



Wiseway Group Limited
ABN 26 624 909 682

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ASX Announcement

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Wiseway's Strategic Acquisition of Singapore-based Air Freight Company

Wiseway Group Limited (ASX: WWG or "Wiseway") announced today that its wholly owned subsidiary Wiseway Logistics Pte Ltd ("**Wiseway Singapore**") has entered into an agreement to acquire 100% of TAF E-Logistics (Asia) Pte Ltd ("**TAF**") ("**Proposed Acquisition**").

TAF is a Singapore-based freight and logistics company with more than 30 years of operations serving Singapore and the American and Southeast Asian markets. The company had a revenue of SGD\$ 1.7 million¹ (A\$ 1.7 million)² and a positive operating margin before tax for the year ended 31 December 2020, and as of 30 June 2021, it had SGD\$ 1.1 million¹ (A\$ 1.1 million)² in net assets.

Wiseway, through its subsidiary Wiseway Singapore, will be acquiring TAF for SGD\$ 1.1 million (A\$ 1.1 million)² ("**Cash Consideration**") and an issue of 400,000 fully paid ordinary shares³ in Wiseway ("**Consideration Shares**") to be issued on completion of the Proposed Acquisition. The Cash Consideration will be funded from existing cash reserves.

The Consideration Shares, representing approximately 0.3% of Wiseway's current total issued capital, will be voluntarily escrowed for two years from the date of issue. The completion of the Proposed Acquisition is subject to the satisfaction (or waiver) of certain customary conditions precedent. It is currently anticipated that completion will occur on or around 13 August 2021.

Ms Florence Tong, Wiseway Managing Director, commented, "We look forward to completing our first cross-border acquisition and welcoming TAF to our Group. This is a strategic opportunity to establish on-the-ground presence in the heart of Southeast Asia's freight and logistics hub and support our growth plans in the region.

"This in-country presence in Singapore will deliver valuable supply chain efficiencies to our operations in Southeast Asia and open new gateways for revenue synergies across our broad network of shipping destinations, especially within our key business divisions of air freight, perishables, and imports.

"Importantly, our customers will benefit from an expanded range of cost-effective freight options that cater to their everyday shipping requirements. These benefits of choice and value are exactly what customers expect from a globally integrated freight and logistics operator like Wiseway, and we will continue to work hard every day to meet these expectations.

"This acquisition is a natural stepping-stone for Wiseway to expand its presence in Asia and to drive long term growth for shareholders."

¹ Based on the company's unaudited statements for the respective periods.

² Based on an Exchange rate of SGD:AUD 1.00:1.00 as at 05 Aug 2021

³ Based on VWAP of WWG shares traded during the 5 trading days up to, and including, 05 Aug 2021, of A\$ 0.36 per share

Commenting on the Proposed Acquisition, TAF CEO, Mr Brandon Teo, said, "After building a successful business over the past 30 years, the TAF team is thrilled to be joining the Wiseway Group. We are confident that being part of a company with established global capabilities is the right next step for TAF and that together we can take advantage of the opportunities inherent in the Southeast Asian region."

Ms Tong added, "Brandon has had an impressive entrepreneurial career, building a successful business and working with a range of American, Australian and international companies to expand their footprint in Southeast Asia. He has a wealth of global logistics experience and an extensive network of relationships in the industry, and we look forward to his continued support within the Wiseway Group."

An Appendix 3B in respect of the intended issue of the Consideration Shares has been lodged with ASX at the same time as this announcement.

TAF & Singapore Hub

TAF, which has been IATA-licensed since 1990, provides a full range of services including customs brokerage and clearance, local transportation, and cross-border trucking between Singapore, Malaysia, and Thailand, in addition to international freight forwarding (Air & Sea) to Indonesia & other ASEAN countries. TAF's lean and experienced team of five full-time employees in sales, operations, finance, and warehouse management, will now become part of Wiseway's on-the-ground team in Singapore.

TAF runs its main operations from a customs-bonded warehouse, strategically located within the Singapore Changi Airport's Airfreight Centre. "Changi" is Southeast Asia's busiest airport by air cargo volume, with a capacity of 3 million tonnes that is expected to double by 2030 when the Changi East Industrial Zone ("CEIZ") project is completed.

Singapore is Australia's number one inbound and outbound air freight trade partner, according to The Bureau of the Infrastructure, Transport, and Regional Economics, claiming the largest share (18%) of total airfreight traffic activity in 2020.

Ms Tong said, "Singapore is a global shipping and air cargo hub and is already an integral shipping destination within our global network. This acquisition will uniquely fast-track the build-up of our local capabilities in Southeast Asia and place Wiseway on the doorstep of the region's fastest growing economies including Indonesia, Thailand, Malaysia, and Vietnam."

Wiseway's expansion into Singapore follows earlier operational expansions across Australia, New Zealand, and the Asia Pacific, including established branches in Guangzhou and Shanghai, and a recent expansion of US operations through a new company branch in Los Angeles, California.

Ms Tong concluded, "Wiseway has established a successful track record in expanding into overseas markets, and this acquisition is an exciting milestone on our strategic growth journey."

Ends.

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About Wiseway Group Limited (the Company)

WiseWay (ASX: WWG) is a leading provider of integrated logistics in Australia and New Zealand with a nation-wide network of strategically located warehouses and facilities and with a large modern fleet of trucks and delivery vehicles. The Company was established in 2005 and listed on ASX in October 2018. WiseWay has grown to become one of the top three outbound air freight logistics providers in Australia with a specialist focus on Australia and Asia-Pacific trade. WiseWay's focus is on cross-border logistics including air freight, sea freight, import services, domestic transportation, warehousing and customs clearance services, to a large customer base of domestic and international customers across its two main segments, general cargo and perishable cargo.

For more information, please visit www.wiseway.com.au