

ASSET ACQUISITIONS AND DISPOSALS::PROPOSED SALE OF SINGPOST AUSTRALIA INVESTMENTS PTY LTD

Issuer & Securities

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SINGAPORE POST LIMITED

Securities

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Please refer to the attachments.

Attachments



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SINGAPORE POST LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 199201623M

PROPOSED SALE OF SINGPOST AUSTRALIA INVESTMENTS PTY LTD

1. INTRODUCTION

Singapore Post Limited (“**SingPost**” or the “**Company**”, and the Company and its subsidiaries, the “**SingPost Group**”) wishes to announce that it and its wholly-owned subsidiary, SingPost Logistics Holdings Pte Ltd (the “**Seller**”), have on 2 December 2024 entered into a sale and purchase agreement (the “**SPA**”) with Pacific 2023 Bidco E Pty Limited (the “**Purchaser**”), pursuant to which the Seller shall sell the entire issued share capital of its indirect wholly-owned subsidiary, SingPost Australia Investments Pty Ltd (“**SPAI**”), to the Purchaser (the “**Proposed Disposal**”) on the terms and conditions set out in the SPA.

The completion of the Proposed Disposal (“**Completion**”) is subject to and conditional upon various conditions precedent (“**Conditions**”) including, *inter alia*, the approval of shareholders of SingPost (“**Shareholders**”) for the Proposed Disposal at an extraordinary general meeting of SingPost to be convened (“**EGM**”). Following Completion, SingPost will no longer hold any interest in SPAI and its subsidiaries, including Freight Management Holdings Pty. Ltd. (“**FMH**”), and SPAI and its subsidiaries will cease to be members of the SingPost Group.

2. INFORMATION RELATING TO SPAI AND THE PURCHASER

2.1 Information relating to SPAI

SPAI is an indirect wholly-owned subsidiary of the Company, incorporated in Australia, with an issued and paid up share capital of A\$49,000,000 comprising 49,000,000 ordinary shares. SPAI was incorporated for the purpose of holding the equity interest in FMH.

2.2 Information relating to FMH

FMH is a fully integrated, multi-modal national logistics provider. It has businesses spanning fourth-party logistics (4PL), third-party logistics (3PL), transportation and technology. Founded in 2000 as a technology-led dedicated 4PL service provider, FMH has grown to be the leading 4PL service provider in Australia. FMH’s 3PL business includes well-established logistics operator Border Express and courier service provider CouriersPlease, enabling it to provide end-to-end logistics solutions across an integrated national B2B2C network.

SPAI holds 17,648 ordinary shares in the capital of FMH (“**FMH Shares**”), representing approximately 97.1% of the issued share capital of FMH. The remaining 525 FMH Shares, representing approximately 2.9% of the issued share capital of FMH, are held by each shareholder of FMH other than SPAI (collectively, the “**FMH Management Shareholders**”).

The FMH Management Shareholders exercised their respective right to put 50% of the FMH Shares held by them to SPAI, pursuant to the terms of the shareholders agreement dated 16 October 2024 entered between SPAI and the FMH Management Shareholders (“**FMH SHA**”) or rights accrued from the terminated shareholders agreement dated 31 March 2023 between SPAI and certain FMH Management Shareholders. On completion of the acquisition of the FMH Shares from the FMH Management Shareholders in FMH in accordance with the respective

put options exercised, SPAI's shareholding in FMH is expected to increase from approximately 97.1% to approximately 98.56%.

As set out further below, pursuant to the terms of the SPA, SPAI will and intends to exercise its drag-along right set out in the FMH SHA, to acquire the remaining 1.44% of the FMH Shares (the "**Drag-Along Right**") from the FMH Management Shareholders.

SPAI is expected to hold the entire issued share capital of FMH immediately after Completion.

2.3 SPAI Asset Value

Based on the unaudited consolidated financial statements of the SingPost Group for the half year ended 30 September 2024 as announced by the Company on 6 November 2024 ("**1H2024**"), the net asset value ("**NAV**") of SPAI as at 30 September 2024 is approximately S\$384.7 million.

