SINGAPORE POST LIMITED
("**SingPost**" or the "**Company**")
(Incorporated in the Republic of Singapore)

MINUTES OF THE 24TH ANNUAL GENERAL MEETING ("AGM") OF SINGAPORE POST LIMITED HELD ON THURSDAY 14TH JULY 2016 AT 2.30 P.M. AT LEVEL 3, SUMMIT 1 SUNTEC SINGAPORE INTERNATIONAL CONVENTION & EXHIBITION CENTRE, 1 RAFFLES BOULEVARD, SINGAPORE 039593

PRESENT

Mr Simon Claude Israel	Chairman
Mr Soo Nam Chow	Lead Independent Director, Chairman of Audit Committee
Mr Zulkifli bin Baharudin	Director, Chairman of Nominations and Corporate Governance Committee
Professor Low Teck Seng	Director, Chairman of Board Risk and Technology Committee
Mr Bill Chang York Chye	Director
Mr Justin Chen	Director
Ms Aliza Knox	Director

ABSENT WITH APOLOGIES

Mr Michael Murphy

IN ATTENDANCE

Mr Mervyn Lim	Covering Group Chief Executive Officer
Mr Woo Keng Leong	Chief Executive Officer (Postal Services)
Mr Ramesh Narayanaswamy	Group Chief Information Officer
Ms Kate Chan	Senior Vice President (Group Finance)
Mr Kok Peet Leong	Deputy Chief Executive Officer (Quantium Solutions)
Mrs Genevieve Tan McCully	Group Company Secretary

BY INVITATION

Mr Daniel Khoo	Audit Partner, PricewaterhouseCoopers LLP
Ms Yap Lune Teng	Partner, Allen & Gledhill LLP
Ms Annabelle Yip	Partner, WongPartnership LLP

SHAREHOLDERS, PROXIES, CORPORATE REPRESENTATIVES, OBSERVERS, INVITEES

As per Attendance Lists.

1. Introduction

1.1 Ms Selena Chong, Vice President, Investor Relations introduced the Directors, management and advisors. She highlighted the procedures for the Meeting to shareholders. The AGM was thereafter handed over to the Chairman.

2. Welcome Remarks By the Chairman

2.1 The Chairman greeted and thanked everyone present for their attendance. He shared that it was his first SingPost AGM since being appointed in May 2016. He invited Covering Group Chief Executive Officer Mr Mervyn Lim to give an overview of the business operations and performance.

3. Presentation by Covering Group Chief Executive Officer

3.1 Mr Mervyn Lim presented on the business operations and performance of the Group, details of which are set out in the slides attached hereto as Annex 1. The slides were announced via SGXNet after the close of trading.

4. The Chairman's Speech

4.1 The Chairman informed that he has been Chairman for just two months and it has been a steep learning curve trying to fully understand SingPost's business. He had some initial thoughts and comments to share. Some of these comments may include forward-looking statements, so trading of SingPost shares has been suspended as a precautionary measure for the duration of the AGM. A copy of his speech, which was announced via SGXNet after the close of trading, is annexed hereto as Annex 2.

5. Quorum

5.1 The Secretary confirmed that there was sufficient quorum to constitute the Meeting as required under Article 56 of the Company's Constitution.

5.2 The Chairman then proceeded to commence with the business of the AGM.

Singapore Post Limited (Reg. No 199201623M)
10 Eunos Road 8, Singapore Post Centre
Singapore 408600 **www.singpost.com**

6. Notice of AGM

6.1 The Notice of AGM dated 22 June 2016 convening the Meeting was agreed to be taken as read.

6.2 Pursuant to Rule 730A(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Chairman exercised the right under Article 61(a) of the Company's Constitution to direct that voting on each of the 12 resolutions as set out in the Notice of AGM be conducted by way of poll. The Chairman informed shareholders that polling would be conducted electronically.

6.3 The Chairman informed shareholders that RHT Corporate Advisory Pte Ltd has been appointed as scrutineers for the conduct of the poll.

6.4 Mr Raymond Ang of RHT Corporate Advisory Pte Ltd informed shareholders that the electronic poll voting services were provided by Trusted Source Pte Ltd and apprised shareholders of the procedures for voting by poll.

6.5 Shareholders voted on a test resolution to ensure that the devices were working properly. Mr Raymond Ang declared the test resolution carried based on the results.

6.6 Mr Raymond Ang announced that certain members had appointed the Chairman to vote on their behalf, and that the Chairman would be voting for or against certain resolutions to be voted on at the AGM, according to such members' instructions.

AS ORDINARY BUSINESS

7. Ordinary Resolution No. 1 – To receive and adopt the audited Financial Statements for the financial year ended 31 March 2016, and the Directors' Statement and Independent Auditor's Report thereon

7.1 The Chairman requested for a proposer and a seconder for the following motion:

"THAT the Audited Financial Statements of the Company for the financial year ended 31 March 2016, Directors' Statement and Independent Auditors thereon, be and are hereby approved and adopted."

7.2 Mr Chang Kok Thye proposed and Mr Lim Oh Teo seconded the motion. The Chairman invited questions from shareholders.

Singapore Post Limited (Reg. No 199201623M)
10 Eunos Road 8, Singapore Post Centre
Singapore 408600 **www.singpost.com**

7.3 Mr Mano Sabnani referred to page 150 of the Company's Annual Report 2015/2016 ("**Annual Report**"), which stated that a total of S$493 million was attributed to goodwill. Highlighting the goodwill in respect of the acquisitions of Famous Holdings Pte Ltd and TradeGlobal Holdings, Inc. ("**TradeGlobal**"), Mr Sabnani questioned whether the Board was satisfied that the goodwill was reasonable, and that there would be no need, in the foreseeable future, to write-down the goodwill.

7.4 The Chairman explained the need to distinguish between the price paid and the business case that supports the underlying valuation. At this point in time, the Board is not aware of anything that would undermine the business case. Having said that, circumstances may change, and, a requirement for impairment may arise in the future.

7.5 Mr Mano Sabnani also referred to note 35 on page 190 of the Annual Report, which he noted gave a good indication of the performance of the business segments of the SingPost group. He drew comparisons with the previous year's results on page 191 of the Annual Report. He noted that the return on assets was substantially lower for eCommerce as compared with traditional mail business which the Company was trying to diversify away from. Mr Sabnani raised questions on the success of the Company's diversification strategy. He inquired whether there was a case to bring Dr Wolfgang Baier back as he had spearheaded the Company's diversification, and had a responsibility to show that the Company's acquisitions would work. Noting Dr Sascha Hower's recently announced departure as Chief Operating Officer, Mr Sabnani commented on the importance of continuity for putting the Company back on track.

7.6 The Chairman directed the financial question to Mr Mervyn Lim. The latter explained that the Company's strategy of protecting the core postal business had not changed. He elaborated on the performances of domestic and international mail. Domestic mail is a regulated business and has a higher profit margin. While this area is being disrupted by e-substitution, the tipping point has not yet been reached. International mail has increased because of the Company's eCommerce strategy, more than making up for the decline in domestic mail. The Company's expectation was that there would be a dilution in overall postal operating profit margin. Mr Mervyn Lim stated that the operating profit margin for eCommerce logistics for the financial year ended 31 March 2016 was between 4% to 6%. The industry benchmark is 10% and the Company is working towards this. Mr Mervyn Lim stated that the Company was looking at a strategy of transformation, and it was inevitable that the return on equity ("**ROE**") would be blended downwards because of the change in the business mix. Mr Mervyn Lim explained that the eCommerce business requires investments in infrastructure, hence the need to invest in IT and operational capabilities as well as marketing and sales in order to acquire more brands to supplement current brands. Mr Mervyn Lim explained that the US acquisitions were still at an early stage as both Jagged Peak, Inc. ("**Jagged Peak**") and TradeGlobal were acquisitions completed less than eight months ago, and the peak of their annual business cycle being the year-end festive season had not yet been reached.

7.7 The Chairman responded to Mr Mano Sabnani's concern over Dr Wolfgang Baier, explaining that different business needs require different leaders at different times. Although it would be ideal to retain the same Group CEO to complete execution and strategy, the Company's tasks ahead require a Group CEO of a different profile. Dr Baier's departure was a personal decision, as was Dr Sascha Hower's. The Chairman informed that there was a strong internal candidate who could step into Dr Hower's shoes, and this would be announced by the Company.

7.8 In response to Mr Sunny Tan Keng Sooi's question on the withdrawal of the law suit against Mr David Gerald, the Chairman informed that a letter had been sent to request for information. The matter was closed as the information has been furnished.

7.9 Mr Sunny Tan Keng Sooi noted that the Company's acquisitions had resulted in a large amount of goodwill on the Company's books. He inquired why the Company had thought fit to pay so much. The Chairman referred Mr Tan to the explanation given earlier in his speech.

7.10 Mr Sunny Tan Keng Sooi inquired why the Company had acquired loss-making companies, identifying TradeGlobal and Jagged Peak as examples. Mr Mervyn Lim explained that the acquisition amounts paid included consideration for intangibles such as brands, customer relationships and trademarks, resulting in the goodwill premium. He pointed out the fact that both TradeGlobal and Jagged Peak actually closed their financial years on 31 March 2016 at an operating profit.

7.11 In response to Mr Sunny Tan Keng Sooi's question on the sustainability of dividend payout, the Chairman referred to his earlier speech where he mentioned that the dividend policy of the Company would be reviewed, and until the policy was reviewed, the Chairman was unable to comment further.

7.12 Mr David Chan Sig Yam referred to an article in the Straits Times by Mr David Gerald who had commented on the goodwill on the Company's books from acquisitions, and had further commented that intangible assets could not be easily converted into cash. Mr Chan suggested that going forward the Company should call for an Extraordinary General Meeting to approve acquisitions involving a substantial amount of goodwill.

