Media Release

SingPost accelerates transformation with acquisition of additional stake in leading 4PL service provider FMH in Australia

- **Acquisition of further 37% interest to raise FMH shareholdings to 88%**
- **Key part of Group's transformation into a global logistics enterprise; building a digitally enabled B2B2C logistics business in Australia**
- **Earnings accretive since initial investment; strong financial performance with good business momentum**

SINGAPORE, 11 January 2023 – Singapore Post Limited ("SingPost") today announced the acceleration of its acquisition of a further stake in 51%-owned subsidiary Freight Management Holdings Pty Ltd ("FMH"). Through its wholly owned subsidiary, SingPost Australia Investments Pty Ltd ("SPAI"), SingPost will be acquiring an additional 37% interest in FMH, increasing its total stake to 88% upon completion of the transaction.

FMH is the leading 4th party logistics ("4PL") service provider based in Australia, providing integrated supply chain and distribution services through a proprietary technology platform. FMH has been expanding its geographical reach and 3rd party logistics ("3PL") capabilities as part of the Group's strategy to develop a digitally enabled integrated B2B and B2C logistics business.

SPAI first acquired a 28% interest in FMH in December 2020 and increased its shareholdings to 51% in November 2021 with a pathway to further raise its shareholdings subsequently. With this transaction, SPAI's interest will now be raised from 51% to 88%.

Mr Vincent Phang, SingPost Group Chief Executive Officer, said: "The strategic acquisition of FMH is a key move in strengthening the SingPost Group in the overseas logistics space. FMH has performed strongly since our initial investment and is a key growth driver in the Group's Logistics business."

Besides FMH, SingPost also owns CouriersPlease, a first- and last-mile delivery courier network covering 90% of the population in Australia.

"We have made good progress in combining the capabilities of our Australian businesses, leveraging each of their capabilities. This strategic acquisition gives us access to FMH's digitally enabled logistics capabilities, and with our last-mile delivery network in CouriersPlease, allows us to offer customers technology-led integrated B2B and B2C logistics solutions in the Australian market.

This would play a key role in us being a logistics player of choice in the Asia Pacific." Mr Phang added.

Details of transaction

Total purchase consideration for the acquisition of the 37% interest is expected to amount to approximately A$175.4 million. The transaction will be funded by the Group's cash reserves and available bank loan facilities. The Group's cash reserves amounted to S$435.8 million as at 30 September 2022.

The acquisition of the shares is based on the terms under the First and Second Offers to Buy, including the valuation computation formula, approved by shareholders at the Extraordinary General Meeting ("EGM") in November 2021.

The total 37% interest being acquired comprises two tranches of shares:

- Tranche A – amounting to 23.5% interest (exercised under First Offer to Buy);
- Tranche B – amounting to 13.5% interest (based on terms under Second Offer to Buy).

In addition, as part of the transaction, exercise periods for Subsequent Offers to Buy granted to FMH vendors will be advanced and evergreen Call Options will be granted for the remaining 12% stake as a pathway to full ownership.

The transaction is subject to statutory approvals and approvals pursuant to SGX Listing Rules including shareholders' approval at a duly convened EGM if required.

For the full details, please refer to the SGX Announcement dated 11 January 2023 on "Proposed Acquisition of FMH Shares; Proposed Amendments to the Terms of the Offers to Buy; and Proposed Grant of Call Options in respect of FMH Shares".

- End -

Media Contact

Hong Mei Yu
Tel: +65 6845 6298
Email: hongmeiyu@singpost.com

About Singapore Post Limited

For more than 160 years, SingPost has been delivering trusted and reliable services to homes and businesses in Singapore. Today, SingPost is a leading eCommerce logistics player in Asia Pacific, providing innovative mail and logistics solutions in Singapore and around the world with operations in 15 markets, making every delivery count for people and planet.

Building on its trusted communications through domestic and international delivery services, SingPost offers best-in-class eCommerce logistics solutions, from warehousing and fulfilment, last mile delivery and international freight forwarding.