



February 7, 2025

NEWS RELEASE

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Notice Concerning the Acquisition of Shares of Global Freight Forwarder Morrison Express Worldwide Corporation

SG Holdings Co., Ltd. (hereinafter, the “Company”) has agreed with Morrison Express Holdings Corporation (hereinafter, the “Seller”) to acquire all shares (hereinafter, the “Transaction”) of Taiwan-headquartered global freight forwarder Morrison Express Worldwide Corporation (hereinafter, the “Target Company” or “Morrison”) through our subsidiary, SG HOLDINGS GLOBAL PTE. LTD. (hereinafter, “SGG”) or newly established wholly-owned subsidiary of SGG, and has resolved to enter into a share purchase agreement at the board of directors meeting of the Company held on February 7, 2025.

1. Purpose of the Transaction

In order to realize the Company’s corporate philosophy, the Company has set forth its long-term vision “Grow the new Story: New logistics, nurturing a new society together,” where the Company aims to “achieve consolidated operating revenues of 2.2 trillion yen in fiscal year 2030, using businesses other than parcel delivery services as growth engines, and to “achieve carbon neutrality by 2050.”

In order to realize the Company’s long-term vision, the Company has formulated its medium-term management plan, SGH Story 2024, which is based on the basic policy of “creating a next-generation competitive advantage to realize sustainable growth” and has been working on “strengthening international and overseas services” as one of its key strategies.

Morrison and its affiliated companies (hereinafter, collectively, “Morrison Express”) is a leading global freight forwarder offering comprehensive logistic solutions including international freight forwarding, contract logistics, domestic transportation and customs clearance services. With a global presence spanning 94 offices and a network that supports operations in over 100 countries, Morrison Express is widely recognized as a top performer in the air freight forwarding sector.

Established in 1972, Morrison Express has transformed from a Taiwan-based regional forwarder into one of the world’s top 20 players in the air freight market (Note 1). The success is built on a proven track record of strategic growth and operational excellence. Morrison Express plays a pivotal role in the high-tech industry by providing its logistics expertise across the highly complex value chain. Morrison Express serves a marquee customer base consisting of the world’s best-known technology companies, including semiconductor foundries, makers of semiconductor equipment, and branded mobile devices companies. This broad customer base underscores Morrison Express’ leadership and commitment to providing premium service in high-tech logistics.

In relation to the Company’s freight forwarding business, Morrison Express’ strength in air freight and high-tech verticals will be complementary with the ocean freight forwarding and commercial verticals (apparel and consumer goods) in which Expolanka, the Company’s

core company, has its strengths. The decision regarding the Transaction was made based on the judgment that the Transaction will significantly contribute to the enhancement of the Company's corporate value from the perspective of stretching the business domain in air freight forwarding business and strengthening the global logistics network centered on Asia.

(Note 1) Based on ARMSTRONG & ASSOCIATES, INC.'s ranking data by 2023 air metric tons

2. Overview of the Transaction

The Company will acquire all shares of the Target Company from the Seller in cash through SGG or newly established wholly-owned subsidiary of SGG.

3. Outline of the Subsidiary Company Conducting the Share Acquisition (SGG) (Note 2)

(1) Name	SG HOLDINGS GLOBAL PTE. LTD
(2) Location	15 Pioneer Walk, #02-01, Pioneer Hub, Singapore 627753
(3) Representative	President and CEO Bo Yu
(4) Business	Logistics Business
(5) Capital	USD 301,000,000 (as of June 30, 2024) (Note 2)
(6) Founded	June 2012
(7) Shareholders	SG Holdings Co., Ltd. (100.0%)

(Note 2) The company conducting the share acquisition may change to a newly established wholly-owned subsidiary of SGG

