Singapore Post

Extraordinary General Meeting

26 November 2021



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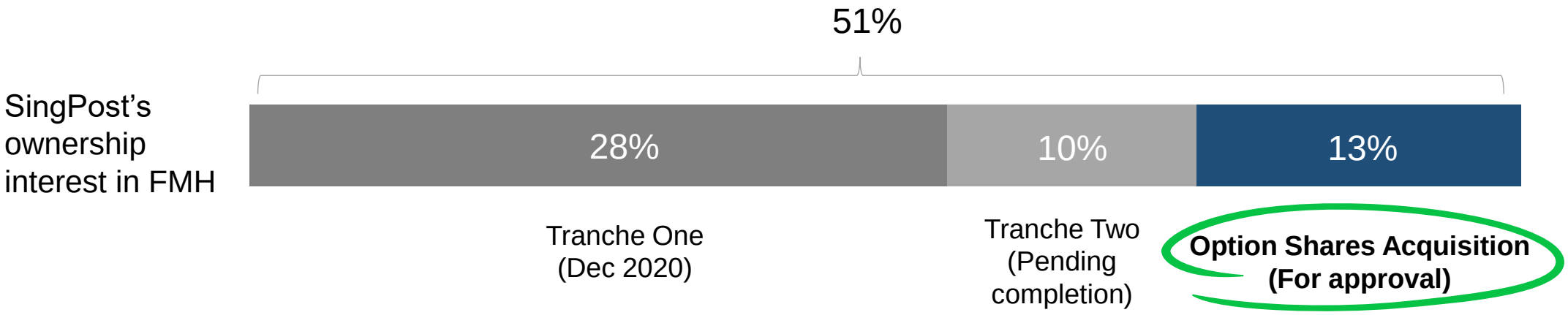
Background and Transaction Rationale



To seek Shareholders' approval for…

A. Proposed Option Shares Acquisition

- To accelerate the acquisition of the next 13% interest in Freight Management Holdings Pty Ltd ("FMH") for an estimated consideration of A$84.5m (~S$83.7m)
- SingPost's total interest in FMH will increase from 38% to 51%, making FMH a subsidiary



B. Proposed Offers to Buy

- Grant of various put options to FMH Management and Non-management shareholders, exercisable over various phases up to 2026

FMH is a leading technology enabled 4PL with over 500 customers and 150 partner carrier integrations…



Leading 4PL service company, providing integrated supply chain and distribution solutions in Australia



Asset-light ‘control tower’ business which manages and executes customers’ supply chain and distribution requirements



Enabled by proprietary technology platform



Over 500 customers and 150 partner carrier integrations

…led by a strong and driven management team



Damian Degenhardt
Founder &
Executive Director



Simon Slagter
Group CEO &
Executive Director



Susan Beling
Group COO – 4PL
CEO, efm Logistics



Keith Bawden
Group CTO
CEO, FLIP



Bruce Wilson
Group COO – Transport & Warehousing
CEO, Logistics Holdings Australia

Australia: Scaling up eCommerce logistics capabilities and driving synergies, with FMH a key component



Building end-to-end capabilities

- CROSS BORDER SHIPPING ✓
- WAREHOUSE-FULFILLMENT ✓
- FREIGHT FORWARDING ✓
- LAST MILE DELIVERY ✓
- 4PL ✓
- TRANSPORT ✓
- TECH SOLUTIONS ✓

Exceeded expectations – Organic growth propelled strong FY2021 earnings, and further additions to the business have expanded its services and reach



Enabled by a tech-driven ecosystem, EBITDA grew by 34%[1] to A$29.4 million (S$29.1 million) in FY2021



Expanded services during the year through inorganic growth. Moving towards a hybrid 4PL model to de-risk supply.



Growing transport division increases reach and further builds out end-to-end capabilities in Australia. Strategic additions further widen base of Australian operations.

