manned service centres dedicated to serving the eCommerce industry and consumers (“POPStop”).

Category	No.		Question (as received from shareholders)	Response
			How is SingPost planning to digitalize more of its services and operations to stay relevant in a rapidly changing logistics landscape?	SingPost is committed to automation and digitalisation efforts to ensure that its services are aligned with the evolving needs of customers, and to optimise operations and enhance productivity. Product and service innovation is a key material matter reported in the Company's Sustainability Report with a set target to conduct at least one pilot innovation programme annually. (Please refer to pages 49-52 of the FY24/25 Sustainability Report for more details.) The Company is actively digitalising its retail network, including enhancing its digital channels and introducing self-service options and digital kiosks to improve accessibility and convenience. These include POPDrop which has been rolled out to 31 locations islandwide, and POPStop which is available at all post offices and 63 agents. All this adds to its network of 24/7 self-service parcel lockers ("POPStation" and "Parcel Santa" lockers), and self-service automated machines ("SAM") for stamp label purchases and bill payments.
Dividends		2.2	What is the dividend policy moving forward, especially after the sale of its australia unit?	The dividend policy was reviewed by the Board in FY23/24. With effect from FY24/25, the dividend policy is to pay out 30% to 50% of the Group's underlying net profit annually.
Financials		2.3	Are there plans for share buybacks or other forms of returning value to shareholders?	The share buyback mandate provides the Company with the option as a tool for enhancing shareholder value. The Board will evaluate the options available for returning value to shareholders as the opportunities materialise.

Category	No.		Question (as received from shareholders)	Response
Board & Management		2.4	Can the Board share more on how it evaluates management's performance and long-term strategy execution? How does the Board ensure alignment between executive compensation and shareholder interests?	Management's performance is evaluated through a balanced scorecard approach that incorporates financial, strategic, operational and people-related metrics. These may include tracking achievements of the company's underlying net profit, strategic business imperatives, operational excellence and people-related matters which are aligned with the company's long-term vision. The Company aligns compensation and shareholder interests through a structured and performance-driven remuneration framework. Executive compensation is closely tied to metrics within the short-term and long-term incentive plans. These may include financial measures such as underlying net profit, absolute total shareholder returns and/or return on equity as well as non-financial measures which track achievement of various strategic business imperatives, operational excellence, people-related and/or sustainability matters. Both short-term and long-term incentives payouts are variable and directly linked to achieving targets that drive sustainable shareholder value over time.
	3.	3.1	When the Board speaks of "intrinsic value" in the Annual Report, is it referring to the net asset value (NAV) of the company?	The intrinsic value refers to the fundamental worth of the Company, taking into account the quality and performance of the businesses, the value of its asset base and long term earnings potential.

Category	No.		Question (as received from shareholders)	Response
		3.2	Please clarify whether the underlying net profit of $24.8 million for FY24/25 includes contributions from the Australia Business that was divested.	The Company's underlying net profit for FY24/25 includes profit after tax amounting to S$14.8 million from the discontinued business. The divested Australia business was deconsolidated on 27 March 2025 upon completion of the divestment.
		3.3	With regards to the ongoing engagement with the government on a future operating model for the company's postal services, when can we expect an outcome?	No timeline has been set for the ongoing engagement. The Company will provide further updates as and when there are material developments.
		3.4	The company's Property Business has been a significant contributor to operating profit for many years. I am concerned that the planned divestments of non-core property assets, especially Singapore Post Centre, would only reduce SingPost's profitability going forward. Please comment.	The Board and Management are reviewing the strategic options ahead for the Company, including how best to optimise the property assets in line with long-term objectives. Decisions around asset disposals will continue to be made in alignment with the Company's operating needs, market conditions and long-term value creation.