4. Outline of Transferred Sub-subsidiary (Morrison) (Note 3)

(1) Name	Morrison Express Worldwide Corporation		
(2) Location	(Registered in Samoa, Global Headquarters in Taiwan) 8th Floor, No.360 Rueiguang Road, Taipei 114, Taiwan		
(3) Representative	Chairman and CEO Danny T. Chiu		
(4) Business	A pure holding company that owns shares of the Morrison Express' logistics subsidiaries that conduct global freight forwarding business (freight forwarding, transportation, customs clearance services, etc.)		
(5) Capital	USD 18,053,620 (as of December 31, 2023)		
(6) Founded	June 12, 1998		
(7) Shareholders	Morrison Express Holding Corporation (100.0%)		
(8) Relationship with the Company	Capital Relationships	Not applicable	
	Personal Relationships	Not applicable	
	Transactions Relationships	Not applicable	
	Status as Related Party	Not applicable	
(9) Consolidated Operating Results and Consolidated Financial Position of the Company for the Past 3 Years (Note 4)			
Fiscal Year	Year Ending December 31, 2022	Year Ending December 31, 2023	Year Ending December 31, 2024
Consolidated Net Assets	USD 290,093,895	USD 227,829,303	USD 227,014,294
Consolidated Total Assets	USD 479,073,204	USD 380,603,080	USD 385,384,844
Consolidated Net Assets per Share	USD 16.07	USD 12.62	USD 12.57
Consolidated Operating Revenues	USD 1,520,116,817	USD 795,134,119	USD 937,373,675
Consolidated Operating Income	USD 130,212,916	USD 10,524,533	USD 35,177,707
Consolidated Income before Tax	USD 145,277,448	USD 12,691,229	USD 41,083,595
Net Income Attributable to Owners of the Parent	USD 114,032,749	USD 9,080,433	USD 33,501,266
Consolidated Net	USD 6.32	USD 0.50	USD 1.86

Income per Share			
Dividend per Share (Dividend Paid / Number of Shares Issued)	USD 0.83 (USD 15,000,000 / 18,053,620 shares)	USD 3.38 (USD 61,000,000 / 18,053,620 shares)	USD 1.19 (USD 21,500,000 / 18,053,620 shares)

(Note 3) If a newly established wholly-owned subsidiary of SGG becomes the company conducting the share acquisition, Morrison will become a great-grandchild subsidiary of the Company

(Note 4) Figures for the fiscal year ending December 31, 2024 are unaudited

5. Outline of the Seller

(1)	Name	Morrison Express Holding Corporation	
(2)	Location	Level 2, Lotemau Centre Building, Vaea Street, Apia, Samoa	
(3)	Representative	Jong Dae Lee	
(4)	Business	Holding company	
(5)	Capital	USD 50,000 (as of December 31, 2024)	
(6)	Founded	June 12, 1998	
(7)	Shareholders	Undisclosed (unlisted private company; management founders and related people hold the shares)	
(8)	Relationship with the Company	Capital Relationships	Not applicable
		Personal Relationships	Not applicable
		Transactions Relationships	Not applicable

6. Status of Shares Held Before and After the Acquisition

(1)	Percentage of Shares Held Before Acquisition	0.0%
(2)	Acquisition Shares	18,053,620 shares (Number of shares issued: 18,053,620 shares)
(3)	Percentage of Shares Held After Acquisition	100.0%
(4)	Purchase Price	USD 900 million (Note 5) (the actual purchase price will be determined after adjustments in relation to net debt and net working capital of the Target Company made at the time of completion of the Transaction)

(Note 5) Based on enterprise value

7. Schedule

(1)	Resolution Date at the Board of Directors	February 7, 2025
(2)	Execution Date of the Agreement	February 7, 2025
(3)	Execution Date of the Share Transfer	July 1, 2025 (planned)

8. Future Outlook

The Transaction will greatly contribute to the expansion of the Company's international business in the future, but the Company expects that the impact the Transaction will make on the Company's consolidated financial results for this fiscal year ending March 2025 is insignificant. An announcement will be made promptly in the event that any revision on the consolidated earnings forecast is needed or any other related matters arise.