

CIRCULAR DATED 26 FEBRUARY 2025

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.

If you have sold or transferred all of your shares in the capital of Singapore Post Limited (the “**Company**”), please forward this Circular with the Notice of Extraordinary General Meeting (“**EGM**”) and the accompanying Proxy Form immediately to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

This Circular, together with the Notice of EGM and the Proxy Form, have been made available on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the website of the Company at the URL <https://www.singpost.com/about-us/investor-relations/shareholder-meetings>. Printed copies of the Notice of EGM and the Proxy Form will also be sent by post to shareholders of the Company. Shareholders may request for printed copies of the Circular by completing and returning the Request Form by 6 March 2025.



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED DISPOSAL OF SHARES IN THE CAPITAL OF
SINGPOST AUSTRALIA INVESTMENTS PTY LTD**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	10 March 2025 at 3.30 p.m.
Date and time of Extraordinary General Meeting	:	13 March 2025 at 3.30 p.m.
Place of Extraordinary General Meeting	:	Suntec Singapore Convention & Exhibition Centre, Level 3, Summit 1, 1 Raffles Boulevard, Suntec City, Singapore 039593

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“A\$”	:	The lawful currency for the time being of Australia
“Board”	:	The board of Directors of the Company
“Border Express”	:	Border Express Pty Ltd, a wholly-owned subsidiary of FMH
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This Circular dated 26 February 2025
“Companies Act”	:	The Companies Act 1967 of Singapore
“Company” or “SingPost”	:	Singapore Post Limited
“Conditions”	:	The conditions precedent set out in the SPA, a summary of which is set out in paragraph 6.2 of this Circular
“CouriersPlease”	:	Couriers Please Pty Ltd, a wholly-owned subsidiary of FMH
“CPF”	:	Central Provident Fund
“CPF Agent Banks”	:	Agent banks included under the CPF
“Directors”	:	The directors of the Company
“Drag-Along Right”	:	The right of SPAI under the terms of the FMH SHA to require the FMH Management Shareholders to sell any or all of their FMH Shares to SPAI in accordance with the terms therein
“Drag-Along Sale”	:	The sale and purchase of the FMH Shares pursuant to the sale and purchase agreement to be entered into between SPAI, FMH and each FMH Management Shareholder in connection with the Drag-Along Right
“EGM”	:	The extraordinary general meeting of Shareholders to be convened on 13 March 2025 at 3.30 p.m. (and any adjournment thereof)
“FIRB”	:	The Foreign Investment Review Board of Australia
“FMH”	:	Freight Management Holdings Pty Ltd
“FMH Management Shareholders”	:	The following shareholders of FMH: (i) Simon Slagter; (ii) Beling Enterprises Pty Ltd (as trustee for the Beling Investment Trust);

- (iii) Lee Dornan;
- (iv) Bruce Wilson;
- (v) BESE Enterprises Pty Ltd (as trustee for the B&S Elmazovski Family Trust);
- (vi) Romona Boswell;
- (vii) Keith Bawden;
- (viii) Andrew Swain;
- (ix) Christopher James Linnett; and
- (x) Brittany Lee Browne

“FMH SHA”	:	The shareholders agreement dated 16 October 2024 entered into between SPAI, the FMH Management Shareholders and FMH
“FMH Shares”	:	Ordinary shares in the capital of FMH
“Group” or “SingPost Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	21 February 2025, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST
“NAV”	:	Net asset value
“NTA”	:	Net tangible asset
“Physical Meeting”	:	The physical format of the EGM to be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Summit 1, 1 Raffles Boulevard, Suntec City, Singapore 039593
“Proposed Disposal”	:	Has the meaning given to it in paragraph 1.1(a) of this Circular
“Purchaser”	:	Pacific 2023 Bidco E Pty Limited
“S\$” or “cents”	:	Singapore dollar, and cents respectively, unless otherwise stated
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	The Securities and Futures Act 2001 of Singapore

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders” or “SingPost Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares” or “SingPost Shares”	:	Ordinary shares in the capital of the Company
“SingPost Logistics”	:	SingPost Logistics Holdings Pte Ltd, a wholly-owned subsidiary of the SingPost Group
“SPA”	:	The sale and purchase agreement dated 2 December 2024 entered into between SingPost, SingPost Logistics and the Purchaser, in relation to the Proposed Disposal, as amended and supplemented
“SPAI”	:	SingPost Australia Investments Pty Ltd, a wholly-owned subsidiary of the SingPost Group
“SRS”	:	Supplementary Retirement Scheme
“SRS Operators”	:	Operators included under the SRS
“Substantial Shareholder”	:	A Shareholder who has an interest in 5 per cent. or more of the voting shares of the Company
“Virtual Meeting”	:	The virtual format of the EGM
“%” or “per cent.”	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Unless indicated otherwise, the indicative A\$-to-S\$ exchange rate used for the purposes of this Circular is A\$1.00 : S\$0.85.