7.13 Mr Chong Chai Huat noted that the Company's share price on 13 July 2016 was S$1.57, down from S$2.00 24 months earlier. He expressed unhappiness over the small increase in underlying net profit of the Company, recorded on page 33 of the Annual Report noting that shareholders are primarily seeking returns on their investments, reasonable dividends and a good increase in share value. Mr Chong commented that Alibaba had invested in the Company two years ago, but appears now to be hesitant to make further investments.

7.14 Mr Peter Lum referred to the intangible assets on page 151 of the Annual Report, and highlighted the reduction in the assumption of average cashflow growth rate for Famous Holdings Pte Ltd and General Storage Company Pte Ltd from 6.6% to 1.9% and 13% to 3% respectively. Mr Lum inquired about impairment in respect of these two companies.

7.15 Mr Mervyn Lim explained that the assumptions were based on management's best estimate at that time. The reductions reflected the slow-down in global trade volumes and the uncertain global environment. He stated that management had adopted a conservative stance. Mr Mervyn Lim shared that the results of the business case for the previous year had created adequate headroom with regards to the carrying value, such that the conservative adoption of growth assumptions for the financial year ended 31 March 2016 had enabled the carrying value to be still supported by the value in use calculation.

7.16 Mr Peter Lum then referred to TradeGlobal and Jagged Peak, and highlighted their high average cashflow growth rate assumptions of 23% and 18% respectively. Mr Lum questioned whether shareholders would see impairment if their growth rates were to decline to the same level as Famous Holdings Pte Ltd and wanted to know how much headroom there is for the two companies.

7.17 Mr Mervyn Lim explained that the growth rates were obtained based on certain factors, and were the best estimates at the time of acquisition. He further explained that these estimates and calculations are part of the business case which have been subject to commercial due diligence, and the numbers had been validated by independent third party professionals that follow the closure of every transaction. Mr Mervyn Lim reiterated the Chairman's earlier statement, stating that TradeGlobal and Jagged Peak are acquisitions of fewer than eight months and four months respectively and highlighted that they are seasonal businesses with their peak trading periods of Black Friday, Cyber Monday and Christmas still ahead of them.

7.18 Mr Peter Lum noted SingPost's average ROE of 16% to 21%, and suggested that for future acquisitions, 16% should be the minimum ROE. If the ROE is less than 16%, Mr Lum commented that the Company should repurchase its own shares as this would give shareholders a better return.

7.19 Mr Mervyn Lim shared that the Company's investment criterion is that returns calculated on its investments must always exceed the Company's hurdle rate, which is the weighted average cost of capital.

7.20 Mr Peter Lum next referred to Principle 8 on page 51 of the Annual Report regarding the level and mix of remuneration, sharing his belief that the current compensation package is unable to retain or motivate the Group CEO. Mr Lum suggested a long-term incentive plan for the incoming Group CEO to ensure the incoming Group CEO has long-term interests which align with shareholders.

7.21 Mr Tan See Peng observed that where there is danger there is always opportunity. He identified a business opportunity in the setting up of overseas data centers, noting that in the logistics business, a large amount of data is generated.

7.22 Mr Lee Kim Ming noted that the 2016 results benefitted from the divestment of three non-core properties. He inquired if there was any more value that the Company can unlock in the coming years.

7.23 The Chairman explained that the Directors were careful to avoid making forward-looking statements. The Board will review if there are potential disposals of non-core assets that could provide an opportunity to further realise value.

7.24 Mr Leong Yee Sing commended the Chairman's address, commenting that the integration of acquired companies is not an easy matter. Mr Leong wished to know what the Company has done to manage the differences in culture and personnel, and the process to successfully manage integration, critical for the Company's transformation.

7.25 The Chairman referred to the qualities of the next Group CEO outlined in his earlier address, and that a key attribute of the next Group CEO should be the ability to integrate the culture of the various businesses.

7.26 Mr Mervyn Lim identified three areas for post-merger integration, being the integration of (a) revenue or business synergies, (b) cost or effectiveness synergies, and (c) operating platform/technology synergies. He informed that integration of synergies at all three levels for the various acquisitions was in progress. Examples of integration to-date include cost savings enjoyed with one common supplier for both TradeGlobal and Jagged Peak, existing technology being rolled out to Australia and the order management system used by Jagged Peak being extended to Southeast Asia.

7.27 Mr Chan Hean Loon enquired whether earnings from acquisitions would be accretive to the Company and its shareholders, bearing in mind the seasonal nature of the income stream. Mr Chan also commented that the enhancements to the Company's corporate governance and the arrival of a new chairman were commendable. He asked whether senior management was able to stand up to the Board.

7.28 Mr Mervyn Lim explained that the investments were at early stages. Certain prices were paid for the investments based on management's best estimates of the underlying assumptions at the time of acquisition. As to whether the Company overpaid, paid the right price, or got the acquisition at a bargain, this would depend on execution, and that the Company was mindful that it would need to execute successfully. Mr Mervyn Lim clarified that the Company would like its investments to be accretive, but that it would take time for these investments to materially contribute to its bottom line.

7.29 The Chairman explained that good governance of a company begins at the top and sets the tone for both Board and management. Mr Chan Hean Loon's attention was brought to the Company's new policy on conduct of business and ethics for directors which facilitates an environment where the Board would be open and receptive to suggestions and inputs from management.

7.30 Mr Law Ren Hui referred to page 37 of the Annual Report, pointing out that the logistics' operating profit is S$37 million. Mr Law wished to know what range shareholders can expect in the future.

7.31 Mr Mervyn Lim explained that integration is in the early stage and that the full profit potential of the logistics business has yet to come to fruition. He cited Quantium Solutions International Pte Ltd as an example of integration that is still in progress. Mr Mervyn Lim highlighted improvements in the Company's operating profit margin, and emphasised that the next financial year's performance would ultimately be dependent on execution, which would take time.

7.32 Mr Law Ren Hui asked if there was any expectation of when it will stabilise to which Mr Mervyn Lim replied in the negative.

7.33 Mr Qua Sai Chuan referred to page 213 of the Annual Report, noting the divestment of GD Express Carrier Berhad ("**GDEx**"). Mr Qua queried the rationale of the divestment. He viewed GDEx as one of the most forward-looking young Malaysian companies. Mr Qua sought comments from the Board on the divestment.

7.34 Mr Mervyn Lim clarified that the Company had not wholly divested its stake in GDEx. The Company initially held a 23% interest in GDEx, and had partially divested 12%, with 11% interest remaining. Mr Mervyn Lim clarified that with a price/earnings multiple ("**P/E multiple**") of 75 times, SingPost had by divesting 12%, received a significant gain on sale. He also explained that the shares were sold to Yamato Asia Pte Ltd, a company SingPost was working with. Mr Mervyn Lim shared that even though the Company holds less than a 20% interest in GDEx, GDEx is still treated as an associate of the Company because the Company continues to hold one board seat.

7.35 Mr Qua Sai Chuan informed that he lives in Johor Bahru, Malaysia and noted an increase in mail delivery time for mail originating from Singapore. He sought verification on his belief that mail travels from Singapore to Kuala Lumpur, before returning to Johor Bahru.

7.36 Mr Woo Keng Leong offered his assurance that service quality is the Company's topmost priority. The Company had launched a three-year service improvement programme and there has been a 43% decrease in complaints. The Company will address the issue with Pos Malaysia.

7.37 Mr Lee Weng Fatt referred to the corporate governance review. He asked if the Board had evaluated the outcome of the review and whether the Board had considered if it was appropriate to claw back fees paid to affected individuals. The question was deferred by the Chairman to the discussion on the resolution regarding directors' fee later.

7.38 Mr Yeo Wei Huang referred to the Retail & eCommerce column on page 190 of the Annual Report. Noting the revenue and operating profit margins, Mr Yeo inquired whether the reference to "retail" referred to rental, and asked if the loss from the eCommerce portion of the business was about S$30 million.

7.39 Mr Mervyn Lim explained that "retail" consisted of two components, namely, post office transactions (such as agency transactions) and financial services (such as remittance and insurance). The eCommerce section represented mainly the performance of its US investments which were still in early stage; both TradeGlobal and Jagged Peak being acquired less than eight months and are seasonal businesses with their peaks of November and December still ahead of them. He added that the eCommerce business requires infrastructure investments in both information technology and operational capabilities, as well as marketing and sales as part of its Go-To-Market strategy.

7.40 In response to Mr Yeo Wei Huang's question if the loss from eCommerce has stabilized, Mr Mervyn Lim said that he could not comment as it would be a forward-looking statement, but that the investments were still in their early stages.

7.41 Referring to the profiles of Directors in the Annual Report, Mr Yeo Wei Huang expressed his hope that the Chairman and Group CEO profiles should appear side by side. He also noted that only the Chairman has a message/letter to shareholders in the Annual Report. He suggested that the Annual Report should feature a letter to shareholders from the Group CEO as well. Referring to the goodwill section on page 150 of the Annual Report, Mr Yeo suggested that each acquisition be accompanied with an explanation and elaboration on its business. Mr Yeo further suggested that the share price performance should be benchmarked against similar companies, and not just against the Straits Times Index.

7.42 Mr Sunny Tan Keng Sooi enquired about the Company's charity policy and how much the Company gave to charity. The Board did not have the figure for charitable expenditure offhand.

7.43 Mr Ivan Lu queried whether the Board had guidelines on benchmarking P/E multiple for acquisitions that it considered to be fair value. Mr Lu noted that from reports that Jagged Peak had recorded a net loss over the last two calendar years, and had been acquired at a P/E multiple of about 33. He asked if the Board thought this value seemed high.

7.44 The Chairman explained that the P/E multiple was merely one factor which would be tested across a range of other factors and variables. There is no universal formula that can be applied to all acquisitions to determine if they would benefit the Company.