1. Compared against FY2020 Normalised EBITDA. Normalised EBITDA as defined in the Circular dated 11 November 2021

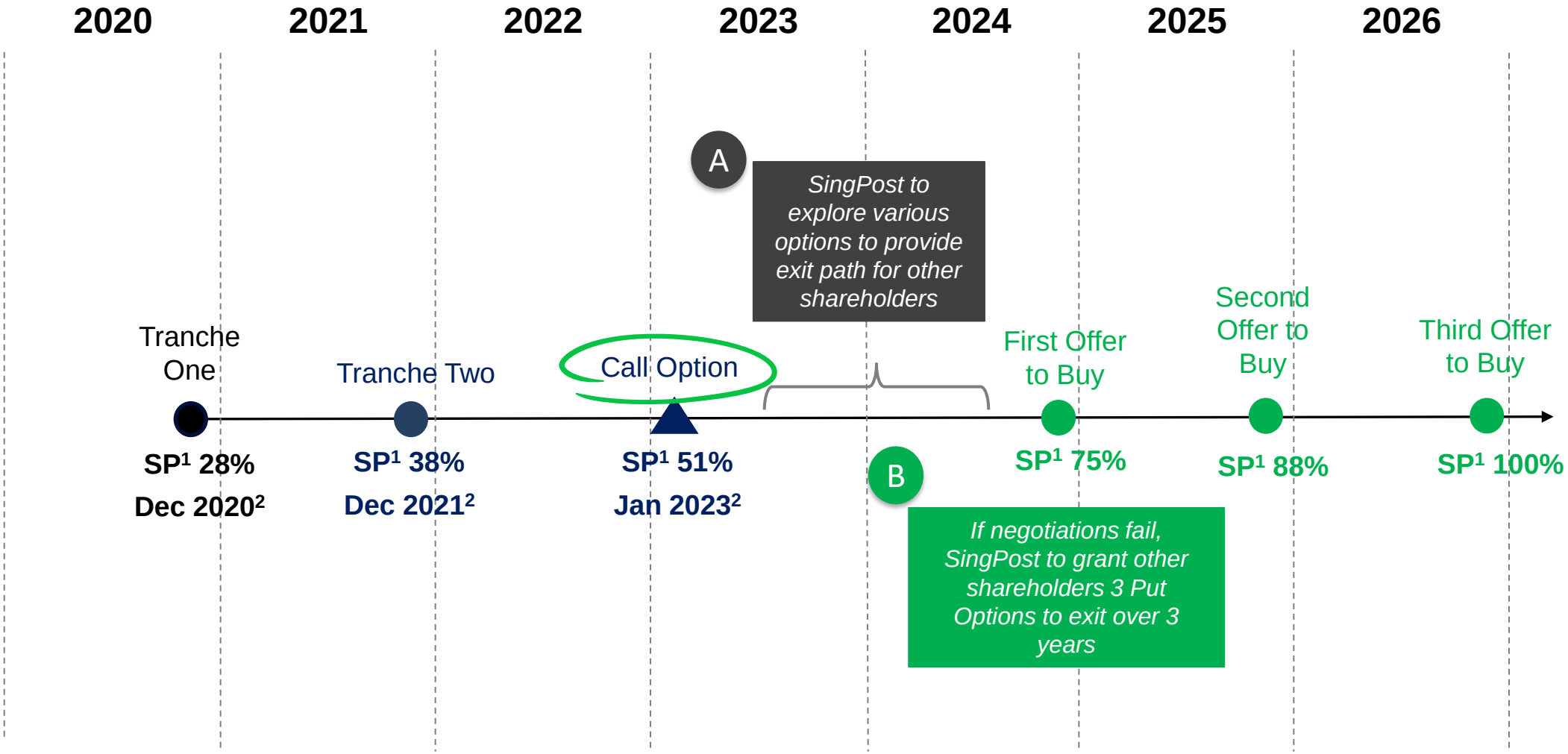


Transaction Details:

Proposed Option Shares Acquisition and Proposed Offers to Buy

Existing Arrangement – SingPost could have exercised Call Option in 2023 to increase our shareholding to 51%. Triggers clear exit path for other shareholders