SINGAPORE POST LIMITED

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

Directors:

Mr Simon Israel (*Chairman and Non-Executive Non-Independent Director*)
Mrs Fang Ai Lian (*Non-Executive Lead Independent Director*)
Ms Chu Swee Yeok (*Non-Executive Independent Director*)
Ms Elizabeth Kong Sau Wai (*Non-Executive Independent Director*)
Mr Bob Tan Beng Hai (*Non-Executive Independent Director*)
Mr Gan Chee Yen (*Non-Executive Independent Director*)
Ms Yasmin Binti Aladad Khan (*Non-Executive Independent Director*)
Mr Chng Lay Chew (*Non-Executive Independent Director*)
Mr Ng Chin Hwee (*Non-Executive Independent Director*)

Registered Office:

10 Eunos Road 8
Singapore Post Centre
Singapore 408600

26 February 2025

To: The Shareholders of
Singapore Post Limited (the “**Company**”)

Dear Sir/Madam

1. INTRODUCTION

1.1 Background:

We refer to:

- (a) the announcement made by the Company on 2 December 2024 in relation to the proposed disposal of the entire issued share capital of its indirect wholly-owned subsidiary, SingPost Australia Investments Pty Ltd (“**SPAI**”) to Pacific 2023 Bidco E Pty Limited (the “**Purchaser**”, and such proposed disposal, the “**Proposed Disposal**”); and
- (b) the Notice of EGM of the Company dated 26 February 2025 convening an EGM of the Company to be held on 13 March 2025 at 3.30 p.m.

1.2 Extraordinary General Meeting

The Directors are convening an EGM to be held on 13 March 2025 at 3.30 p.m. to seek the approval of the Shareholders for the Proposed Disposal.

1.3 Circular

The purpose of this Circular is to provide Shareholders with the relevant information relating to the Proposed Disposal, and to seek Shareholders’ approval for the same at the EGM to be convened.

1.4 Financial Adviser

Merrill Lynch (Singapore) Pte. Ltd. (“**BofA Securities**”) has been appointed as the financial adviser to the Company in relation to the Proposed Disposal.

2. BACKGROUND

On 2 December 2024, the Company announced, *inter alia*, that it and its wholly-owned subsidiary, SingPost Logistics Holdings Pte Ltd (“**SingPost Logistics**”), had entered into a sale and purchase agreement (the “**SPA**”) with the Purchaser, pursuant to which SingPost Logistics will sell the entire issued share capital of SPAI to the Purchaser, on the terms and the conditions set out in the SPA.

The completion of the Proposed Disposal (“**Completion**”) is subject to and conditional upon the satisfaction and/or waiver of the Conditions, including, *inter alia*, the approval of Shareholders for the Proposed Disposal at the EGM to be convened. Following Completion, the Company 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.

3. INFORMATION RELATING TO SPAI AND FMH

3.1 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, and does not hold any asset other than its equity interest in FMH.

3.2 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.

As at the date of this Circular, SPAI holds 17,913 ordinary shares in the capital of FMH (“**FMH Shares**”), representing approximately 98.56% of the issued share capital of FMH. The remaining 260 FMH Shares, representing approximately 1.44% of the issued share capital of FMH, are held by the FMH Management Shareholders.

3.3 Asset Value of SPAI

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

3.4 Net Profit of SPAI

Based on the SingPost 1H2024 Financial Statements, the profit including discontinued operations that have not been disposed and before income tax and non-controlling interests (“**Net Profit**”) in respect of SPAI is approximately S\$20.3 million.

4. INFORMATION RELATING TO THE PURCHASER

The Purchaser is a special purpose vehicle incorporated in Australia. The Purchaser is currently an indirect wholly-owned subsidiary of funds advised or managed by Pacific Equity Partners, one of Australasia's oldest, largest and most active private equity firms.