7.45 Mr Ivan Lu queried whether the Company had any projections of how the acquired businesses would perform.

7.46 The Chairman explained that the Company has a business model that it applies to arrive at a value for each business, but that it is forward-looking information which cannot be shared. He explained that the Board had to be satisfied that value would be created for the Company in excess of its cost of capital, which would offer a positive return for shareholders. Mr Mervyn Lim referred to page 151 of the Annual Report, explaining that the average cashflow growth rate adopted gave some indication of the business case. He further added that execution by the Company following the acquisition was a key factor.

7.47 Ms Emilia Jeow Ah Eng referred to the Director's Remuneration section on page 52 of the Annual Report. She noted that the remuneration of the Group CEO was 80% in the form of cash and 20% in the form of shares. Ms Jeow expressed her opinion that there is a greater likelihood of retaining talent if the proportions had been the other way round.

7.48 The Chairman explained that there needs to be a correct balance between fixed income, variable income and long-term income, and it was key that a sound remuneration policy be put in place which would achieve this balance.

7.49 Ms Emilia Jeow Ah Eng cited large US companies as examples of paying a 60% to 40% shares to cash ratio in remuneration.

7.50 The Chairman responded that what might work for some companies might not work for others, and criticism had also been levied against the remuneration structures of US companies. He added that compensation is not the only reason for a person's resignation. He stated that it was the role of the remuneration committee to arrive at the right remuneration package to ensure that the Company is being managed and employees are being incentivised in the right way.

7.51 *Note: Mr Lee Weng Fatt, who had earlier raised the question on clawback of directors' fees, announced that he was leaving the AGM. He requested that his question be addressed in due course.*

7.52 Mr Chen Beng Hwa asked if there was any back-up plan if, after five years, the acquisitions did not work out, and if, for example, there were any plans to divest the acquired businesses.

7.53 The Chairman explained that the Board constantly reviews the strategy such that if the Board forms the view that a particular strategy is not working, the Board will take prompt measures to revise the strategy.

7.54 As there were no further questions, the Chairman proceeded to put Resolution 1 to the vote by poll.

7.55 The poll results for Resolution 1 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,026,997,739	99.91	964,823	0.09

7.56 Based on the results of the poll, the Chairman declared Resolution No. 1 carried and proceeded to the next item on the Agenda.

8. Ordinary Resolution No. 2 – To declare a final tax exempt one-tier dividend of 2.5 cents per ordinary share in respect of the financial year ended 31 March 2016

8.1 The Chairman requested for a proposer and a seconder for the following motion:

"THAT a final tax exempt one-tier dividend of 2.5 cents per ordinary share in respect of the financial year ended 31 March 2016, to be paid on 3 August 2016 as recommended by the Directors, be and are hereby approved."

8.2 Mr Chia Fun Liang proposed and Mr Wu Jiang Hua seconded the motion. The Chairman invited questions from shareholders.

8.3 Mr Mano Sabnani referred to page 90 of the Annual Report. Based on the profit and loss statements for the past financial year, Mr Sabnani calculated that the recurrent net earnings of the Company were insufficient to cover the dividend of 7 cents per share proposed to be paid for that financial year. Mr Sabnani noted that the dividend policy would be reviewed, but expressed his opinion that it was not sustainable unless the Company enjoys a significant increase in recurring profits.

8.4 The Chairman re-iterated that the dividend policy will be reviewed and that to be sustainable, the dividend amount should be a proportion of earnings.

8.5 Mr Chen Wei Chiang expressed his hope that the Company's investments would pay off and produce earnings which could contribute to a sustainable dividend payout.

8.6 As there were no further questions, the Chairman proceeded to put Resolution 2 to the vote by poll.

8.7 The poll results for Resolution 2 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,028,407,853	99.98	215,890	0.02

8.8 Based on the results of the poll, the Chairman declared Resolution No. 2 carried and proceeded to the next item on the Agenda.

8.9 As the next resolution related to the Chairman's re-election, the Chairman proposed that Lead Independent Director Mr Soo Nam Chow takes over the chair of the proceedings for the next resolution.

8.10 Mr Soo Nam Chow took over the proceedings in respect of Ordinary Resolution No. 3.

9. Ordinary Resolution No. 3 – To re-elect Mr Simon Claude Israel who retires in accordance with Article 97 of the Company's Constitution and who, being eligible, offers himself for re-election

9.1 The Chairman requested for a proposer and a seconder for the following motion:

"THAT Mr Simon Claude Israel, who retires in accordance with Article 97 of the Company's Constitution and, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

9.2 Mr Wu Jiang Hua proposed and Mr Tay Yam Chua seconded the motion. Mr Soo Nam Chow invited questions from shareholders.

9.3 Mr Chong Chai Huat noted that there were directors with years of experience on the Board, and cited Professor Low Teck Seng and Mr Zulkifli bin Baharudin. He queried why an external party was appointed as the Chairman instead.

9.4 Mr Soo Nam Chow informed that this issue had been extensively discussed by the Board, and invited the chairman of the Nominations and Corporate Governance Committee, Mr Zulkifli bin Baharudin to comment.

9.5 Mr Zulkifli bin Baharudin shared that the Board tried to find the best person for the job and that Mr Simon Israel was proposed amongst many others. The Board concluded that he was the best candidate, despite the fact that he served also as the chairman of Singapore Telecommunications Limited ("**Singtel**"). Mr Zulkifli bin Baharudin informed that as part of the Board renewal process the Board was still identifying other candidates through an inclusive and comprehensive process. He clarified that the Chairman was not appointed as a representative of Singtel, but that Mr Bill Chang York Chye was the Singtel nominee director.

9.6 Mr Sunny Tan Keng Sooi expressed the opinion that appointing an external candidate was a prudent decision, given that the existing Directors had been affected by the well-publicised corporate governance issues.

9.7 Mr Soo Nam Chow reiterated Mr Zulkifli bin Baharudin's statement that the process of Board renewal is in progress.

9.8 Mr Chen Wei Chiang inquired on Directors' absenteeism from the AGM.

9.9 Mr Zulkifli bin Baharudin and Mr Soo Nam Chow clarified that only Mr Michael Murphy was absent. Other Directors whose names appear in the Annual Report who were absent from the AGM have since retired.

9.10 In response to comments by Mr Chen Wei Chiang and Mr Sunny Tan Keng Sooi on the reduction of directors' fees, Mr Soo Nam Chow said this issue would be answered later in the AGM.

9.11 As there were no further questions, Mr Soo Nam Chow proceeded to put Resolution 3 to the vote by poll.

9.12 The poll results for Resolution 3 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,021,735,857	99.54	4,743,130	0.46

9.13 Based on the results of the poll, Mr Soo Nam Chow declared Resolution No. 3 carried.

9.14 Mr Soo Nam Chow handed proceedings of the Meeting back to the Chairman.

10. Ordinary Resolution No. 4 – To re-elect Ms Aliza Knox who retires by rotation in accordance with Article 91 of the Company's Constitution and who, being eligible, offers herself for re-election

10.1 The Chairman requested for a proposer and a seconder for the following motion:

"THAT Ms Aliza Knox, who retires by rotation under Article 91 of the Company's Constitution and, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

10.2 Mr Guo Xianren proposed and Mr Lim Oh Teo seconded the motion. The Chairman invited questions from shareholders.

10.3 As there were no questions, the Chairman proceeded to put Resolution 4 to the vote by poll.

10.4 The poll results for Resolution 4 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,021,216,343	99.49	5,215,725	0.51

10.5 Based on the results of the poll, the Chairman declared Resolution No. 4 carried and proceeded to the next item on the Agenda.

11. Ordinary Resolution No. 5 – To re-elect Mr Soo Nam Chow who retires by rotation in accordance with Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election

11.1 The Chairman requested for a proposer and a seconder for the following motion:

"THAT Mr Soo Nam Chow, who retires by rotation under Article 91 of the Company's Constitution and, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

11.2 Mr Wong Ai Cheng proposed and Mr Kuek Sui Liang seconded the motion. The Chairman invited questions from shareholders.

11.3 In response to Mr Chen Wei Chiang's question on the appointment of PricewaterhouseCoopers LLP ("**PwC**") for the independent special audit, Mr Soo Nam Chow said PwC was a clear choice as various firms that had the capability to undertake the work were conflicted from being appointed for the special audit. He explained that the Board had taken into account the fact that PwC was bound by stringent independence rules. The Board had reviewed PwC's performance and was satisfied that PwC was able to remain independent and professional. Mr Soo reiterated that PwC's financial audit was not in conflict with the independent special audit, and that there was no conflict of interest.

11.4 Mr Chen Wei Chiang said that it was as important to avoid any perception of conflict as it was to avoid actual conflict. He also observed that as a result of the appointment of PwC, the Board had to appoint Drew & Napier LLC as joint special auditor.

11.5 Mr Soo Nam Chow explained that in the joint special audit exercise, the Company had the benefit of PwC's expertise as well as the legal perspective of Drew & Napier LLC. Both parties contributed value to the special audit, and the joint special audit served the interests of the shareholders.

11.6 Mr Chong Chai Huat reiterated Mr Chen Wei Chiang's statement that the special auditors should be perceived by the public as independent.

11.7 Mr Chen Wei Chiang inquired whether the independent directors were able to act independently.

11.8 Mr Soo Nam Chow identified five Directors, namely Mr Bill Chang York Chye, Mr Zulkifli bin Baharudin, Professor Low Teck Seng, Ms Aliza Knox and Mr Soo himself as Directors who had brought about a large number of changes to corporate governance. Four of them are independent Directors.

11.9 Mr Sunny Tan Keng Sooi expressed his opinion that existing Directors should all leave the Board.

11.10 Mr Mano Sabnani intervened and said he would like to offer an apology to the Directors on behalf of shareholders. It was not right to ask all existing Directors to leave, and that personal attacks on Directors were unfair.

11.11 The Chairman informed that upon joining the Board, it was apparent that the existing Directors have been working extremely hard to tackle the corporate governance issues that had surfaced. Shareholders need to be mindful whether it was in their interests to have a company without a board, if Directors were not re-elected.