2.4 SPAI Net Profit

Based on the unaudited consolidated financial statements of the SingPost Group for 1H2024, the profit including discontinued operations that have not been disposed and before income tax and non-controlling interests ("**Net Profit**") for SPAI is approximately S\$20.3 million.

2.5 Information relating to the Purchaser

The Purchaser is a special purpose vehicle incorporated in Australia. The Purchaser is an indirect wholly-owned subsidiary of funds advised or managed by Pacific Equity Partners, an Australia-headquartered private equity fund which is the largest and most active private markets fund manager in Australia.

3. SALIENT TERMS OF THE PROPOSED DISPOSAL

3.1 Consideration of the Proposed Disposal

Pursuant to the terms of the SPA, the Purchaser shall acquire the shares of SPAI for an amount in cash equal to the sum of A\$775.9 million (equivalent to approximately S\$682.8¹ million), subject to adjustments² to be determined at the time of Completion and any other further adjustments in accordance with the terms of the SPA (the "**Aggregate Consideration**"). The actual quantum of the Aggregate Consideration will be available on or before Completion.

This translates into an enterprise value of A\$1.02 billion (equivalent to approximately S\$897.6 million) taking into account the cash, indebtedness, and working capital of SPAI and FMH as of 30 June 2024.

3.2 Factors Taken into Account in Arriving at the Aggregate Consideration

¹ Based on an indicative exchange rate of A\$1: S\$0.88 (solely for illustrative purposes).

² Prior to Completion, in accordance with the SPA, adjustments will be made for (i) the cost of capital charge, being interest payable on the consideration calculated from 30 June 2024 (the "**Locked Box Date**") up to the date of Completion ("**Completion Date**") (both dates inclusive); (ii) any notified leakage from the Locked Box Date up to the Completion Date; (iii) transaction costs and bonuses excluding any amount paid before the Locked Box Date; and (iv) the amount payable, to be provided by the Purchaser, to discharge the A\$110 million promissory note dated 27 June 2024 issued by FMH in favour of Couriers Please Australia Pty Limited on Completion.

The Aggregate Consideration was mutually arrived at after arms' length negotiations between the Seller and the Purchaser on a willing-seller and willing-buyer basis after taking into consideration, *inter alia*, the rationale for the Proposed Disposal.

The Aggregate Consideration will be paid by the Purchaser to the Seller in cash and in full without counterclaim or set-off, and without any deductions in respect of tax except as required by law.

3.3 Exercise of the Drag-Along Right

Pursuant to the terms of the SPA, at Completion, the Seller has agreed and must ensure that each of the FMH Management Shareholders has agreed to transfer the FMH Shares held by them to SPAI immediately following Completion. Such transfer will be facilitated through SPAI's exercise of the Drag-Along Right.

In accordance with the terms of the SPA, the Seller will ensure that SPAI and its subsidiaries have sufficient funds to exercise the Drag-Along Right contemplated. It is expected that SPAI will be incurring an amount of A\$11.1 million (equivalent to approximately S\$9.8 million³) to exercise the Drag-Along Right.

3.4 Conditions Precedent

Pursuant to the terms of the SPA, Completion is subject to and conditional upon, *inter alia*, the satisfaction or waiver of the Conditions set out below:

- (a) obtaining regulatory approvals, such as approvals from the Foreign Investment Review Board of Australia; and
- (b) the Company obtaining the requisite approval from the Shareholders in general meeting.

3.5 Completion

In accordance with the terms of the SPA, Completion will take place 10 business days after the last in time of the Conditions have been satisfied or waived in accordance with the terms of the SPA.

Completion is expected to take place by the end of March 2025. Following Completion, SPAI and its subsidiaries (including FMH) will no longer be part of the SingPost Group.

4. RATIONALE FOR THE PROPOSED DISPOSAL

In July 2023, the Board of Directors of SingPost (the "**Board**") initiated a strategic review of the SingPost Group's portfolio of businesses, with a view to enhancing shareholder returns and ensuring that the SingPost Group is appropriately valued⁴. In March 2024, the Board outlined its strategic intentions for the businesses with the objective of unlocking value for Shareholders⁵. In relation to the Australia business, it was stated that "*the Group will explore*

³ Based on an indicative exchange rate of A\$1: S\$0.88 (solely for illustrative purposes).