5. RATIONALE FOR THE PROPOSED DISPOSAL

In July 2023, the Board of the Company 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 valued. In March 2024, the Board outlined its strategic intentions for the businesses with the objective of unlocking value for Shareholders. In relation to the Australia business, it was stated that "the Group will explore 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 business to explore strategic options that would enhance the value of the business and maximise shareholder value. BofA Securities was appointed as the 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 the initiation of an international competitive bid process, conducted by BofA Securities, 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 a comprehensive review of all proposals received from the bidders, the Board concluded that a complete disposal of SPAI represents the most compelling and value maximising option for Shareholders. Alternative options, such as strategic partnerships, were considered and rejected due to protracted timelines and regulatory hurdles such as approvals required from the Australian Competition and Consumer Commission (ACCC), which risked derailing the process and exposing commercially sensitive business information to competitors. Retaining the Australian business for a future initial public offering (IPO) also carried significant uncertainties to execution risks and fluctuating market conditions, making it a far less attractive proposition compared to the certainty and immediate value delivered by the Proposed Disposal.

Following the Proposed Disposal, the Group will in due course reset its strategy.

In the interim, the Group will complete an ongoing review of its International Logistics business, and will consider investing in completing the transformation of its Singapore Postal and Logistics business, through investment in increasing e-commerce capacity and automation, to provide a path to growth, improved profitability and returns.

The Group will progressively divest non-core assets to pay down debt and create a pool of funds to re-invest subject to its strategy reset and/or return to Shareholders, ensuring at all the times the Group is appropriately funded.

The Board is of the view that the headline valuation, which translates into an enterprise value of A\$1.02 billion (equivalent to approximately S\$867.0 million)¹, reflects the intrinsic value of the business. This valuation is underpinned by high deal certainty given minimal and succinct conditions precedent required to complete the Proposed Disposal. The complete divestment of the Australia business is commercially superior to other options, as it enables SingPost to unlock significant value upfront, reinforcing the Group's liquidity and supporting meaningful deleveraging of debt. This decision will crystallise the unrealised value of the business for Shareholders' benefit, while allowing the Board and management to focus on resetting the Group's strategy post-completion.

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

In the event that Shareholders do not vote in favour of the Proposed Disposal, the Board will review and reconsider its strategy in relation to its Australian business.

6. SALIENT TERMS OF THE PROPOSED DISPOSAL

6.1 Consideration

Pursuant to the terms of the SPA, the Purchaser will acquire all of the shares in SPAI for an amount in cash equal to the sum of A\$775.9 million (equivalent to approximately S\$659.5 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\$867.0 million) taking into account the cash, indebtedness, and working capital of SPAI and FMH as of 30 June 2024.

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

Pursuant to the terms of the SPA, SingPost Logistics is required to ensure that SPAI has sufficient funds to complete the Drag-Along Sale. Taking into account the amount of A\$11.1 million (equivalent to approximately S\$9.4 million) required by SPAI to fund the Drag-Along Sale, SingPost Logistics will retain the amount of A\$764.8 million (equivalent to approximately S\$650.1 million) ("**Net Consideration**"), being the difference between the Aggregate Consideration and the amount to fund the Drag-Along Sale.

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

¹ The enterprise value of A\$1.02 billion (equivalent to approximately S\$867.0 million) is derived from the Aggregate Consideration of A\$775.9 million adding net debt of A\$246.3 million less the net working capital of A\$2.2 million.

² Prior to Completion, in accordance with the SPA, adjustments will be made for (i) the cost of capital charge, being interest payable at the interest rate of 2.3% per annum 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.

6.2 Conditions Precedent

Pursuant to the terms of the SPA, Completion is subject to and conditional upon the satisfaction and/or waiver of the Conditions, a summary of which is set out below:

- (i) the Company having obtained the requisite regulatory approvals from the Foreign Investment Review Board of Australia (“**FIRB**”) in respect of the acquisition by SPAI of all of the FMH Shares held by the FMH Management Shareholders;
- (ii) the Purchaser having obtained the requisite regulatory approvals from the FIRB in respect of the acquisition by the Purchaser of all of the shares in SPAI pursuant to the SPA;
- (iii) the Company having obtained the requisite approval of the Shareholders in a general meeting to be convened in respect of the Proposed Disposal; and
- (iv) (a) SingPost Logistics having issued a notice to each FMH Management Shareholder to acquire all 260 of the FMH Shares held by the FMH Management Shareholders, and (b) SPAI, FMH and each FMH Management Shareholder having executed a sale and purchase agreement in respect of the sale and purchase of such FMH Shares.