ILLUSTRATIVE

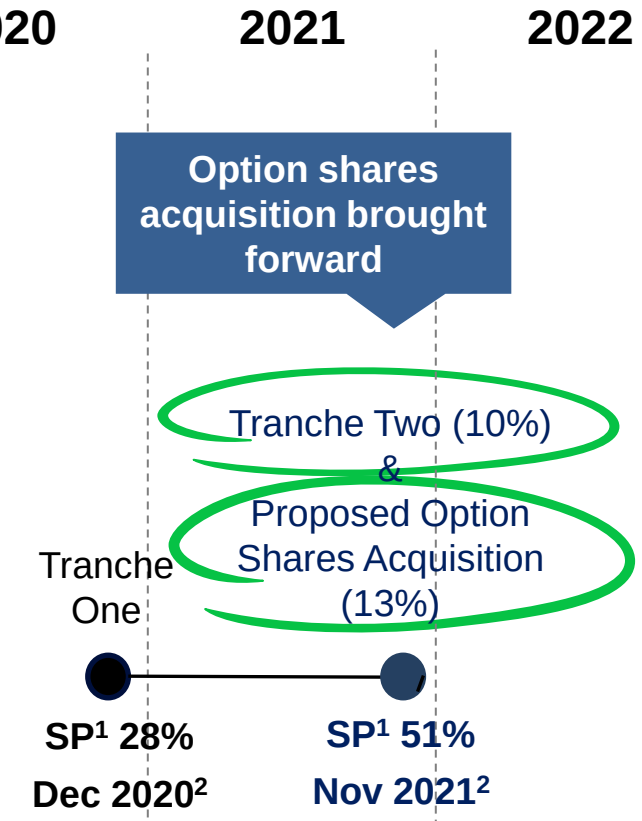


Notes:

1. Approximate SingPost's shareholding in FMH following the completion of each transaction
2. Completion date or estimated completion date.

SingPost has negotiated to accelerate Tranche Two and the Call Option. If approved, SingPost will hold 51% of FMH at completion