11.12 Mr Zulkifli bin Baharudin explained that during the corporate governance review exercise, all Directors had been evaluated, including the Directors who were present at the AGM. The Directors proposed for re-election had gone through the corporate governance review evaluation and were found to be suitable to serve on the Board and the various Board committees.

11.13 As there were no further questions, the Chairman proceeded to put Resolution 5 to the vote by poll.

11.14 The poll results for Resolution 5 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,016,927,945	99.10	9,250,257	0.90

11.15 Based on the results of the poll, the Chairman declared Resolution No. 5 carried and proceeded to the next item on the Agenda.

12. Ordinary Resolution No. 6 – To re-elect Zulkifli bin Baharudin who retires by rotation in accordance with Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election

12.1 The Chairman requested for a proposer and a seconder for the following motion:

"THAT Mr Zulkifli Bin Baharudin, who retires by rotation under Article 91 of the Company's Constitution and, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

12.2 Mr Fok Keng Weng @ Fok Ah Chai proposed and Mr Sim Juay Cheow seconded the motion. The Chairman invited questions from shareholders.

12.3 As there were no questions, the Chairman proceeded to put Resolution 6 to the vote by poll.

12.4 The poll results for Resolution 6 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
994,753,358	97.00	30,722,508	3.00

12.5 Based on the results of the poll, the Chairman declared Resolution No. 6 carried and proceeded to the next item on the Agenda.

13. Ordinary Resolution No. 7 – To approve directors' fees payable by the Company of S$1,572,900 for the financial year ended 31 March 2016 (2015: S$1,485,550)

13.1 The Chairman addressed the question earlier posed by Mr Lee Weng Fatt on whether the Board should claw back past Directors' fees. The Chairman replied that there was no legal basis to do so. He also addressed Mr Chen Wei Chiang's earlier question on whether or not the Board should consider a voluntary reduction in their fees. The Chairman said that that this was up to the Directors to volunteer, and not a legal issue.

13.2 The Chairman requested for a proposer and a seconder for the following motion:

"THAT a sum of S$1,572,900 be paid by the Company by way of fees to the Directors for the financial year ended 31 March 2016."

13.3 Mr Sim Juay Cheow proposed and Mr Fok Keng Weng @ Fok Ah Chai seconded the motion. The Chairman invited questions from shareholders.

13.4 The Chairman announced that all Directors who held shares in the Company would abstain from voting on the motion, but would vote as the appointed proxies of any member who had given specific instructions on how his vote was to be cast in respect of this resolution.

13.5 Mr Chen Wei Chiang referred to a list of proposed directors' fees for all Directors, on page 52 of the Annual Report. He queried whether the numbers were subject to revision by the Board, or was there no further discretion on the matter after shareholders' approval. He also queried whether a director could voluntarily decide to receive an amount lower than full fees, even after shareholders had approved payment of full fees.

13.6 The Chairman replied that if shareholders approved the fees, it would be up to the individual Director to decide how he or she would regard his/her fees. Mr Chen Wei Chiang noted that it would be ironic if only those Directors who remained took a reduction on their fees and not the Directors who had left the Board.

13.7 Mr Chong Chai Huat suggested that non-executive and independent Directors be given a higher amount of fees in order to oversee management, on the condition that every non-executive and independent Director should not hold more than, say, three listed company positions.

13.8 As there were no further questions, the Chairman proceeded to put Resolution 7 to the vote by poll.

13.9 The poll results for Resolution 7 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
801,567,161	99.52	3,897,094	0.48

13.10 Based on the results of the poll, the Chairman declared Resolution No. 7 carried and proceeded to the next item on the Agenda.

14. Ordinary Resolution No. 8 – To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the directors to fix their remuneration

14.1 PwC had expressed their willingness to accept reappointment as auditors. The Board had deliberated and had decided to tender out the audit for the next financial year onwards (FY2016/17), and the Company would be preparing a request for proposals for the tender process.

14.2 The Chairman requested for a proposer and a seconder for the following motion:

"THAT PricewaterhouseCoopers LLP be and are hereby re-appointed as Auditors of the Company to hold office until the next Annual General Meeting, and that the Directors of the Company be authorised to fix their remuneration."

14.3 Mr Soh Yi Da proposed and Mr Guo Xianren seconded the motion. The Chairman invited questions from shareholders.

14.4 Mr Chong Chai Huat suggested that the Company rotates auditors, and that an auditor should not be in the position for more than five or a maximum of nine years.

14.5 In response to Mr Sunny Tan Keng Sooi's question on the length of appointment of PwC as the Company's auditors, the Chairman replied that PwC had been the Company's auditors for 13 years since the Company was publicly listed.

14.6 Mr Sunny Tan Keng Sooi suggested that the Company appoints new auditors which the Chairman explained that the change of auditors had been proposed, but not for the current financial year.

14.7 As there were no further questions, the Chairman proceeded to put Resolution 8 to the vote by poll.

14.8 The poll results for Resolution 8 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,011,238,187	98.75	12,781,085	1.25

14.9 Based on the results of the poll, the Chairman declared Resolution No. 8 carried and proceeded to the next item on the Agenda.

AS SPECIAL BUSINESS

15. Ordinary Resolution No. 9 – To authorise the Directors to Issue Shares and to Make or Grant Convertible Instruments

15.1 The Chairman requested for a proposer and a seconder for Resolution No. 9 as set out in item 7 of the Notice of AGM.

15.2 Mr Soh Hin Lok proposed and Mr Soh Yi Da seconded the motion. The Chairman invited questions from shareholders.

15.3 Mr Mano Sabnani queried whether the change in Group CEO or Chief Operating Officer was the main pre-condition holding back Alibaba's investment in the Company. He also asked the Board the amount of additional investment in question.

15.4 The Chairman informed that this was not the case. He also informed Mr Mano Sabnani that the amount of additional investment in question was up to 5%, subject to regulatory approvals and thresholds which the regulator may grant or place in respect of the investment.

Singapore Post Limited (Reg. No 199201623M)
10 Eunos Road 8, Singapore Post Centre
Singapore 408600 **www.singpost.com**

15.5 Mr Mano Sabnani asked for the percentage shareholding of the Company which Alibaba would have after its additional investment.

15.6 The Chairman replied that it was approximately 14%.

15.7 As there were no further questions, the Chairman proceeded to put Resolution 9 to the vote by poll.

15.8 The poll results for Resolution 9 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,022,403,297	99.83	1,747,906	0.17

15.9 Based on the results of the poll, the Chairman declared Resolution No. 9 carried and proceeded to the next item on the Agenda.

16. Ordinary Resolution No. 10 – To authorise the Directors to Offer/Grant Options, Grant Share Awards and Allot/Issue Shares

16.1 The Chairman requested for a proposer and a seconder for Resolution No. 10 as set out in item 8 of the Notice of AGM.

16.2 Mr Kuek Sui Liang proposed and Mr Lew Hong Da seconded the motion.

16.3 The Chairman requested members who were employees or Directors of the SingPost Group and who were eligible to participate in the Singapore Post Share Option Scheme 2012 or Singapore Post Restricted Share Plan 2013 to abstain from voting on the resolution. They may, however, vote as the appointed proxies of a member who has given specific instructions on how their votes were to be cast in respect of this resolution. The Chairman invited questions from shareholders.

16.4 As there were no questions, the Chairman proceeded to put Resolution 10 to the vote by poll.

16.5 The poll results for Resolution 10 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
764,164,592	95.87	32,879,917	4.13

16.6 Based on the results of the poll, the Chairman declared Resolution No. 10 carried and proceeded to the next item on the Agenda.

17. Ordinary Resolution No. 11 – Proposed Renewal of the Shareholders Mandate for Interested Person Transactions

17.1 The Chairman informed that Singtel was an interested person, and since the Chairman is the chairman of Singtel, for good corporate governance he requested the Lead Independent Director Mr Soo Nam Chow to lead this resolution.

17.2 Mr Soo Nam Chow took over proceedings of the Meeting from the Chairman. He requested for a proposer and a seconder for Resolution No. 11 as set out in item 9 of the Notice of AGM.

17.3 Mr Tan Jin proposed and Mr Kuek Sui Liang seconded the motion.

17.4 Mr Soo Nam Chow announced that Temasek Holdings (Private) Limited and Singtel and their associates, deemed Interested Persons for the mandate, were to abstain from voting. All other Directors who were Interested Persons would also abstain from voting. They were permitted, however, to vote as the appointed proxies of a member who had given specific instructions on how their votes were to be cast in respect of the resolution. Mr Soo invited questions from shareholders.

17.5 As there were no questions, Mr Soo Nam Chow proceeded to put Resolution 11 to the vote by poll.

17.6 The poll results for Resolution 11 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
302,703,008	97.77	6,890,779	2.23

17.7 Based on the results of the poll, Mr Soo Nam Chow declared Resolution No. 11 carried.

17.8 Mr Soo Nam Chow handed proceedings of the Meeting back to the Chairman.

18. Ordinary Resolution No. 12 – Proposed Renewal of the Share Purchase Mandate

18.1 The Chairman requested for a proposer and a seconder for Resolution No. 12 as set out in item 10 of the Notice of AGM.

18.2 Mr Sim Juay Cheow proposed and Mr Soh Yi Da seconded the motion. The Chairman invited questions from shareholders.

18.3 As there were no questions, the Chairman proceeded to put Resolution 12 to the vote by poll.

18.4 The poll results for Resolution 12 were as follows:

For		Against	
No. of Shares	%	No. of Shares	%
1,022,355,856	99.99	103,908	0.01

18.5 Based on the results of the poll, the Chairman declared Resolution No. 12 carried.

19. Closure of Meeting

19.1 There being no further items of ordinary or special business arising, and as no notice had been received by the Company to this effect, the Chairman declared the AGM closed at 5:36 p.m. and thanked all persons present for their attendance and support.