As at the Latest Practicable Date, the Company has received written confirmation from the FIRB that it has no objection to the acquisition set out in paragraph 6.2(i) and 6.2(ii).

6.3 Completion

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

Subject to the satisfaction and/or waiver of all Conditions, 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.

6.4 Drag-Along Sale in respect of FMH Shares

Pursuant to the terms of the SPA, SingPost Logistics had on 5 December 2024 issued a notice to each FMH Management Shareholder and indicated that SPAI had exercised its Drag-Along Right under the terms of the FMH SHA to acquire all 260 of the FMH Shares held by the FMH Management Shareholders.

Subject to, *inter alia*, the completion of the Proposed Disposal, each FMH Management Shareholder will be required to sell all of their FMH Shares to SPAI, pursuant to a sale and purchase agreement to be entered into between SPAI, FMH and each FMH Management Shareholder. Following the completion of the Proposed Disposal and the Drag-Along Sale, FMH will be a wholly-owned subsidiary of SPAI, and SPAI will be a wholly-owned subsidiary of the Purchaser.

It is expected that SPAI will incur an amount of A\$11.1 million (equivalent to approximately S\$9.4 million) to complete the Drag-Along Sale. The purchase price of A\$11.1 million (equivalent to approximately S\$9.4 million) was computed based on the Aggregate Consideration of A\$775.9 million (equivalent to approximately S\$659.5 million), multiplied by the shareholding interests of the FMH Management Shareholders (being approximately 1.44%).

Pursuant to the terms of the SPA, SingPost Logistics is required to ensure that SPAI has sufficient funds to complete the Drag-Along Sale. Pursuant to this obligation, SingPost Logistics intends to subscribe for shares in SPAI to inject A\$11.1 million of funds into SPAI for the purposes of funding the Drag-Along Sale.

Taking into account the amount of A\$11.1 million (equivalent to approximately S\$9.4 million) required by SPAI to fund the Drag-Along Sale, SingPost Logistics will retain the Net Consideration of A\$764.8 million (equivalent to approximately S\$650.1 million).

7. USE OF PROCEEDS AND SPECIAL DIVIDEND

From the Proposed Disposal, the SingPost Group expects to receive gross proceeds of approximately A\$775.9 million (equivalent to approximately S\$659.5 million) in cash, which is approximately S\$274.8 million in excess of the NAV of SPAI as at 30 September 2024³. 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\$289.5 million.

Following completion of the Proposed Disposal, the Group will consist mainly two business units, being Singapore and International. The remaining business of the Group will continue to be a postal and e-commerce logistics provider in Asia Pacific. As at the Latest Practicable Date, the Group's portfolio of businesses spans from national and international postal services to warehousing and fulfilment, last mile delivery, international freight forwarding and property. However, as indicated in the announcement dated 19 March 2024 in relation to the strategic review of the Group, the Group is reviewing a list of assets and businesses that are non-core to its strategy which can be monetised to recycle capital.

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\$307.8 million) as at 30 September 2024 undertaken for the financing of the acquisition of FMH.

The Board is also considering the payment of a one-tier tax-exempt special dividend (the "**Special Dividend**"), subject to the completion of the Proposed Disposal. Further announcements on the Special Dividend, including the amount of the Special Dividend, the record date and payment date of the Special Dividend, will be made at an appropriate time when the year-end financial statements of the Group are released, in compliance with Rule 704(25) of the Listing Manual. The Board will in due course disclose the amount of the Special Dividend and the amount of residual proceeds that would be retained in the interim for, including without limitation, working capital, further debt reduction and investment opportunities, subject to the outcome of the strategy reset.

Given the materiality of the sale of the Australian business, the Board has stated that the Group will need to reset its strategy after the completion of the Proposed Disposal. The Board will consider the progressive divestment of the Group's non-core assets to pay down debt and create a pool of funds to re-invest subject to its strategy reset and/or return to Shareholders, while at all times ensuring the Group is appropriately funded. Upon the completion of the strategy reset, the Board will announce the use of proceeds retained from the Proposed Disposal.