⁴ Please refer to the Company's announcement titled "*SingPost Appoints BofA Securities as Financial Advisor for Strategic Review*" dated 17 July 2023 available on SGXNet for additional details.

⁵ Please refer to the Company's announcement titled "*Board Strategic Review Unveils Pathways to Growth and Unlocking Shareholder Value*" dated 19 March 2024 available on SGXNet for additional details.

near term partnerships that contribute to growth, provide equity to deleverage acquisition debt and establish an independent valuation benchmark. The Group will continue to pursue appropriate M&A opportunities and seek future liquidity options to maximise value”.

In line with this objective, the Board initiated a strategic review of the Australia business⁶ to explore strategic options that would enhance the value of the business and maximise shareholder value. Merrill Lynch Markets Australia Pty Limited (“**BofA**”) was appointed as financial advisor to the Board. As part of the strategic review, potential divestment options, both partial and full, were explored alongside strategies for driving growth through organic and inorganic means.

In the course of the strategic review, the Company received unsolicited interest in the acquisition of 100% of the shares in FMH. This led to initiating an international competitive bid process, conducted by BofA, in relation to a potential divestment of SPAI. The bid process also established an independent valuation benchmark of the Australia business. Potential third-party bidders ranged from global strategic corporations including those in the logistics sector to private equity firms. The bidders were selected based on their experience interest and/or existing investments in similar assets, ability and willingness to offer an attractive price for the business, certainty of financing the transaction in full and the other terms and conditions of their proposal(s).

Following an in-depth review and evaluation of the proposals received from the bidders, the Board determined that a complete disposal of SPAI would be the best option for Shareholders and a first step towards unlocking value for Shareholders. The Purchaser was selected as the preferred bidder.

The Board is of the view that the headline valuation and key terms of the proposal from the Purchaser for a complete divestment of the Australia business are commercially superior to other options and that the Proposed Disposal would enable SingPost to bring forward and unlock significant value. Proceeds from the Proposed Disposal will not only reinforce the SingPost Group’s liquidity but will also enable meaningful deleveraging of debt, strengthen the balance sheet and increase financial flexibility, thereby crystallising the unrealised value of the business for the benefit of Shareholders. Post-Completion, the Board and Management intend to review and reset the strategy for the Group.

The Board is confident that the Proposed Disposal is in the best interests of the Company and its Shareholders.

5. USE OF PROCEEDS

From the Proposed Disposal, the SingPost Group expects to receive gross proceeds of approximately A\$775.9 million (equivalent to approximately S\$682.8 million) in cash, which is approximately S\$298.1 million in excess of the NAV of SPAI as at 30 September 2024. Assuming that the Proposed Disposal is completed on 31 March 2024 and subject to adjustments determined at the time of Completion and any other further adjustments in accordance with the terms of the SPA, the realised gain on disposal pursuant to the Proposed Disposal is approximately S\$312.1 million.

⁶ Please refer to the Company’s announcement titled “*Strategic Review of Australia Business to Formulate Optionalities*” dated 21 June 2024 available on SGXNet for additional details.

The SingPost Group intends to utilise some of the proceeds to repay borrowings, in particular, its Australian Dollar-denominated debt amounting to A\$362.1 million (equivalent to approximately S\$320.8 million) as at 30 September 2024) undertaken for the financing of the acquisition of FMH. The total Australian Dollar-denominated debt of the SingPost Group, including borrowings undertaken by FMH, amounted to A\$614.8 million (equivalent to approximately S\$544.9 million) as at 30 September 2024.

The Board will consider in due course the payment of a special dividend, after taking into account, amongst other things, the repayment of the Australian Dollar-denominated borrowings and the future funding needs of the SingPost Group. Further announcements on such proposed special dividend will be made at an appropriate time.

The remainder of the proceeds from the Proposed Disposal will be retained by the SingPost Group for future growth opportunities to invest in existing and/or new businesses, assets and investment opportunities.

6. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

6.1 Bases and Assumptions

The pro forma financial effects of the Proposed Disposal as set out below are purely for illustrative purposes only and do not reflect the future actual financial position of the SingPost Group following Completion. The pro forma financial effects have been prepared based on the latest audited consolidated financial statements of the SingPost Group for the financial year ending 31 March 2024 subject the following assumptions:

- (a) the Proposed Disposal had been effected on 31 March 2024, being the end of the most recently completed financial year of the SingPost Group and of which the statement of financial position of the SingPost Group has been publicly announced, for illustrating the financial effects on the consolidated NTA of the SingPost Group;
- (b) the Proposed Disposal had been effected on 1 April 2023, being the beginning of the most recently completed financial year of the SingPost Group and of which the profit and loss of the SingPost Group has been publicly announced, for illustrating the financial effects on the consolidated earnings of the SingPost Group; and
- (c) the costs and expenses in connection with the Proposed Disposal are disregarded for the purposes of calculating the financial effects.

6.2 NTA per share

For illustrative purposes only, assuming that the Proposed Disposal had been completed on 31 March 2024, the pro forma financial effects on the NTA of the SingPost Group are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net assets (S\$ million)	1,421.0	1,719.3
Less : intangibles (S\$ million)	636.3	168.4
NTA (S\$ million)	784.7	1,550.9
Number of issued SingPost Shares (excluding treasury shares) as at 31 March 2024 (million)	2,250.0	2,250.0
NTA per SingPost Share (S\$ cents)	34.9	68.9

6.3 Earnings Per Share

For illustrative purposes only and assuming that the Proposed Disposal had been completed on 1 April 2023, the pro forma financial effects on the earnings of the SingPost Group are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net Profit attributable to ordinary shareholders (S\$ million)	78.3	363.8
Weighted average number of issued SingPost Shares for the financial year ended on 31 March 2024 (million)	2,249.9	2,249.9
Basic earnings per SingPost Share (S\$ cents)	3.5	16.2

7. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE LISTING MANUAL OF THE SGX-ST

7.1 Relative Figures for the Proposed Disposal under Rule 1006

The Proposed Disposal is a disclosable transaction for the Company pursuant to the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Based on the unaudited consolidated financial statements of the SingPost Group for 1H2024, the relative figures of the Proposed Disposal computed on the bases set out in Rule 1010 of the Listing Manual are as follows:

Rule 1006	Bases	SPAI	SingPost Group	Relative Figures
		S\$'million	S\$'million	%
(a)	The net asset value of the assets to be disposed of, compared with the SingPost Group	384.7	1,421.6	27.1
(b)	The Net Profits ⁽¹⁾ attributable to the assets to be disposed of, compared with the SingPost Group	20.3	30.7	66.1
(c)	Aggregate Consideration receivable for the Proposed Disposal, compared with SingPost's market capitalisation ⁽²⁾	682.8	1,295.8	52.7

Notes:

- (1) Based on the Net Profit of SPAI for 1H2024 and the Net Profit of the SingPost Group for 1H2024.
- (2) SingPost's market capitalisation is based upon 2,250,051,000 ordinary shares in the capital of SingPost (excluding treasury shares) as at 30 September 2024 ("**SingPost Shares**") at a volume weighted average price of S\$0.58 per SingPost Share as at 29 November 2024.

7.2 Shareholders' Approval

As the relative figures under Rule 1006(a), 1006(b) and 1006(c) of the Listing Manual for the Proposed Disposal exceeds 20%, the Proposed Disposal would constitute a major transaction for the Company as defined in Chapter 10 of the Listing Manual.

A circular to Shareholders setting out details of the Proposed Disposal and enclosing a notice of the EGM to be convened will be despatched to Shareholders in due course. In the meantime, Shareholders are advised to refrain from taking any action in relation to their SingPost Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations to be set out in the circular.

8. FURTHER INFORMATION

8.1 Directors' Service Contracts

No person is proposed to be appointed as a director of SingPost in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between SingPost and any such person.

8.2 Interests of Directors and Controlling Shareholders

Save as disclosed in this announcement, other than by virtue of their respective directorships and/or shareholding interest in the Company and/or the SingPost Group (as the case may be), none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal.