Confirmed as true record of the proceedings,

Simon Claude Israel
Chairman of the Meeting
Singapore Post Limited

Annex 1

24th Annual General Meeting

14 July 2016

The following presentation contains forward looking statements by the management of Singapore Post Limited (“SingPost”) relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of SingPost. In particular, such targets should not be regarded as a forecast or projection of future performance of SingPost. It should be noted that the actual performance of SingPost may vary significantly from such statements.

“$” means Singapore dollars unless otherwise indicated.

Business vision and strategy

Vision

Global leader in eCommerce Logistics and Trusted Communications

Strategy

Protect the Core	Grow the Wings	Unlock Value
POSTAL	E-COMMERCE LOGISTICS	PROPERTY & OTHERS
		
Defend the core Postal Business	Grow a strong eCommerce Logistics network	Unlock value in Property and Non-core assets

Objective

Deliver long-term sustainable shareholder value

FY2015/2016: resilient performance

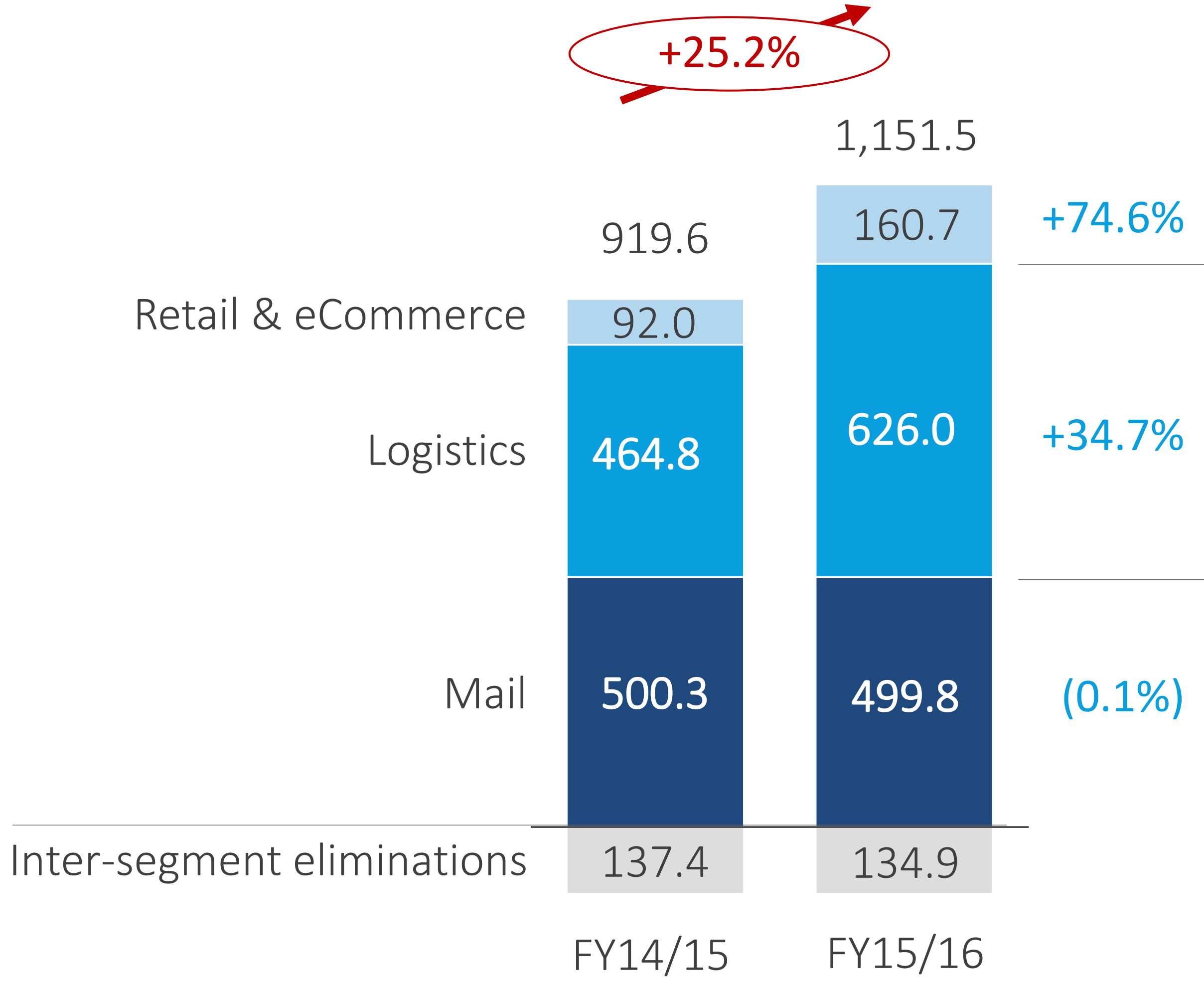
Revenue crossed S$1 billion milestone

	FY2015/16	YoY change
Operating revenue	S$1,151.5 million	+25.2%
Net profit	S$248.9 million	+57.9%
Less one-off items[1]	-S$95.3 million	
Underlying net profit	S$153.6 million	-4.1%[2]

1. One-off items includes gains from sale of investments, net of loss on disposal of PPE and M&A related professional fees
2. Excluding the impact of loss of income from SPC mall redevelopment and deconsolidation of DataPost and Novation Solutions, Underlying Net Profit would be stable

Revenue growth driven by eCommerce related activities and acquisitions

FY2014/15 vs. FY2015/16 Revenue performance, $M



Largely due to US acquisitions - TradeGlobal & Jagged Peak[1]

Driven by rise in eCommerce Logistics activities, and contribution from acquisitions

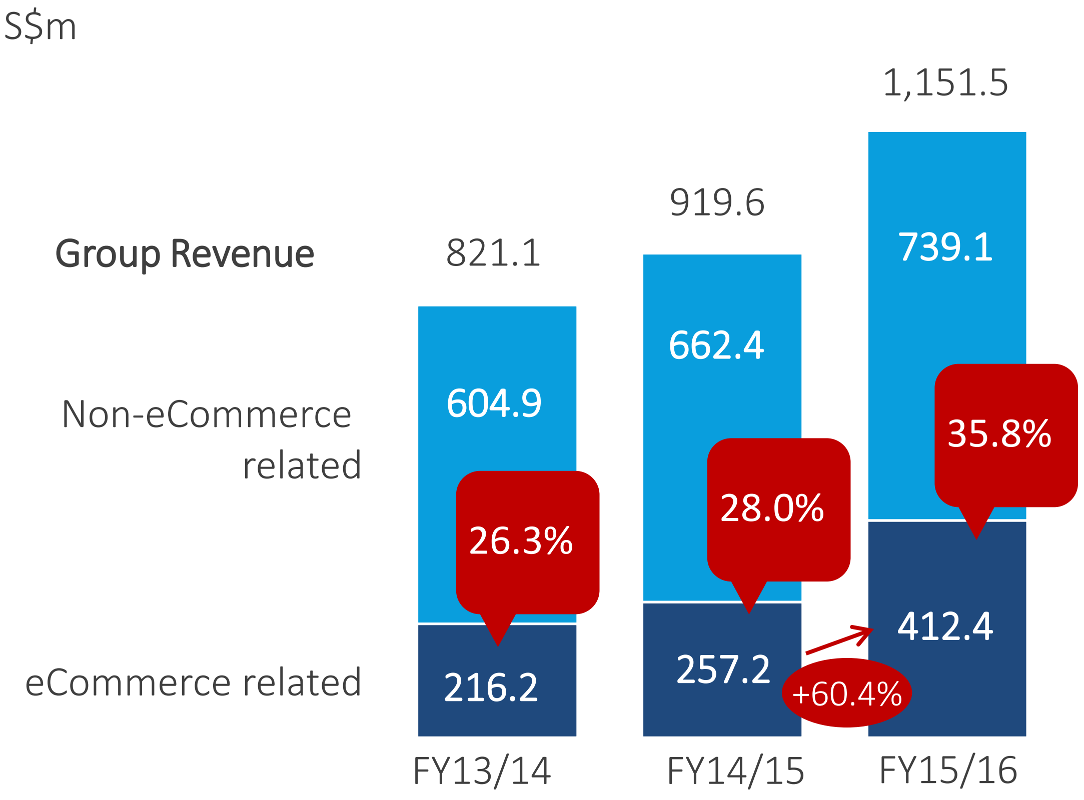
Stable despite cessation of revenue from the divestment of Novation Solutions and DataPost

