



**FOR IMMEDIATE RELEASE**

## **Eng Kong increases its stake in the depot business of Keyun, a PRC logistic group, to 80%**

- Acquired a further 50% of Keyun to bring Eng Kong's total stake in Keyun's depot business to 80%
- Acquisition further strengthens Eng Kong's presence, market share and service capabilities as an integrated logistics service provider in PRC
- Mr. Teoh Tee Hien, a shipping and logistics industry veteran with 28 years' of experience, will take over as new Group CEO on 6 January 2014

**Singapore, 6 January 2014 – Eng Kong Holdings Pte Ltd** (“Eng Kong”, the “Group” or “永康控股私人有限公司”), a leading integrated logistics operator in Asia Pacific, has increased its stake in the depot business of Tianjin Keyun International Logistics Group Co., Ltd (“Keyun”, “克运” or “天津克运国际物流集团有限公司”) and its subsidiaries, a PRC logistic group with its HQ in Tianjin, to 80%. This comes after Eng Kong acquired a further 50% of Gold Prime Holdings Limited (“GPHL”), the holding company of Keyun, after having first acquired 30% of GPHL in 2008.

This transaction is Eng Kong's second acquisition in China over the last two years. Eng Kong acquired 85% of Best China Development Limited (“Best China” or “保昌发展有限公司”). Best China's subsidiary, Anxin (“安信”) is another logistics group in the PRC with its HQ in Ningbo, in 2012. The enlarged Group after these two transactions strengthen Eng Kong's market-leading presence and capabilities in the PRC, as the Group now has leading depots in Tianjin, Ningbo, Shanghai, as well as meaningful operations in Qingdao, Dalian, Hong Kong, Yantian and Shekou.



Keyun is an established logistics group providing a wide range of logistics services in the PRC, including international freight forwarding, warehousing, inland transportation, container depot services and third-party logistics services. As part of the transaction, Keyun's business has been segregated into two segments: the depot business in which Eng Kong holds an 80% stake and the non-depot business in which Eng Kong holds a 15% stake. This transaction further strengthens Eng Kong's presence, market share and service capabilities as an integrated logistics service provider in the PRC.

Mr. Eddie Li (李雄), Co-Chairman of Eng Kong, commented, "Although Eng Kong has its own depots in the PRC, our presence and market share will be greatly enhanced with this acquisition. As the new controlling shareholder of Keyun's depot business, Eng Kong will be better positioned to utilize Keyun's resources, its established logistics operations and wide network in the PRC to leverage off the Group's existing strong customer relationships and service levels, so as to increase Eng Kong's market share in the rapidly growing PRC logistics market. From a broader perspective, the acquisition is a natural development from the point when Navis Capital invested in Eng Kong in 2010, as Eng Kong has since been strategically evolved from a South East Asian leader in the container depot services sector into a leading and dominant player in Asia, including its most important market – China."

Keyun's Chairman, Mr. Fan Jinkui (范金魁), remarked, "Eng Kong has been an important strategic shareholder. Both companies have enjoyed synergistic benefits since. We look forward to Eng Kong's greater involvement in our business and believe we can scale greater heights."

Since Eng Kong's initial investment in Keyun in 2008, Eng Kong and Keyun have actively explored synergies between the two businesses, one of which was the provision of depot management services by Eng Kong for Keyun's depot business. Both parties will continue to explore other initiatives to further enhance their collective capabilities and market reach. Eng Kong looks forward to greater synergies with Keyun through the improved utilization of resources, the sharing of contacts and each other's network, and standardized operational systems, such as an ERP/IT system, between the two businesses.



Mr. Paul Ng (伍锦明), Co-Chairman of Eng Kong, added, “We have benefited from the synergies between Eng Kong and Keyun since our first investment in Keyun in 2008. The strategic advantages and benefits brought to Eng Kong from our investment have prompted us to increase our stake. Post-completion, the enlarged Group will handle in excess of 4 million TEUs of container throughput each year. Eng Kong’s shareholders are continuously keen to strengthen the Company’s network and we are currently exploring new business opportunities in Vietnam and Indonesia. We are taking the right steps in fulfilling our vision to become a leading integrated logistics service provider not just in Singapore, Southeast Asia or China, but in the Asia Pacific region.”

To lead Eng Kong to fulfil this vision, the Group has appointed Mr. Teoh Tee Hien (张智贤) to take over the helm as the new Group CEO on 6 January 2014. Mr. Teoh comes with 28 years of experience in shipping and logistics industries in Asia. He has been in lead positions in reputable logistics and shipping companies such as Sea-Land Services (now part of Maersk Line) and RCL, where he was instrumental in leading changes to RCL’s business scope and financial framework to expand RCL’s geographical footprint. The Group believes that with Mr. Teoh’s extensive experience in this sector, he will be able to lead Eng Kong in its new expanded setup to reach greater heights. Eng Kong will continue to maintain its operational headquarters in Singapore with all its key functions, such as the CEO’s office, finance, marketing, and IT divisions.

The former CEO, Mr. Ting Lap Wing Pollex (丁立荣) has stepped down on 31 December 2013 for personal reasons. The Group’s management and staff thank Mr Ting for his services rendered during his tenure as Group CEO.

– End –



### **About Eng Kong Holdings Pte Ltd**

Founded in 1978, Eng Kong is an integrated logistics operator and a key provider of container related services to global firms operating in the Asia-Pacific region. In broadening its business portfolio, the company entered into the container depot business in 1981. Its wide network and a large and growing operating area of 780,000 sq m enable it to serve major shipping and container leasing corporations around the globe. With a network of 26 fully integrated container depots around Asia-Pacific, the company provides a wide range of container support services for the logistics and infrastructure industries.

For more information, please visit Eng Kong's website at [www.engkong.com](http://www.engkong.com).

---

### **About Tianjin Keyun International Logistics Group Co., Ltd.**

Tianjin Keyun International Logistics Group was established in 1993 with its HQ in Tianjin. The company's main businesses are import & export cargo transportation and logistics services consisting of international freight forwarding and international multimodal transportation, warehousing service, equipment control service, container leasing and trading, ship operating and chartering and international project logistics services.

The company's service network covers all major PRC ports and inland cities, providing one-stop logistics services to domestic clients as well as international clients, through self-owned oversea branches staffed by over 60 agents. The company has grown through the years and has become a large reputable logistics group with many national industry licenses approved by the PRC government and many international industry certificates.

For more information, please visit Keyun's website at [www.keyun.com](http://www.keyun.com).

---

### **Media Contact:**

Mr Kamal Samuel/Mr El Lee  
Financial PR Pte Ltd  
Tel: (65) 6438 2990  
Fax: (65) 6438 0064  
E-mail: [staff@financialpr.com.sg](mailto:staff@financialpr.com.sg)