8.3 Documents For Inspection

Copies of the SPA are available for inspection during normal business hours at the registered office of SingPost at 10 Eunos Road 8, Singapore Post Centre, Singapore 408600, for a period of three months commencing from the date of this Announcement.

Issued by Singapore Post Limited on 2 December 2024.



MEDIA RELEASE

SingPost to divest Australia business at A\$1.02bn in enterprise value

- Australia business to be acquired by Pacific Equity Partners for A\$775.9 million in cash
- Gain on disposal of approximately S\$312.1 million
- Crystallises and unlocks value for shareholders

Singapore, 2 December 2024 – Singapore Post Limited ("**SingPost**") today announced that it has entered into a sale and purchase agreement with Pacific Equity Partners ("**PEP**") for the sale of its Australia business, Freight Management Holdings Pty Ltd ("**FMH**").

PEP shall acquire the Australia business at an enterprise value of A\$1.02 billion (approximately S\$897.6 million), which translates into A\$775.9 million (approximately S\$682.8¹ million) in cash and generates an expected gain on disposal of approximately S\$312.1 million, subject to adjustments determined at the time of Completion and any other further adjustments.

"The Board believes this divestment is the best option for shareholders by crystallising the unrealised value of the business and bringing forward unlocking value for shareholders," said Simon Israel, Chairman, SingPost.

Pacific Equity Partners Managing Director, David Brown said, "We are thrilled to welcome FMH Group to our portfolio. FMH Group has a stellar track record of growth, a passionate team and a clear and compelling trajectory. We look forward to supporting them to build on their success and facilitate further opportunities."

SingPost intends to utilise some of the proceeds to repay borrowings, in particular, its Australian Dollar-denominated debt amounting to A\$ 362.1 million (approximately S\$320.8 million) - as at 30 September 2024 - undertaken for the financing of the acquisition of FMH. The total Australian Dollar-denominated debt of the SingPost Group (including borrowings undertaken by FMH) amounted to A\$614.8 million (approximately S\$544.9 million) as at 30 September 2024.

¹ Based on an indicative exchange rate of A\$1: S\$0.88 (solely for illustrative purposes).



The SingPost Board will consider in due course, the payment of a special dividend after taking into account, amongst other things, the repayment of the Australian Dollar-denominated borrowing and future funding needs of the SingPost Group. Further announcements on such a proposed special dividend will be made at an appropriate time.

In July 2023, the Board initiated a strategic review of the SingPost Group's portfolio of businesses, with a view to enhancing shareholder returns and ensuring that SingPost is appropriately valued. In March 2024², the Board outlined its strategic intentions for the businesses and in line with this, initiated a strategic review specifically for the Australia business³ to formulate optionalities for the Group. Merrill Lynch Markets Australia Pty Limited ("**BofA**") was appointed as financial advisor to the Board.

In the course of the strategic review, SingPost received unsolicited interest in the acquisition of FMH, leading to an international competitive bid process conducted by BofA. After evaluating various options, including full and partial divestments, organic and inorganic growth strategies, the Board determined that a full divestment was the best option and a first step towards bringing forward and unlocking value for shareholders.

"Once the transaction is complete, the Board and Management will review and reset the Group's strategic plan, with a continued focus on shareholder value. We will make an announcement about this at the appropriate time," said Vincent Phang, Group CEO, SingPost.

The proposed divestment is subject to regulatory approvals such as approvals from the Foreign Investment Review Board of Australia, and SingPost obtaining the requisite approval from shareholders in an extraordinary general meeting of SingPost to be convened.

For the full details, please refer to the SGX Announcement dated 2 December 2024 on "Proposed Sale of SingPost Australia Investments Pty. Ltd."

² Please refer to the announcement "[SingPost Strategic Review Unveils Pathways to Growth and Unlocking Shareholder Value](#)" dated 19 March 2024.

³ Please refer to the announcement "[General Announcement: Strategic Review Of Australia Business To Formulate Optionalities](#)" dated 21 June 2024.