ILLUSTRATIVE

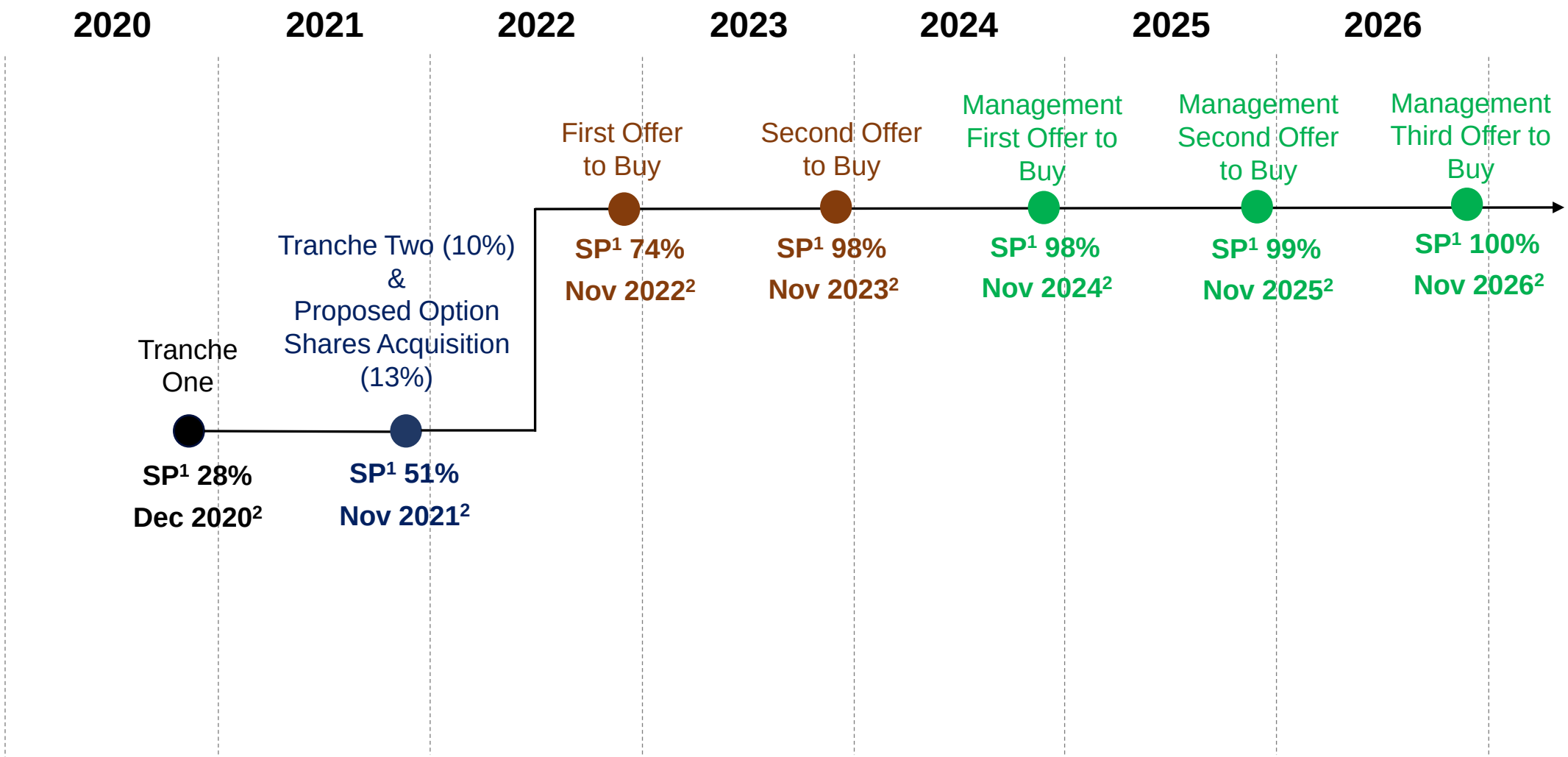


- On completion pursuant to the exercise of the Call Option, SingPost Group will hold approximately 51% equity interest in FMH
- The consideration payable for the Option Shares pursuant to the early exercise by SingPost is estimated to be A$84.5 million (~S$83.7 million)
- The transaction will be funded by SingPost Group's internal cash resources and external borrowings.

Notes:
1. Approximate SingPost's shareholding in FMH following the completion of each transaction.
2. Completion date or estimated completion date. The actual completion dates for the Offers to Buy will depend on when they are exercised.

Once SingPost has 51%. SingPost to grant Offers to Buy to other shareholders over a 5 year period to provide clear exit path

