

Speech by Mr Thomas Pang, CEO of Keppel Telecommunications & Transportation, at the Brand Launch of UrbanFox on 24 October 2017

Dr Koh Poh Koon, Senior Minister of State for Trade and Industry and National Development

Dr Lee Boon Yang, Chairman of Keppel Corporation,

Mr Loh Chin Hua, CEO of Keppel Corporation and Chairman of Keppel Telecommunications & Transportation

Distinguished Guests,

Ladies and gentlemen.

Good afternoon.

Introduction

1. On behalf of the Keppel Group and Keppel Telecommunications and Transportation, I would like to thank everyone for joining us today to witness the birth of a new brand in the Keppel family.
2. When Keppel Logistics acquired a close to 60% stake in Courex almost exactly a year ago, we did not just acquire a stake in a start-up logistics company which had crowdsourcing last-mile fulfilment capabilities. It was also a strategic step for Keppel T&T to grow our logistics division to tap into fast growing market sectors, such as e-commerce and urban logistics.
3. In addition, what we also wanted to do was to inject a bit of Courex's start-up mentality into Keppel Logistics, to change how we see ourselves and the role we can play in the marketplace.

4. The logistics industry, like many others, is at an inflexion point in this era of rapid technological change and disruption. The sweeping digitalisation wave has changed many aspects of our lives, including how we travel, how we shop, and the way that we do business.
5. Many businesses are swarmed, coping with new technologies and entrants, while at the same time trying to understand their customers' and the market's changing expectations.
6. And because logistics is at the heart of commerce, we see the mix of new technology and shifting business models creating challenges but also new opportunities for logistics solutions providers.
7. Our acquisition of Courex enables Keppel Logistics to seize these opportunities and evolve to be an omnichannel logistics solutions provider, while at the same time, enhance our core strengths in providing best-in-class third-party logistics solutions.

Being future-ready

8. Reflecting the transformation of our Logistics business and our future-ready blend of expertise, we decided to launch UrbanFox, a new brand with channel management and omnichannel logistics capabilities. Foxes are known to be adaptable, nimble and fast – and this is exactly what we want UrbanFox to be, an innovative and nimble company that can serve its customers' needs quickly and efficiently.

9. UrbanFox will draw on the track record, experience, capabilities and scale of Keppel Logistics as well as innovative technology and business models of Courex to provide reliable third-party logistics (3PL) solutions and offer a comprehensive set of omnichannel logistics and channel management services.

10. From e-commerce management that monetises idle inventory, to using our proprietary software that helps make inventory management seamless, to using our crowdsourced last mile delivery and fulfilment services to deal with seasonal peaks, UrbanFox is able to help its clients scale their businesses effectively.

11. What does this mean for our customers and businesses?

UrbanFox will deliver beyond logistics services. It can help brands to integrate their inventory with online marketplaces or help brands launch their own online platforms, so that they can accelerate and streamline the processes along the omnichannel supply chain.

12. By bridging the gaps between O2O or online and offline sales platforms, UrbanFox will be able to help businesses store, sell and send their products more effectively and cast their nets wider and further. Global brands such as Kao and Mondelez have already come onboard with UrbanFox, listing and selling their products on leading ecommerce marketplaces in Singapore.

Acknowledgements

13. I would like to express our appreciation to IE Singapore, Spring Singapore and EDB for their assistance in facilitating the formation of UrbanFox.

14. To handle this new as well as future requirements, UrbanFox will invest \$20m in the next two years into automation and process optimisation to augment their operational capabilities and subsequently to expand into the region.

15. I would also like to thank our clients who have entrusted us to go on this journey with you. Customer focus is one of the Keppel Group's Core Values, and I assure you that UrbanFox shares this same client-centric philosophy.

16. Finally, I would like to once again thank Senior Minister of State, Dr Koh and all our distinguished guests for taking time to join us today at the launch of UrbanFox.

17. I wish all of you a very pleasant day ahead.

Thank you.