Differences in total due to rounding

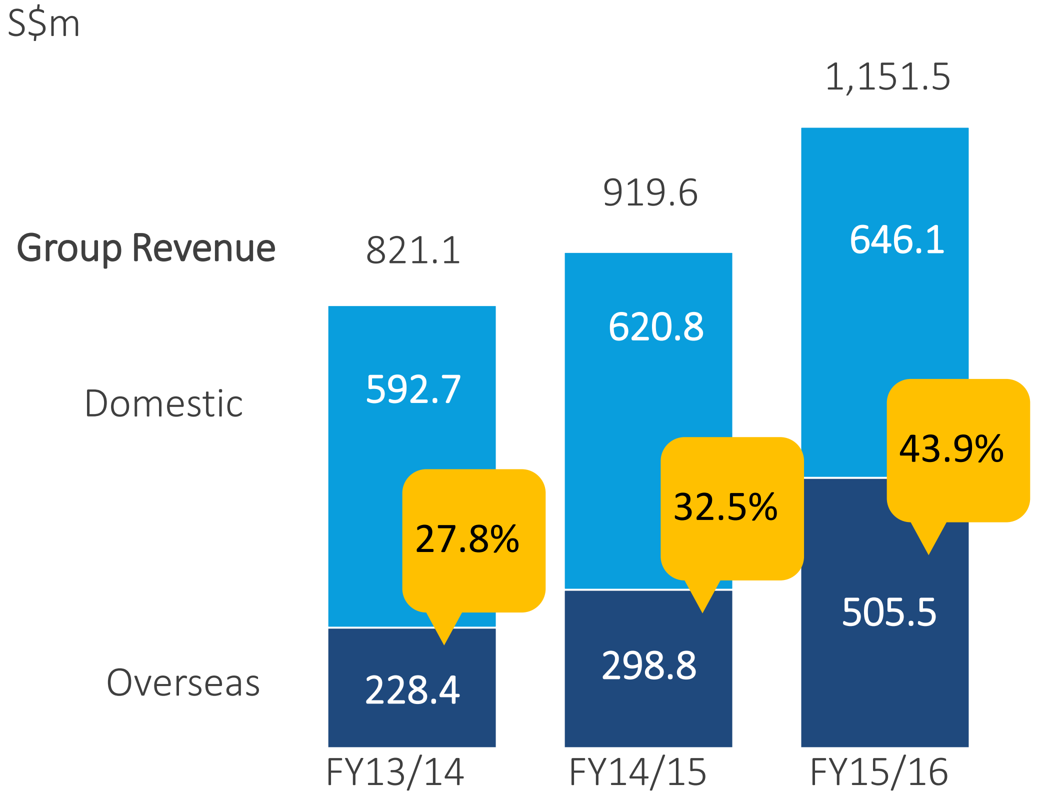
1. TradeGlobal acquisition was completed in November 2015 and Jagged Peak acquisition was completed in March 2016

eCommerce related revenues and Overseas revenues continue to grow

eCommerce related revenues
now 35.8% of Group revenue



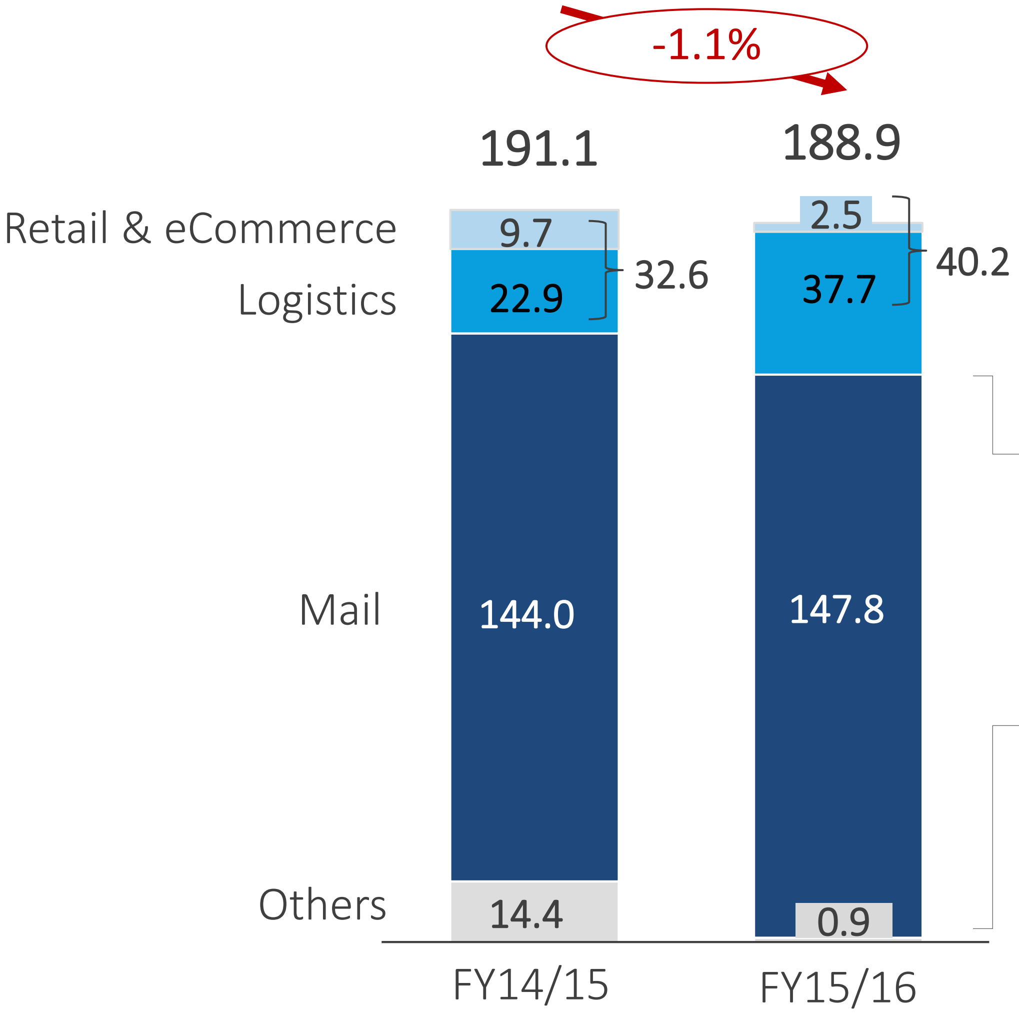
Overseas revenue
now 43.9% of Group revenue



Differences in total due to rounding

Operating Profit (excluding one-off items) declined marginally year-on-year

FY2014/15 vs. FY2015/16 Operating profit performance, excluding one-off items, $M



eCommerce Logistics	Due to increased volumes from development of the eCommerce Logistics network, as well as eCommerce customer acquisitions
Mail	Largely due to higher international mail volumes from eCommerce related deliveries
Others	Due to loss of rental revenues from SPC Mall redevelopment as well as increased corporate overheads

Differences in total due to rounding

Cashflow & financial indicators

$M, unless otherwise stated

Cashflow	FY15/16	FY14/15
Operating Cash Flow (before working capital changes)	202.0	215.1
Cash flow used in investing activities	(457.0)	(235.9)
Cash flow (used in) / provided by financing activities	(131.8)	180.6

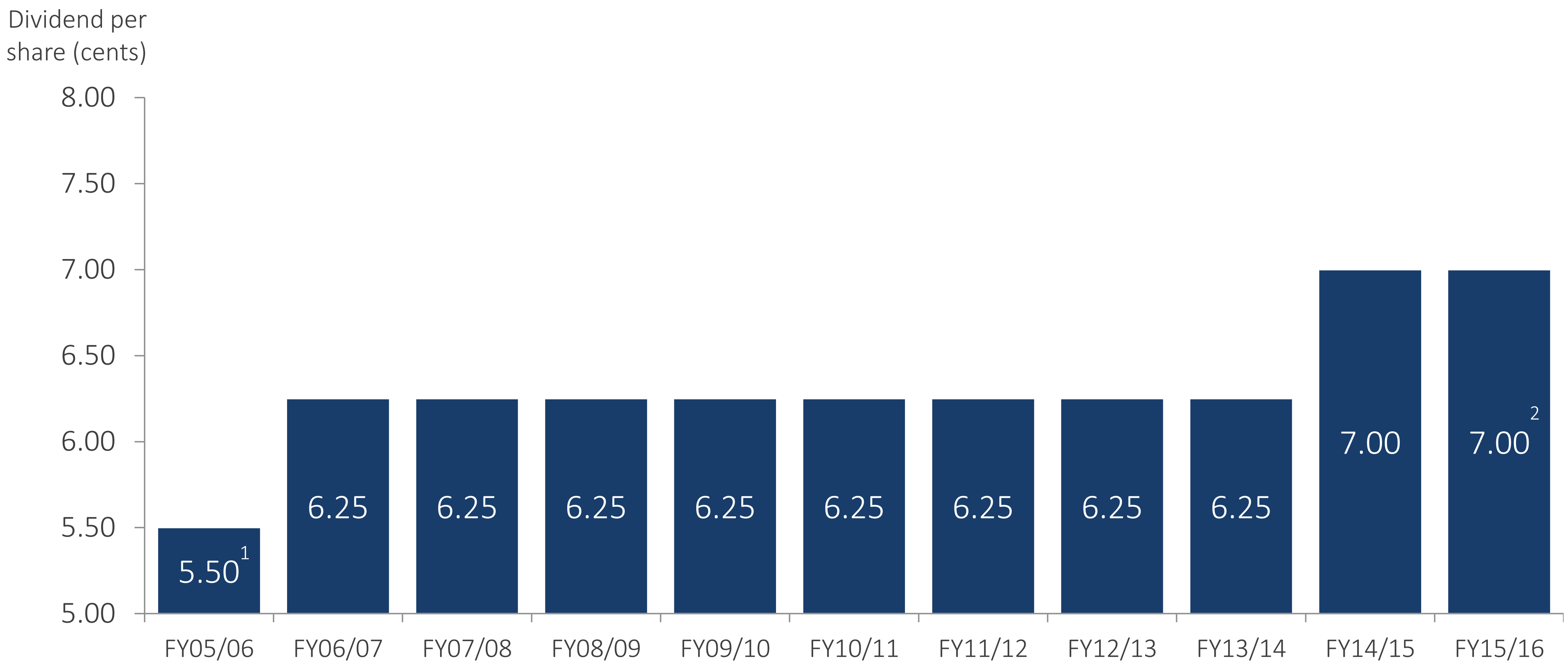
- Resilient operating cashflow
- Investing cashflow largely for acquisitions of TradeGlobal and Jagged Peak, as well as capex for eCommerce Logistics Hub and SPC Mall

Financial Indicators	Mar 2016	Mar 2015
Cash & cash equivalents at end of financial period	126.6	584.1
Borrowings	280.3	238.3
(Net debt) / Net cash position	(153.6)	345.8
EBITDA to interest expense (times)	42.1x	36.4X
Net debt to ordinary shareholders equity (%)	12.8%	Net cash

- With funds utilised for investing activities, the Group entered into a net debt position as at March 2016
- Interest coverage ratio remains strong, while net debt to equity ratio remains low