ILLUSTRATIVE

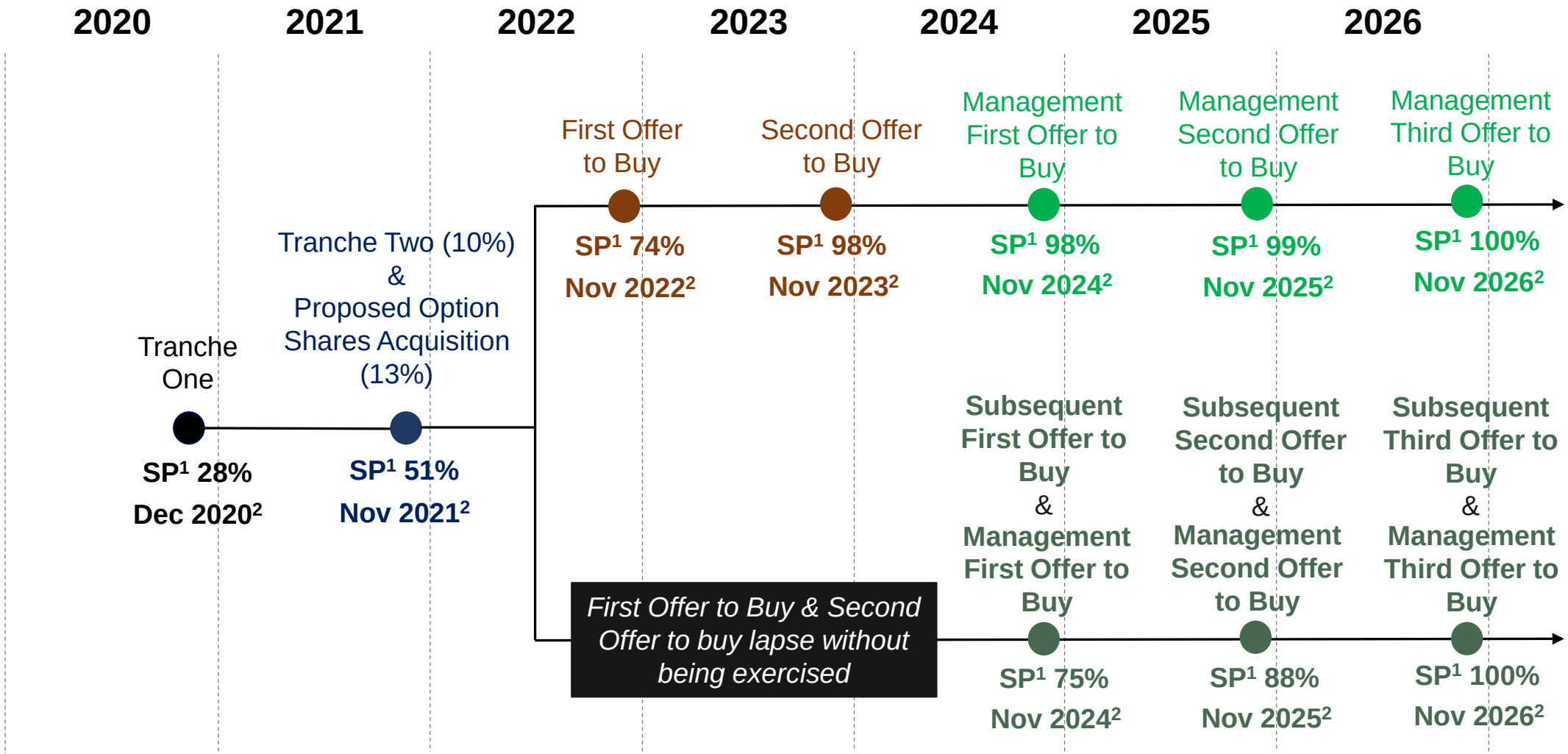


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ILLUSTRATIVE



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2. Completion date or estimated completion date. The actual completion dates for the Offers to Buy will depend on when they are exercised.

Consideration payable by SingPost in respect of the Offers to Buy could range from S$137m to over S$375m depending on future EBITDA performance at FMH. Price linked to future performance

ILLUSTRATIVE

Illustration	Assumed year-on-year EBITDA growth of FMH	Illustrative aggregate consideration payable by SingPost in respect of the Proposed Offers to Buy
Example 1	0%	S$136.9 million
Example 2	10%	S$196.3 million
Example 3	20%	S$274.4 million
Example 4	30%	S$375.1 million

For illustrative purposes only and assuming that:

- No new FMH Shares are issued under the Long Term Incentive Plan;
- The Net Debt of FMH for each financial year is zero;
- The First Offer to Buy and the Second Offer to Buy were not exercised; and
- The Subsequent Offers to Buy and the Management Offers to Buy were fully exercised.

Shareholders should note that the figures above are prepared purely for illustrative purposes only, do not amount to projections of the future financial performance of FMH and do not reflect the future financial position of FMH.

Illustrative Financial Effects – The transaction is expected to be immediately earnings accretive…

ILLUSTRATIVE

Net Tangible Assets[1]	Before the Transactions	After the Transactions
Net assets (S$ million)	1,671.4	1,704.3
Less : intangibles (S$ million)	314.5	517.6
NTA (S$ million)	1,356.9	1,186.8
Number of issued SingPost Shares (excluding treasury shares) as at 31 March 2021 (million)	2,249.6	2,249.6
NTA per SingPost Share (S$ cents)	60.3	52.8

Asset-light, technology based

Earnings Per Share[2]	Before the Transactions	After the Transactions
Net profit attributable to ordinary shareholders (S$ million) [3]	32.7	40.9
Weighted average number of issued SingPost Shares for the financial year ended on 31 March 2021 (million)	2,249.6	2,249.6
Basic earnings per SingPost Share (S$ cents)	1.46	1.82

Earnings accretive

1. For illustrative purposes only and assuming that the Tranche Two Acquisition and the Proposed Option Shares Acquisition pursuant to the exercise of the Call Option had been completed on 31 March 2021
2. For illustrative purposes only and assuming that the Tranche Two Acquisition and the Proposed Option Shares Acquisition pursuant to the exercise of the Call Option had been completed on 1 April 2020
3. Figures are arrived after deducting net profit attributable to perpetual securities.

