International Post Corporation

Pos Malaysia reduces loss and improves quality amid challenging conditions

24-11-2023

Pos Malaysia successfully reduced its loss last quarter despite lower volumes and revenues, and improved its service performance while it remains focused on its ongoing transformation strategy.

The stock exchange-listed post and parcel service provider saw revenues drop by 6.2% to RM461.7 million in the third quarter ended 30 September 2023 compared to RM492 million in the same period of last year. This was largely due to a 14% fall in postal revenues resulting from lower parcel volumes amid weak demand, insourcing by major e-commerce players and strong competition from international players, according to the company's quarterly report.

But the group also reduced operating costs significantly to RM493.7 million, thus reducing its operating loss to RM16.7 million from RM26.6 million in Q3, 2022. The pre-tax loss was lessened by 19.6% to RM29.1 million.

Challenging conditions

Pos Malaysia explained: "The year 2023 has been marked by a weakened economic outlook and evolving consumer behaviour, accompanied by industry challenges such as logistics in-sourcing, masking and escalating operating costs.

"Despite the ongoing challenges, Pos Malaysia is focused on enhancing its financial results through the significant transformation of its core business, accelerating the margin-led new initiatives, rigorous cost management, and pursuing strategic growth opportunities across its subsidiaries.

Source: CEP-Research