

AUSTRALIA
BUSINESS UNIT

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Australia's economy is facing inflationary pressures, rising interest rates⁶, and a limited labour market⁷. However, it is expected that in the coming years, there will be a shift towards a more sustainable balance between supply and demand in various sectors of the economy, which will help restore low and stable inflation levels as economic activity returns to normal⁸.

The logistics and courier industry in Australia is highly competitive, with a mix of domestic and international players. In FY2023/24, SingPost's subsidiary, Freight Management Holdings Pty Ltd (**FMH Group**), welcomed MJ Luff and its associated entities (**Border Express**) into its portfolio. FMH Group also announced the intent of merging with CouriersPlease, another Australian subsidiary of SingPost Group.

These developments mark the latest phase of SingPost's expansion in Australia, in line with our strategic vision of building a comprehensive end-to-end B2B2C integrated logistics network, driven by technology, across the continent.

Collectively, SingPost's Australian business units will encompass over 3,000 employees and Franchise Partners, operating across 80 facilities, and serving more than 4,900 customers nationwide. With this trajectory of growth, FMH Group is now one of the top five logistics companies by revenue in Australia.

6 <https://www.rba.gov.au/publications/smp/2023/may/>

7 <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/apr-2023>

8 <https://www.rba.gov.au/media-releases/2024/mr-24-05.html>

AUSTRALIA BUSINESS UNIT

Creating One of Australia’s Top Five Logistics Companies

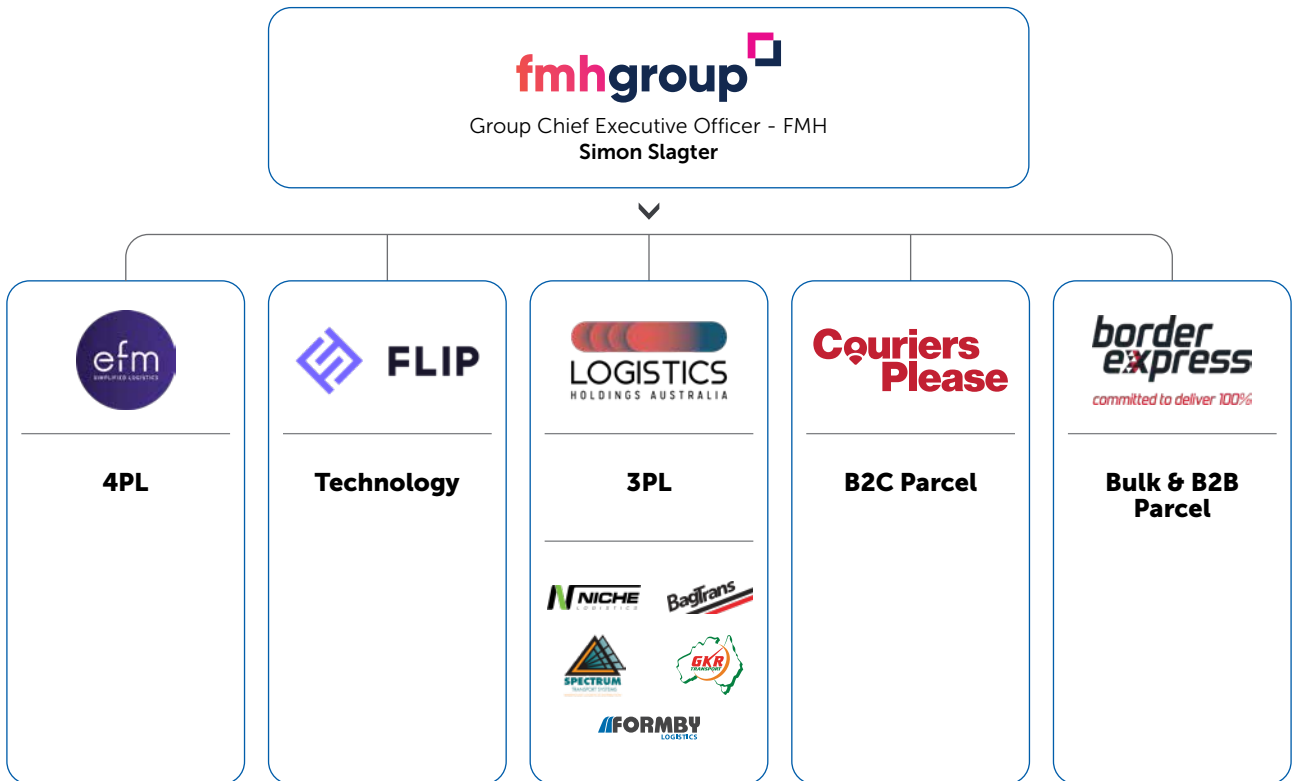
The acquisition of Border Express represents a significant milestone for SingPost, as it not only strengthens our market position in Australia but also contributes to immediate earnings growth. With Border Express onboard, the annual revenues of our Australian business units combined will exceed S\$1 billion, marking a substantial expansion in our operational scale and financial performance. This strategic move underscores SingPost’s commitment to enhancing our presence in the Australian market and delivering sustained value to our stakeholders.

Border Express was acquired by FMH Group, following the completion of the conditional sale and purchase agreement on 1 March 2024. At the time of acquisition, Border Express was Australia’s sixth largest national transport and distribution service provider, with a network of 18 facilities, a fleet of over 700 vehicles, and a team of 1,700 employees and contractors.

The Company has established itself as a reliable partner to over 1,800 customers across many industries, including large retail and consumer brands.