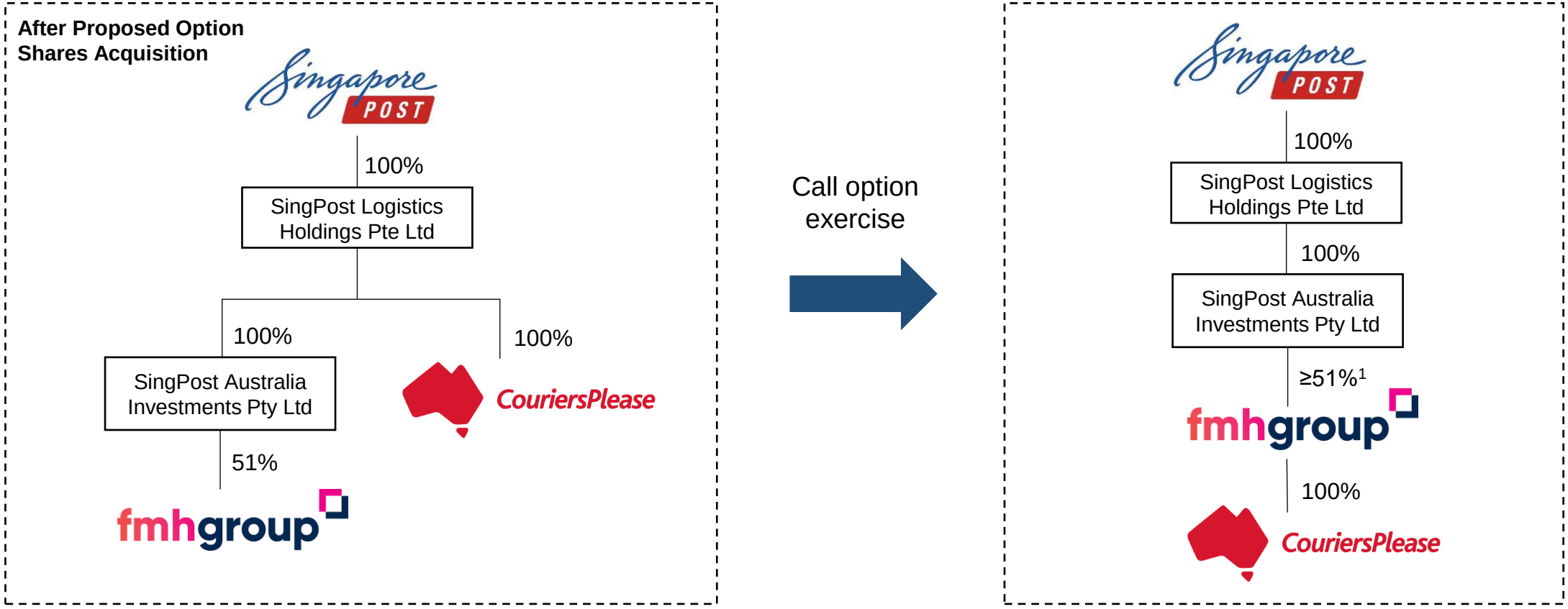


Transaction Details:

Other Key Terms

FMH granted option to acquire 100% of CouriersPlease, exercisable from 30 Sep 2022 and 30 Sep 2023

ILLUSTRATIVE



The call option provides an avenue to bring the businesses closer and enable further integration and unlocking of synergies

1. In the event FMH issues shares to SingPost for the acquisition of CouriersPlease, SingPost may hold more than 51% of FMH post deal.

SingPost and the other shareholders of FMH have agreed to create a Long Term Incentive Plan ("LTIP") for the senior management of FMH

To align the interests of senior management with the shareholders of FMH, with pre-defined long term performance goals

The awards represent the right of a LTIP participant to receive fully paid FMH Shares, their equivalent cash value or combinations thereof, subject to conditions

The terms of the LTIP will include mechanisms to ensure that SingPost's aggregate equity interest in FMH will not fall below a majority

Total number of new FMH Shares which may be issued under the LTIP shall not exceed 3% of the issued ordinary share capital of FMH


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