³ The excess of the NAV of SPAI is computed using the Aggregate Consideration of S\$659.5 million less the NAV of SPAI (assuming SPAI holds 100% of FMH) of S\$384.7 million, resulting in the excess of NAV of S\$274.8 million. The amount of A\$11.1 million is not included in the realised gain on disposal.

In the interim, the Group will consider investing in completing the transformation of the Singapore Postal and Logistics business into a sustainable business by supporting the growth of e-commerce logistics.

8. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

8.1 Bases and Assumptions

The pro forma financial effects of the Proposed Disposal 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:

- (i) 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; and
- (ii) 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 are purely for illustrative purposes only and do not reflect the future actual position of the SingPost Group following Completion.

8.2 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 ⁽¹⁾	After the Proposed Disposal
Net assets (S\$ million)	1,421.0	1,696.6 ⁽²⁾
Less : intangibles (S\$ million)	636.3	168.4 ⁽³⁾
NTA (S\$ million)	784.7	1,528.2
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	67.9

Notes:

- (1) The pro forma financial effects of the Proposed Disposal have been computed on the basis that SingPost Logistics holds 100% interest in SPAI, and SPAI holds 100% interest in FMH.
- (2) Net assets after the Proposed Disposal is arrived at after deducting net assets of 100% interest in SPAI and adding the cash consideration in respect of the Proposed Disposal.
- (3) Intangibles after the Proposed Disposal is arrived at after deducting goodwill on acquisition, customer relationships, acquired software licenses and trademarked brands in SPAI.

8.3 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 ⁽¹⁾	After the Proposed Disposal
Net Profit attributable to ordinary shareholders (S\$ million)	78.3	341.1 ⁽²⁾
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	15.2

Notes:

(1) The pro forma financial effects of the Proposed Disposal have been computed on the basis that SingPost Logistics holds 100% interest in SPAI, and SPAI holds 100% interest in FMH.

(2) Net profit attributable to equity holders of the Company after the Proposed Disposal is arrived at after deducting the net profit from 100% interest in SPAI and adding the gain on disposal.

8.4 Share Capital

The Proposed Disposal will not have any impact on the share capital of the Company.

9. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE LISTING MANUAL

9.1 Relative Figures in relation to the Proposed Disposal under Rule 1006

Based on the SingPost 1H2024 Financial Statements, the relative figures in relation to the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Bases	SPAI ⁽¹⁾ S\$' million	SingPost Group S\$' million	Relative Figures %
(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 ⁽²⁾ attributable to the assets to be disposed of, compared with the SingPost Group	20.3	30.7	66.1
(c)	Aggregate Consideration ⁽³⁾ receivable for the Proposed Disposal, compared with SingPost's market capitalisation ⁽⁴⁾	659.5	1,295.8	50.9

Notes:

(1) The relative figures in relation to the Proposed Disposal have been computed on the basis that SingPost Logistics holds 100% interest in SPAI, and SPAI holds 100% interest in FMH.

(2) Based on the Net Profit of SPAI for 1H2024 and the Net Profit of the SingPost Group for 1H2024.

- (3) Pursuant to the terms of the SPA, SingPost Logistics is required to ensure that SPAI has sufficient funds to complete the Drag-Along Sale. Taking into account the amount of A\$11.1 million (equivalent to approximately S\$9.4 million) required by SPAI to fund the Drag-Along Sale, SingPost Logistics will retain the Net Consideration of A\$764.8 million (equivalent to approximately S\$650.1 million), being the difference between the Aggregate Consideration and the amount to fund the Drag-Along Sale.
- (4) SingPost's market capitalisation is based upon 2,250,051,000 SingPost Shares (excluding treasury shares) as at 29 November 2024 at a volume weighted average price of S\$0.58 per SingPost Share as at 29 November 2024.

9.2 Shareholders' Approval

As the relative figures computed on the bases set out in Rule 1006(a), 1006(b) and 1006(c) of the Listing Manual exceed 20%, the Proposed Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual. Accordingly, the Proposed Disposal is subject to the approval of Shareholders at the EGM.

10. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save as disclosed below and in this Circular, other than by virtue of being a director of the Company or their shareholding interest in the Company, if any, none of the Directors and/or the Substantial Shareholders has any interest, direct or indirect, in the Proposed Disposal.