SingPost is moving forward to integrate CouriersPlease into the FMH Group to drive synergies across our Australian business units. This move will create efficiencies and bring greater value to customers and partners. The integration will improve our productivity, enable leverage of our existing talent pool and enhance our operational capability in Australia.

The FMH Group vision is to create a new logistics ecosystem, where people and physical assets are connected through a ubiquitous technology platform, enabling true supply chain efficiency. FMH Group comprises 4PL efm Logistics, logistics technology provider Flip, third-party logistics provider (3PL) Logistics Holdings Australia, national bulk and B2B parcel delivery specialist Border Express, and B2C parcel delivery specialist CouriersPlease.



Continued Enhancement of Intelligent Software Platforms

Flip (as part of FMH Group) has continued development of its logistics platform, which is a comprehensive product suite designed to boost operational efficiency by widening and deepening the availability of descriptive and event data. In FY2023/24 there was a successful migration of additional senders onto the platform, with a significant boost in revenue flows.

Committed to delivering value through the intelligent platform, Flip recognises that technology requires constant evaluation and review to ensure it continues to enable the achievement of the strategic objectives of the FMH Group and its customers. In FY2023/24, the platform was enhanced with a greater focus on operational efficiency across the supply chain.

CouriersPlease Marked 40 Years of Success

CouriersPlease celebrated its 40th anniversary in 2023 with a special event attended by employees and partners, including its longest serving Franchise Partner with 40 years of dedicated service.

Also, CouriersPlease announced a fresh brand identity aimed at reinforcing its position as a challenger brand in the competitive delivery industry and facilitating global expansion. The brand refresh introduced a contemporary logo and colour scheme, symbolising the Company's commitment to its people-centric culture and sustainability initiatives.

The refreshed brand underscores CouriersPlease's green focus, highlighting initiatives such as Low CO₂ certification, Green Star-standard depots and trials of electric vehicle deliveries. To communicate this message, the rear of each van will feature the brand's sustainability message: **Delivering for People and Planet.**

For Franchise Partners who may be keen to join the fleet, the new CouriersPlease vans will be in white and will no longer require investments in a yellow vinyl wrap, significantly reducing costs for Franchise Partners. There is also a QR code for franchise applications on the new vans. Starting in December 2023, the updated brand is being rolled out in all depots across Australia, including Sydney, Melbourne, Brisbane, Adelaide, Canberra, Perth, and other major regional centres.



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Dandenong South, Melbourne



Pemulwuy, Sydney

Expanded Courier Network Across Australia

As one of Australia's leading franchised courier services, CouriersPlease announced the opening of its new sustainable depots in Sydney, Melbourne, and Perth in 2024. These depots, designed to improve parcel-handling capabilities, are crucial to its expansion plans to support customers and Franchise Partners in these key cities. With a remarkable 20% increase in parcel volumes in 2023 and a network covering over 1,200 couriers across 800+ active territories nationwide, CouriersPlease is now the proud courier partner to Australia's major retailers.

The newly built depots are designed to meet Green Star Standards, reflecting CouriersPlease's commitment to sustainability. The Melbourne depot, located in Dandenong South and covering an area of 15,550 sqm, includes rainwater reuse infrastructure, solar hot water and energy-efficient fittings. In Sydney's Pemulwuy, a massive 28,644 sqm depot scheduled for completion in mid-2024 boasts a range of sustainable features, including a 300kW solar system and recycled asphalt. Meanwhile, the High Wycombe depot in Perth, covering an area of 5,400 sqm and set to be completed in around mid-2024, will also adhere to Green Star Standards and include provisions for future solar installations and electric car charging points.

These new depots are part of CouriersPlease's strategic vision to keep up with the increasing parcel volumes while supporting Franchise Partners. With the growth of eCommerce, especially in urban areas, and the growing demand in rural areas, CouriersPlease is committed to sustainability and customer satisfaction.

In Australia, FMH Group's Logistics Holdings Australia (LHA) division has modernised its fleet with increased payload, multiple safety feature upgrades, and introduced a number of emission management initiatives, including driver management tools, low rolling resistance tyres and a push toward Euro 5 and Euro 6 emission standards in its truck fleet.

Community Outreach and Well-being

In FY2023/24, efm, the 4PL provider in the FMH Group, continued its partnership with leading charity for children facing cancer, Camp Quality. In creative sessions in each office, the efm team designed colourful birthday cards and fun welcome packs for the charity's young camp participants. This team activity was in addition to efm's financial contribution of A\$50,000 to Camp Quality, supporting the organisation in its mission to bring positivity, fun and laughter back into the lives of kids facing cancer.

On World Mental Health Day in 2023, FMH Group's LHA invited representatives from Beyond Blue, an Australian mental health and well-being support organisation, to various depot sites to speak about their lived experience of mental health challenges and the various support resources and channels available. These sessions aimed to increase awareness, understanding and empathy about mental health in the workforce. LHA also provided attendees with educational resources to further support their knowledge-building, including informational brochures and contact information for accessing mental health services.

FMH Group has made accessible to employees an Employee Assistance Program (EAP), which provides confidential counselling services to employees facing personal or work-related mental health challenges, further reinforcing a culture that prioritises mental wellness.



Awards and Triumphs

CouriersPlease won the prestigious award of Best Carrier at the 2023 NORA Solution Partners Awards, presented by the National Online Retailers Association in Sydney. This accolade stands as a testament to the dedication and achievements of every team member and Franchise Partner within the organisation. Hosted annually, the awards recognise exemplary partnerships across the retail sector, with nominations voted on by retailers and reviewed by the NORA Advisory Council.

The Best Carrier award validates CouriersPlease's strength, synergy and dedication of its Franchise Partners and team members across Australia.