About Singapore Post Limited

Singapore Post Limited (SingPost) is a leading postal and eCommerce logistics provider in Asia Pacific. The portfolio of businesses spans from national and international postal services to warehousing and fulfillment, international freight forwarding and last mile delivery, serving customers in more than 220 global destinations. Headquartered in Singapore, SingPost has over 4,900 employees, with offices in 13 markets worldwide. Since its inception in 1858, the Group has evolved and innovated to bring about best-in-class integrated logistics solutions and services, making every delivery count for people and planet.

About FMH Group

FMH Group is a diversified logistics holding company with divisions across 4PL, warehousing, transportation and technology. Its 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: Australia's leading 4PL, efm Logistics; logistics technology company, Flip; transportation providers, Border Express, BagTrans, Spectrum Logistics, CouriersPlease and Logistics Holdings Australia, under which is GKR Transport, Niche Logistics and Formby Logistics. www.fmhgroup.com.au

About Pacific Equity Partners

Pacific Equity Partners (PEP) is one of Australasia's oldest, largest and most active private equity firms, currently with A\$12 billion AUM across various investment strategies. Since 1998, PEP has made more than 200 acquisitions, has engaged close to A\$50 billion of transactions, including both acquisitions and exits, and has delivered a 28% average Net IRR p.a. across the closed end funds. PEP has been the recipient of various industry awards over the past 26 years, including most recently the 2024 Firm of the Year Award from the Australian Investment Council (AIC).

For more information:

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Global Logistics Delivery

TRANSPORT
DELIVERY
INDUSTRIAL
DISTRIBUTION
PRODUCT
DESTINATION
INVENTORY
CARGO
MANUFACTURING
ANALYSIS
CUSTOMERS



Proposed Sale of SingPost Australia Investments Pty Ltd

2 December 2024

Disclaimer



The following presentation contains forward looking statements by the management of Singapore Post Limited ("SingPost" and together with its subsidiaries the "**SingPost Group**") relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial condition, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to the future performance of SingPost. In particular, such targets should not be regarded as a forecast or projection of future performance of SingPost. It should be noted that the actual performance of SingPost may vary significantly from such statements.

"\$" means Singapore dollars unless otherwise indicated.

Completion of Strategic Review of the Australia Business

SingPost Board's strategic review of the SingPost Group's portfolio of businesses in March 2024 delivered key initiatives to enhance and unlock value for shareholders

The Board conducted a subsequent strategic review of the Australia business to formulate a range of options with the aim to maximise and unlock shareholder value

- Potential divestment options, both partial and full, were explored alongside strategies for growth through organic and inorganic means
- Competitive auction process was conducted to derive true intrinsic worth of the business
- In-depth evaluation undertaken since June 2024 concluded with the Board's recommendation for a complete divestment of the Australia business

Divestment of the Australia business is best option for shareholders

- Significant value crystallised and unlocked for shareholders
- Commercially superior deal - enterprise value of A\$1.02bn (approximately S\$897.6m) and S\$312.1m gain on disposal⁽¹⁾
- Return to shareholders to be considered by the Board
- Liquidity reinforced; meaningful deleveraging; strengthened balance sheet and enhanced financial flexibility

Impact on Group's Strategic Direction

Review and Reset of Strategy

Review and reset of the Group's strategy following Completion

Continued Execution of Strategic Initiatives

Continued execution of capital management initiatives; ensuring commercial sustainability of postal services

(1) Assuming proposed disposal had been completed on 31 March 2024.

Transaction Overview



Summary	<ul style="list-style-type: none">On 2 December 2024, SingPost agreed to sell SingPost Australia Investments Pty Ltd which holds 97.1% of the issued share capital of Freight Management Holdings Pty. Ltd. ("FMH") to Pacific Equity Partners ("PEP") at an enterprise value of A\$1.02bn (approximately S\$897.6m)
Key Terms	<ul style="list-style-type: none">Sale of FMH for cash consideration of A\$775.9m (approximately S\$682.8m)Transaction completion is subject to SingPost Shareholders' approval and Foreign Investment Review Board of Australia ("FIRB") approval
Pro-forma Financials	<ul style="list-style-type: none">Post proposed disposal NTA of 68.9 cts per share vs 34.9 cts pre disposalExpected gain on disposal of S\$312.1m⁽¹⁾
Estimated Timeline	<ul style="list-style-type: none">Extraordinary General Meeting ("EGM") for SingPost Shareholders to be convened, expected around end February 2025Completion expected by March 2025
Use of Proceeds	<ul style="list-style-type: none">Repayment of Australian dollar denominated debt amounting to A\$362.1m (approximately S\$320.8m)Board will consider special dividend in due course