Strong dividend track record

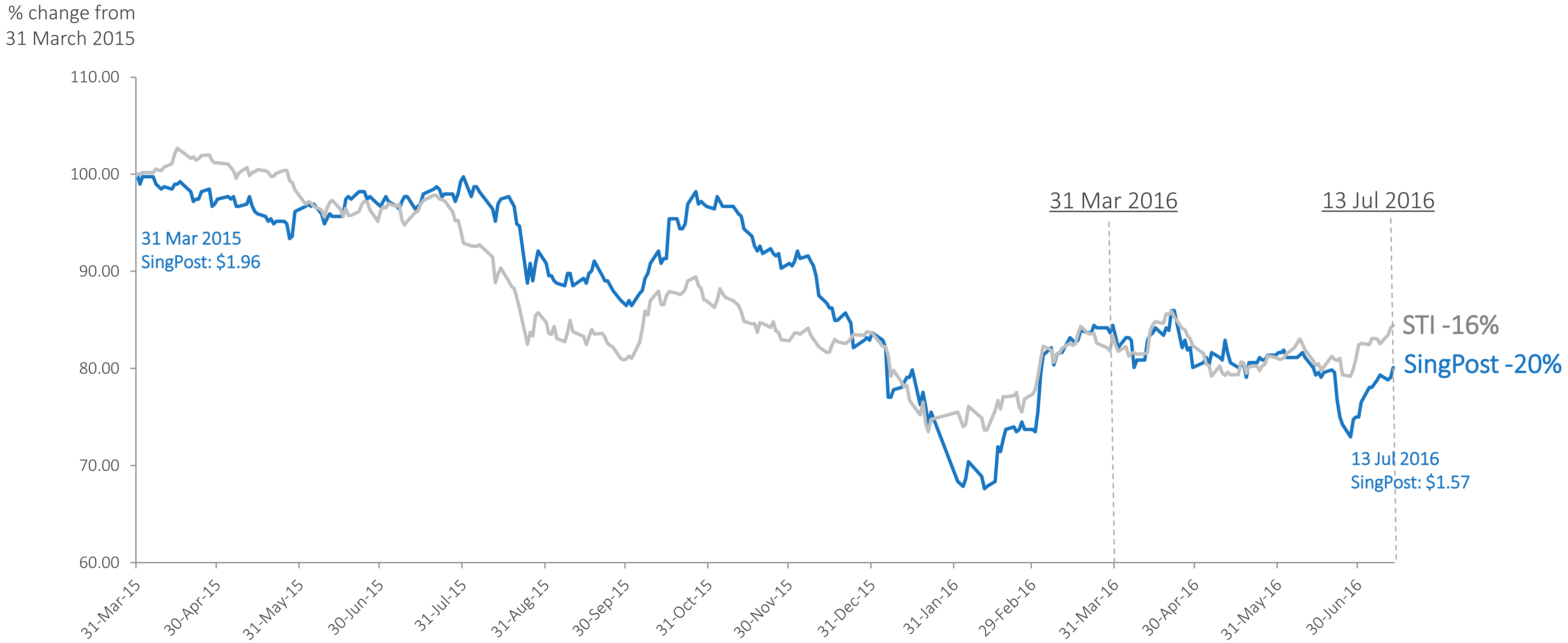
- Annual dividend raised to 7.0 cents per share from FY14/15



1. Excludes special dividend of 10 cents paid in Jan 2006
2. Includes proposed final dividend of 2.5 cents per share to be approved at this AGM

Share price performance largely in line with the Straits Times Index

- Share price performance largely in line with Straits Times Index despite challenges
- Strong long-term shareholder returns : Total shareholder returns of **312%** from IPO till 13 July 2016



TSR based on share price of $1.57 as at 13 July 2016, plus total dividends paid of 90.4 cents (excluding 2.5 cents proposed this AGM), over IPO price of 60 cents

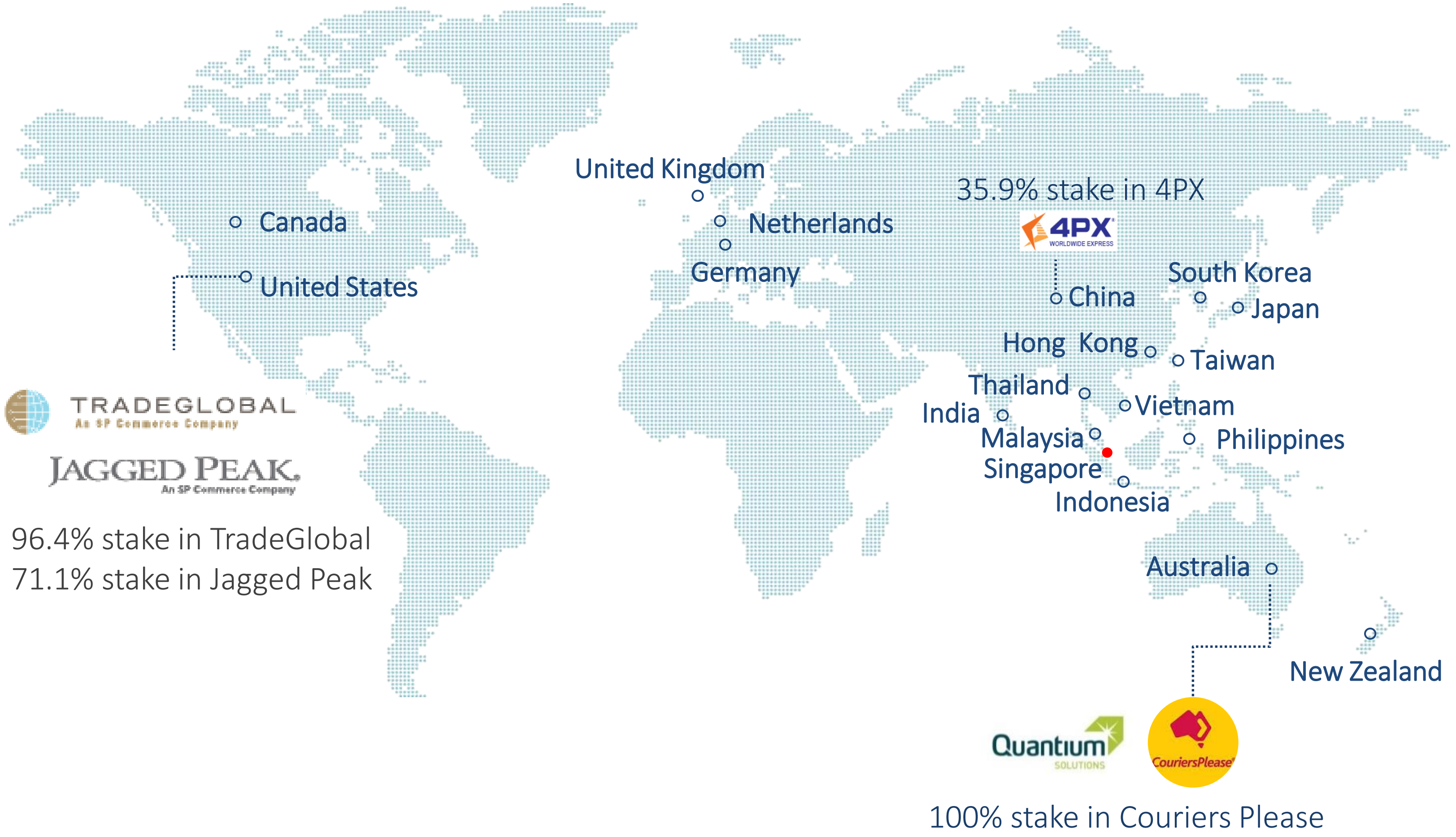
Highlights: Creating a global end-to-end eCommerce logistics network

SingPost Group today

Global eCommerce Logistics network spanning 19 markets

>50 fulfilment centres globally

Processes >S$5 billion in gross merchandise value annually through our eCommerce networks



