



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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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

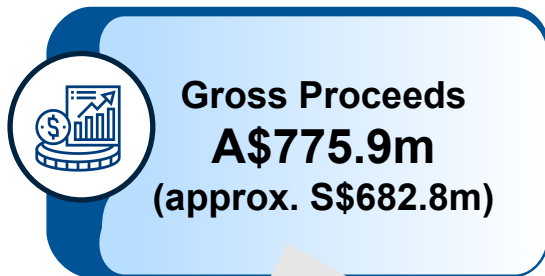
End March
2025

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



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



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