(1) Assuming proposed disposal had been completed on 31 March 2024.

Illustrative Financial Effects



Net Tangible Assets	Before the Proposed Disposal	After the Proposed Disposal
Net assets (S\$m)	1,421.0	1,719.3
Less: Intangibles (S\$m)	636.3	168.4
NTA (S\$m)	784.7	1,550.9
Number of issued SingPost Shares (excluding treasury shares) as at 31 March 2024 (m)	2,250.0	2,250.0
NTA per SingPost Share (S\$ cents)	34.9	68.9

Note Assuming proposed disposal had been completed on 31 March 2024.

Earnings Per Share	Before the Proposed Disposal	After the Proposed Disposal
Net profit attributable to ordinary shareholders (S\$m)	78.3	363.8
Weighted average number of issued SingPost Shares for the financial year ended on 31 March 2024 (m)	2,249.9	2,249.9
Basic earnings per SingPost Share (S\$ cents)	3.5	16.2

Note Assuming proposed disposal had been completed on 1 April 2023.

Timeline for Completion

Key Closing Conditions

SingPost Shareholders' Approval

- SingPost to convene an EGM in accordance with Rule 1014(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")

Foreign Investment Review Board ("FIRB") Approval

- PEP to submit an investment proposal to FIRB for approval which may take up to 90 days

Estimated Timeline

2 Dec 2024

Announcement of Proposed Divestment

Around
28 Feb 2025

EGM to be convened

End March
2025

Completion of transaction

Note: The above timeline is indicative only and may be subject to change; actual dates of the above events will be notified in due course by way of an announcement on SGXNet.

Use of Proceeds

Expected Proceeds



Gross Proceeds
A\$775.9m
(approx. S\$682.8m)

Enterprise value of A\$1.02bn (S\$897.6m)
Gain on disposal of S\$312.1m

Use of Proceeds



Debt Repayment
A\$362.1m
(approx. S\$320.8m)⁽¹⁾



Special Dividend
will be considered
in due course

(1) A\$362.1m (approximately S\$320.8m) relates to borrowings undertaken by SingPost for the acquisition of FMH. Total Australian dollar denominated debt (including FMH) amounted to A\$614.8m (approximately S\$544.9m) as at 30 September 2024.

Conclusion



- ✓ **Proposed Disposal:** SingPost has entered into an agreement to divest its 97.1% stake in FMH to PEP
- ✓ **Maximised Returns:** Enterprise value of A\$1.02bn (S\$897.6m); proceeds of A\$775.9m (S\$682.8m); expected gain of S\$312.1m - unlocking significant value for shareholders
- ✓ **Strengthened Balance Sheet:** Reinforcing liquidity with the complete deleveraging of Australian dollar denominated debt totalling A\$614.8m (S\$544.9m)
- ✓ **Shareholder Value:** Delivering tangible value through a special dividend to be considered by the Board in due course
- ✓ **Timeline:** Proposed disposal is targeted for completion by March 2025, subject to shareholders' and regulatory approvals
- ✓ **Review and Reset of Strategy:** Group strategy to be reviewed and reset



Global Logistics Delivery

TRANSPORT
DELIVERY
INDUSTRIAL
DISTRIBUTION
PRODUCT
DESTINATION
INVENTORY
CARGO
MANUFACTURING
ANALYSIS
CUSTOMERS

Thank You

For the full details, please refer to the SGX Announcement dated 2 December 2024 on "Proposed Sale of SingPost Australia Investments Pty. Ltd."

Making Every Delivery Count for People and Planet

