

# Global Logistics Delivery

TRANSPORT  
DELIVERY  
INDUSTRIAL  
DISTRIBUTION  
PRODUCT  
DESTINATION  
INVENTORY  
CARGO  
MANUFACTURING  
ANALYSIS  
CUSTOMERS



## Extraordinary General Meeting: Proposed Disposal of SingPost Australia Investments Pty Ltd

13 March 2025





**Proposed Disposal of  
SingPost Australia  
Investments Pty Ltd (“SPAI”)  
which owns Freight  
Management Holdings Pty  
Ltd (“FMH”)**

**fmhgroup** 

# Background – SingPost Group’s Australia business



**An end-to-end technology enabled  
B2B2C logistics business  
with a pan-Australia network**

## **Building of SingPost’s Australia business - one of Australia’s leading logistics service providers**

December 2020 : Initial 28% interest in FMH

December 2021 : Raised stake to 51%

March 2023 : Further raised to 88%

December 2023 : Acquired remaining 12%

March 2024 : Acquired Border Express

June 2024 : Merged FMH and  
CouriersPlease (acquired 2014)

# Key highlights – Proposed disposal for Shareholders' approval

Proposed disposal of SPAI (which holds FMH) to Pacific Equity Partners at **A\$1.02bn** Enterprise Value (approx. S\$867.0m)

Cash consideration of **A\$775.9m** (approx. S\$659.5m)<sup>1</sup> to be received

Expected gain on disposal of **S\$289.5m**

Board will consider special dividend subject to completion of Proposed Disposal<sup>2</sup>

*1. Taking into account cash, indebtedness and working capital.*

*2. Announcement on special dividend to be made at an appropriate time when year-end financial statements are released, in compliance with Rule 704(25) of the Listing Manual; special dividend and residual proceeds to be retained for working capital, further debt reduction and investment opportunities to be disclosed subject to the outcome of the Group's strategy reset.*

# SingPost share price performance since initial acquisition of FMH



Note: Share price movement from December 2020 to February 2025

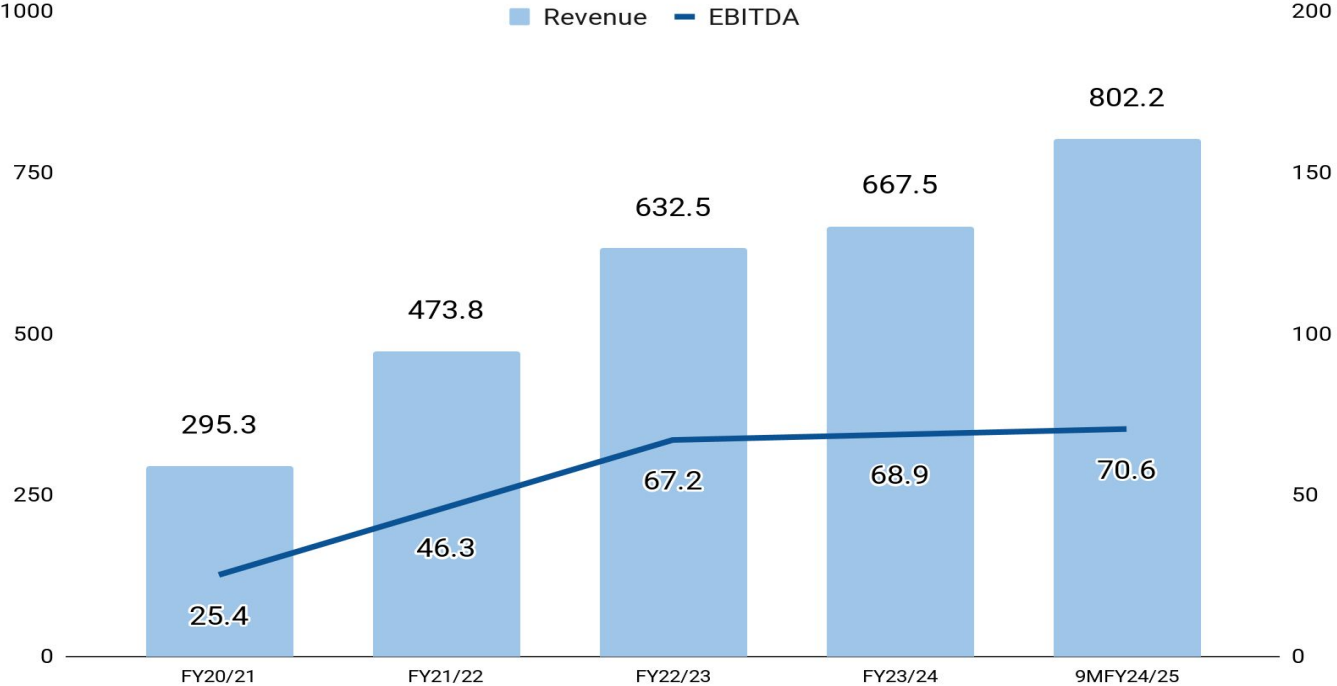
# Growth of FMH over last 5 years

FMH Revenue  
(A\$M)

