



MEDIA RELEASE

SingPost to divest Australia business at A\$1.02bn in enterprise value

- Australia business to be acquired by Pacific Equity Partners for A\$775.9 million in cash
- Gain on disposal of approximately S\$312.1 million
- Crystallises and unlocks value for shareholders

Singapore, 2 December 2024 – Singapore Post Limited ("**SingPost**") today announced that it has entered into a sale and purchase agreement with Pacific Equity Partners ("**PEP**") for the sale of its Australia business, Freight Management Holdings Pty Ltd ("**FMH**").

PEP shall acquire the Australia business at an enterprise value of A\$1.02 billion (approximately S\$897.6 million), which translates into A\$775.9 million (approximately S\$682.8¹ million) in cash and generates an expected gain on disposal of approximately S\$312.1 million, subject to adjustments determined at the time of Completion and any other further adjustments.

"The Board believes this divestment is the best option for shareholders by crystallising the unrealised value of the business and bringing forward unlocking value for shareholders," said Simon Israel, Chairman, SingPost.

Pacific Equity Partners Managing Director, David Brown said, "We are thrilled to welcome FMH Group to our portfolio. FMH Group has a stellar track record of growth, a passionate team and a clear and compelling trajectory. We look forward to supporting them to build on their success and facilitate further opportunities."

SingPost intends to utilise some of the proceeds to repay borrowings, in particular, its Australian Dollar-denominated debt amounting to A\$ 362.1 million (approximately S\$320.8 million) - as at 30 September 2024 - undertaken for the financing of the acquisition of FMH. The total Australian Dollar-denominated debt of the SingPost Group (including borrowings undertaken by FMH) amounted to A\$614.8 million (approximately S\$544.9 million) as at 30 September 2024.

¹ Based on an indicative exchange rate of A\$1: S\$0.88 (solely for illustrative purposes).



The SingPost Board will consider in due course, the payment of a special dividend after taking into account, amongst other things, the repayment of the Australian Dollar-denominated borrowing and future funding needs of the SingPost Group. Further announcements on such a proposed special dividend will be made at an appropriate time.

In July 2023, the Board initiated a strategic review of the SingPost Group's portfolio of businesses, with a view to enhancing shareholder returns and ensuring that SingPost is appropriately valued. In March 2024², the Board outlined its strategic intentions for the businesses and in line with this, initiated a strategic review specifically for the Australia business³ to formulate optionalities for the Group. Merrill Lynch Markets Australia Pty Limited ("**BofA**") was appointed as financial advisor to the Board.

In the course of the strategic review, SingPost received unsolicited interest in the acquisition of FMH, leading to an international competitive bid process conducted by BofA. After evaluating various options, including full and partial divestments, organic and inorganic growth strategies, the Board determined that a full divestment was the best option and a first step towards bringing forward and unlocking value for shareholders.

"Once the transaction is complete, the Board and Management will review and reset the Group's strategic plan, with a continued focus on shareholder value. We will make an announcement about this at the appropriate time," said Vincent Phang, Group CEO, SingPost.

The proposed divestment is subject to regulatory approvals such as approvals from the Foreign Investment Review Board of Australia, and SingPost obtaining the requisite approval from shareholders in an extraordinary general meeting of SingPost to be convened.

For the full details, please refer to the SGX Announcement dated 2 December 2024 on "Proposed Sale of SingPost Australia Investments Pty. Ltd."

² Please refer to the announcement "[SingPost Strategic Review Unveils Pathways to Growth and Unlocking Shareholder Value](#)" dated 19 March 2024.

³ Please refer to the announcement "[General Announcement: Strategic Review Of Australia Business To Formulate Optionalities](#)" dated 21 June 2024.



About Singapore Post Limited

Singapore Post Limited (SingPost) is a leading postal and eCommerce logistics provider in Asia Pacific. The portfolio of businesses spans from national and international postal services to warehousing and fulfillment, international freight forwarding and last mile delivery, serving customers in more than 220 global destinations. Headquartered in Singapore, SingPost has over 4,900 employees, with offices in 13 markets worldwide. Since its inception in 1858, the Group has evolved and innovated to bring about best-in-class integrated logistics solutions and services, making every delivery count for people and planet.

About FMH Group

FMH Group is a diversified logistics holding company with divisions across 4PL, warehousing, transportation and technology. Its vision is to create a new logistics ecosystem, where people and physical assets are connected through a ubiquitous technology platform, enabling true supply chain efficiency. FMH Group comprises: Australia's leading 4PL, efm Logistics; logistics technology company, Flip; transportation providers, Border Express, BagTrans, Spectrum Logistics, CouriersPlease and Logistics Holdings Australia, under which is GKR Transport, Niche Logistics and Formby Logistics. www.fmhgroup.com.au

About Pacific Equity Partners

Pacific Equity Partners (PEP) is one of Australasia's oldest, largest and most active private equity firms, currently with A\$12 billion AUM across various investment strategies. Since 1998, PEP has made more than 200 acquisitions, has engaged close to A\$50 billion of transactions, including both acquisitions and exits, and has delivered a 28% average Net IRR p.a. across the closed end funds. PEP has been the recipient of various industry awards over the past 26 years, including most recently the 2024 Firm of the Year Award from the Australian Investment Council (AIC).

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