10.1 Directors

Based on the Company's Register of Directors' Shareholdings, the interests of the Directors in the Shares, as at the Latest Practicable Date, are as follows:

	Number of Shares			% of issued Shares ⁽¹⁾	Number of Shares comprised in outstanding share awards
	Direct interest	Deemed interest	Total interest		
Simon Israel	–	–	–	–	–
Fang Ai Lian	–	–	–	–	–
Chu Swee Yeok	–	–	–	–	–
Elizabeth Kong Sau Wai	–	–	–	–	–
Bob Tan Beng Hai	–	–	–	–	–
Gan Chee Yen	10,000	2,000 ⁽²⁾	12,000	n.m. ⁽³⁾	–
Yasmin Binti Aladad Khan	–	–	–	–	–
Chng Lay Chew	30,000	–	–	n.m. ⁽³⁾	–
Ng Chin Hwee	–	–	–	–	–

Notes:

- (1) The percentage of issued Shares is calculated based on the number of issued Shares as at the Latest Practicable Date, excluding any Shares held in treasury as at that date.
- (2) Deemed interest through spouse.
- (3) "n.m." means "not meaningful".

10.2 Substantial Shareholders

Based on the Company's Register of Substantial Shareholders, the interests of the Substantial Shareholders in the Shares, as at the Latest Practicable Date, are as follows:

	Number of Shares			% of issued Shares ⁽¹⁾
	Direct interest	Deemed interest	Total interest	
Temasek Holdings (Private) Limited	–	494,835,124 ⁽²⁾	494,835,124	21.99
Singapore Telecommunications Limited	494,000,000	–	494,000,000	21.95
Alibaba Investment Limited	255,149,907	–	255,149,907	11.34
Alibaba Group Holding Limited	–	255,149,907 ⁽³⁾	255,149,907	11.34

Notes:

- (1) The percentage of issued Shares is calculated based on the number of issued Shares as at the Latest Practicable Date, excluding any Shares held in treasury as at that date.
- (2) Deemed through its subsidiary, Singapore Telecommunications Limited, and its associated company, DBS Group Holdings Ltd.
- (3) Deemed through its subsidiary, Alibaba Investment Limited.

11. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into by the Company in connection with the Proposed Disposal.

12. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the Proposed Disposal is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the ordinary resolution in relation to the Proposed Disposal at the EGM.

13. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Summit 1, 1 Raffles Boulevard, Suntec City, Singapore 039593 and using virtual meeting technology on 13 March 2025 at 3.30 p.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution in relation to the Proposed Disposal as set out in the Notice of EGM.

14. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders, including CPF and SRS investors, may participate in the EGM by:

- (i) (a) attending the Physical Meeting in person; or (b) attending the Virtual Meeting using virtual meeting technology (by observing and/or listening to the EGM proceedings via live audio);
- (ii) submitting questions in advance of, or live at, the EGM; and/or

- (iii) voting at the EGM (a) by the Shareholders themselves or through duly appointed proxy(ies) (other than the Chairman of the EGM) or representative(s); (b) by the CPF or SRS investors themselves if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators; or (c) by the Shareholders, or the CPF or SRS investors, appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM.

Details of the steps for pre-registration, submission of questions and voting at the EGM by Shareholders, including CPF and SRS investors, are set out in the Company's accompanying announcement dated 26 February 2025. The announcement may be accessed at the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the website of the Company at the URL <https://www.singpost.com/about-us/investor-relations/shareholder-meetings>.

In particular, CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy to vote on their behalf should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 3 March 2025**.

Persons who hold SingPost Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), other than CPF and SRS investors, and who wish to participate in the EGM should contact the relevant intermediary through which they hold such SingPost Shares as soon as possible in order for the necessary arrangements to be made.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

16. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

BofA Securities, as the financial adviser to the Company in relation to the Proposed Disposal, acknowledges that to the best of its knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, and BofA Securities is not aware of any facts the omission of which would make any statement in this Circular misleading.

17. CONSENT

BofA Securities has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name in the form and context in which they respectively appear in this Circular.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the SPA are available for inspection at the registered office of the Company at 10 Eunos Road 8, #14-01/02 Singapore Post Centre, Singapore 408600 during normal business hours from the date hereof up to and including the date of the EGM.

Yours faithfully
For and on behalf of

the Board of Directors of
SINGAPORE POST LIMITED

Mr Simon Israel
Chairman and Non-Executive and Non-Independent Director

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