1000

FMH EBITDA  
(A\$M)

200



*Note: Including acquisition of Border Express and merger of CouriersPlease*

# Strategic reviews undertaken to maximise and unlock value for Shareholders

## May 2023 - March 2024 Group Strategic Review



Initiated by the Board with a view to enhancing shareholder returns and ensuring the Group is appropriately valued



A strategic thrust laid out was to achieve scale in Australia by:

- exploring near term partnerships that contribute to growth,
- providing equity to deleverage acquisition debt,
- establishing an independent valuation benchmark, and
- continuing to pursue appropriate M&A opportunities and seek future liquidity options to maximise value

## June 2024 - December 2024 Australia Strategic Review



Strategic review specifically for the Australia business to formulate strategic options that would enhance the value of the business and maximise shareholder value



# Options and considerations evaluated in the Australia Strategic Review

Options evaluated	Factors considered
Growth via M&A	Limited ability to drive growth further via M&A given the Group's debt capacity
Strategic partnerships	Protracted timelines Regulatory hurdles such as approvals required from the Australian Competition and Consumer Commission Risk of derailing process and exposing commercially sensitive business information to competitors
Initial public offering in the near future	Fluctuating market conditions Execution risks, e.g. ability to retain key management, increased competitive pressures particularly from private equity funded competition



# Unsolicited offer for full divestment of Australia business; rationale for proposed disposal

## In the course of the strategic review:


- Unsolicited interest in acquiring 100% of FMH received
- International competitive bid process initiated, conducted by financial advisor BofA, in relation to potential divestment
- Bid process established independent valuation benchmark of the Australia business




## The Board determined that a complete disposal of the Australia business represents the most compelling and value maximising option for Shareholders

- Complete divestment **commercially superior** to other options
- The Proposed Disposal would enable SingPost to **unlock significant value upfront**
- Proceeds from the Proposed Disposal will **reinforce the Group's liquidity and support meaningful deleveraging of debt**
- **Unrealised value of the business crystallised** for the benefit of Shareholders

# Proposed disposal at A\$1.02bn Enterprise Value offers superior returns to SingPost



**S\$289.5m**  
expected gain  
on disposal



Equity outlay of  
**A\$93.6m**  
in FMH over 4 years



**Approx. 4x**  
Levered return on equity  
invested in FMH<sup>1</sup>

1. Excluding CouriersPlease.

# Use of proceeds

## Expected Proceeds



**Gross proceeds**  
**A\$775.9m**  
(approx. S\$659.5m)

## Use of Proceeds



**Debt repayment**  
**A\$362.1m**  
(approx. S\$307.8m)<sup>1</sup>



**Special dividend +  
residual proceeds retained  
to be announced<sup>2</sup>**

1. A\$362.1m (approximately S\$307.8m) relates to borrowings undertaken by SingPost for the acquisition of FMH

2. Announcement on special dividend to be made at an appropriate time when year-end financial statements are released, in compliance with Rule 704(25) of the Listing Manual; special dividend and residual proceeds to be retained for working capital, further debt reduction and investment opportunities to be disclosed subject to the outcome of the Group's strategy reset.

# Group strategy to be reset

- Following completion of Proposed Disposal, SingPost Group will consist of mainly two business units - Singapore and International
- Given the materiality of the Proposed Disposal, the Group will need to **reset its strategy** post completion
- The Board will consider the **progressive divestment of non-core assets to pay down debt, reinvest subject to the reset strategy and/or return to Shareholders** while ensuring the Group is appropriately funded
- In the interim, the Board will **complete an ongoing review of the International business** and consider investing in **completing transformation of the Singapore postal and logistics business** into a sustainable business by supporting the growth of eCommerce logistics



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## Thank You

For details, please refer to the EGM Circular to Shareholders in relation to the Proposed Disposal of SingPost Australia Investments Pty Ltd.

*Making Every Delivery Count for People and Planet*

*Singapore*  
**POST**