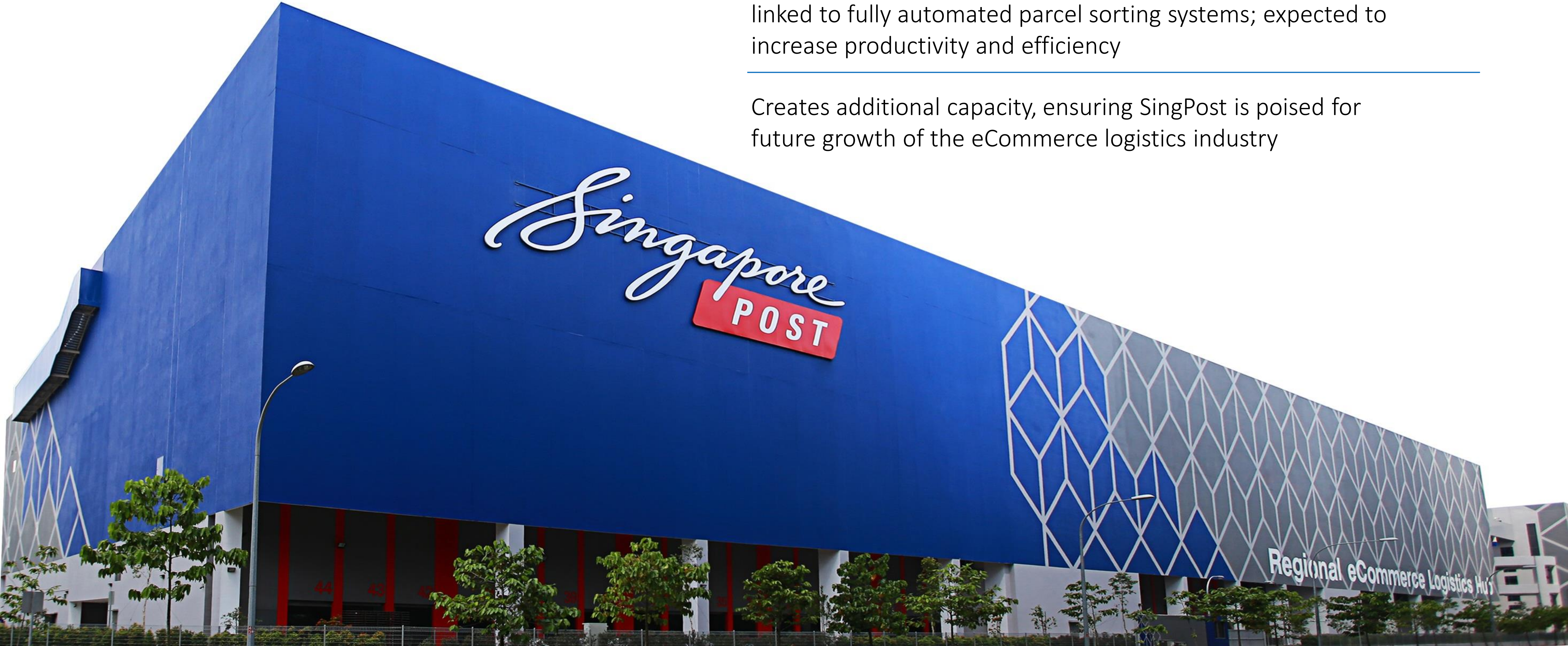
As at 31 March 2016

Highlights: Regional eCommerce Logistics Hub

Expected to be fully operational in 2nd half of this calendar year

Equipped with integrated, automated warehousing equipment linked to fully automated parcel sorting systems; expected to increase productivity and efficiency

Creates additional capacity, ensuring SingPost is poised for future growth of the eCommerce logistics industry



Highlights: Singapore Post Centre Retail Mall

Expected to be ready by middle of calendar year 2017

25,000 square metres of retail space over five levels

Combining the best of both online and offline shopping

Conclusion

- Ongoing transformation delivers good performance for FY2015/16, with continued eCommerce growth momentum.

- While the Group continues to face pressures of declining letter mails in the traditional postal business, it is making good progress on its transformation into becoming a global eCommerce Logistics player.

- As the Group progresses with its transformation initiatives, it will continue to strengthen its global eCommerce logistics ecosystem by integrating its related businesses and extracting synergies from its recent acquisitions.

Thank you

Mr Simon Israel, Chairman of SingPost
Speech at the 24th SingPost Annual General Meeting, 14 July 2016

Good afternoon, shareholders,

I am honoured to have become a Director of SingPost and your Chairman.

Like you, I wish the circumstances were different.

I have been Chairman for just two months and have been on a steep learning curve trying to fully understand SingPost's business.

I have some initial thoughts and comments that I wish to share with you today. Some of these comments may include forward-looking statements, and so trading of SingPost shares has been suspended as a precautionary measure for the duration of this meeting.

The three areas that I'll be covering today are:

• First: the disruptive forces our postal business is facing and how these influence the priorities that drive your Board and management;
• Second: how we are addressing the gaps in our corporate governance; and
• Third: the appointment of the new Group CEO and other questions that one may expect you to be asking today.

1. Disruptive forces

Let us look first at our response to the forces of disruption:

From the presentation on last year's results by Mervyn, our Covering Group CEO, we can see that SingPost has a sound business.

Looking forwards however, we need to recognise that our domestic mail business, on which we are still highly dependent, is a burning platform, subject to the forces of digital disruption. I want to commend management for an outstanding job of managing the decline in our domestic mail business while growing our international mail business at the same time. International mail includes eCommerce packages and this business, while growing strongly, comes with lower profit margins.

Let us take a step back and look at this in perspective: Globally, SingPost is recognised as a leader in postal services, one that has better managed disruption, when compared to most other postal services in the world.

BUT – the risk of disruption to mail is real and disruption is rarely linear in nature.

As corporate Singapore becomes increasingly digital and as the Government leads us towards a Smart Nation, we will see a tipping point in the domestic mail business and an accelerating decline - this may well come sooner rather than later and we need to be prepared for it.

It is in this urgent context that your Board committed the Company to a transformation to help us build new and alternative sources of growth and profits. This is needed to ensure that SingPost remains a sustainable business, is able to surmount the challenges ahead of it and continues to create value for shareholders in the long term.

Our transformation is built on extending our foundation into the high growth area of eCommerce logistics. Over the last 24 months, the Company has invested about S$636 million in acquisitions to build a network, and the infrastructure to support it. Others in the international marketplace have recognised the potential of what we are building and this has led to Alibaba becoming an important shareholder and valued customer.

At a high level our transformation is strategically sound. The challenge before us now is in the execution of the strategy. We need to:

- Deliver on the business plans that supported these investments;
- Evolve the businesses we have acquired into a truly integrated network;
- Ensure we have a compelling value proposition for our customers; and
- Create value for our shareholders in the years to come.

2. Corporate governance

Let's turn to the issue of Governance:

At the last AGM, a number of important governance questions were put to the Board which unfortunately were not answered fully and may have raised further concerns. SingPost's reputation has since suffered from a very public crisis surrounding our Board governance. We have seen the resignation of the Group CEO, a Special Audit, a Corporate Governance Review and resignations from the Board. Our share price reflects this.

The Special Audit found governance concerns and the Corporate Governance Review has made recommendations for improvement.

As a Board we recognise this, our Directors acknowledge their collective responsibility for the governance of SingPost, and we are making every effort to setting this right by improving our policies, processes and procedures to prevent a recurrence.

You will all have had an opportunity to review and consider the findings and recommendations of the Corporate Governance Review. I will not go through them today, though I will touch on some aspects to address concerns that have been raised.

As a Board, we have adopted all of the recommendations of the Special Audit and Corporate Governance Review except one. This is the recommendation to deem any Director serving more than nine years as non-independent. This recommendation has become irrelevant, because we have put in place a rule that no Director will serve for more than nine years. We are well on the way to implementing all the other recommendations.

Our adoption of the Directors’ Code of Business Conduct and Ethics sets the tone under which SingPost will be governed going forward. It is complemented by our policies on Directors’ Conflicts of Interest and Board Renewal and Tenure. These are key foundation policies, which will support the implementation of the recommendations of the Special Audit and Corporate Governance Review in both form and spirit.

We are fully committed to implementing these recommendations no later than the end of September this year. The timing of some recommendations is contingent on the appointment of new Directors before they can be put into effect. We will update you once the implementation is fully completed.

We are now in the process of building a stronger Board, fit for purpose and aligned to our strategy for business transformation and sustainability. We have a search in progress for new Directors against the profiles recommended in the Corporate Governance Review. A number of candidates have been identified and we expect to make appointments, subject to regulatory approval. You will have the opportunity to vote on the re-election of these new Directors at next year’s AGM.

3. Appointment of Group CEO and other questions

The Board is well aware that any business without a strong leader for an extended period could lead to a crisis in the business and we recognise the need to get a Group CEO appointed as soon as possible. Let me reassure you that this matter is receiving our fullest attention and that we have candidates in the process of due diligence. It’s important to remember these senior candidates have extended notice periods. Realistically, given where we are in the process, we should expect the next Group CEO to take up the appointment at the end of the year. Until then, we will manage SingPost through our covering Group CEO and management committee.

I would now like to address questions that you are likely to be raising today:

The first is: Why did Dr Wolfgang Baier resign?

In his own words, Dr Baier said he was moving to new endeavours after leading SingPost's transformation for five years. The Corporate Governance Review makes reference to the partnership between Board and management. In its survey of our Directors, the lowest scoring item in the section was the statement: The partnership between Board and management is effective with a high level of trust, openness and transparency. The Review suggested that more could be done at the Board level to recognise and distinguish between the Board’s stewardship role and the role of the Group CEO and management in executing the Company's strategy. I think we can assume that this may have influenced Dr Baier's decision.

Dr Baier is to be commended for being the architect and driver of SingPost's transformation, and I thank him on behalf of all of us.

After this period of acquisitions, we are now in an integration phase. This calls for a leader with strong operational skills to integrate what we have acquired, drive operational excellence, deliver value to our customers, create one culture out of a diverse group of employees, and strengthen the management bench. These are fundamental to delivering the value from our transformation.

Questions have been asked, whether SingPost overpaid for its acquisitions. This is a highly subjective area, so I will spend some time on it.

A good starting point is to remind ourselves that it is very unlikely that a Board would knowingly approve overpaying for an acquisition.

When approving an acquisition, the Board will consider the price to be paid, the business case and the return to shareholders.

The price is a function of what can be negotiated with the seller, and but is also tested against the range for comparable industry norms using various valuation metrics.

The business case is built by management, based on their assumptions of the future of the business under their management – it reflects expected growth, revenue and cost synergy assumptions among other matters. It is the business case which defines the value that will be created for shareholders and justifies the value of the business.

The reasonableness of management's assumptions and the business case is reviewed by the Board before it approves a transaction. The Board approves an acquisition only when it is comfortable with the business case, shareholder returns, due diligence findings and risk mitigations.

Finally, the reasonableness of the assumptions is reviewed once more by the Auditors during the signing off on the annual accounts. The Auditors test for impairment and have to be satisfied that the carrying value of the investments on the books is fully justified.

The key take away from all of this is: the assumptions that underpin the business case play a critical role in valuation – more so, when you are taking a five-year view in an increasingly disruptive and unpredictable world. The bottom line is: While you try your best to make reasoned and robust assumptions, you will know only over the course of time whether you have paid the right price, overpaid or got a bargain.

Our investments in transformation are very recent so the assumptions have yet to stand the test of time. Let me give you a flavour of our progress:

The Famous acquisitions and our investments in 4PX are both performing well: We are ahead of the business case for those transactions. Famous Holdings and its freight forwarding operations provide the important international transportation leg for our eCommerce logistics ecosystem. 4PX gives us critical reach into China, the world's fastest growing, and now also the world's biggest eCommerce market.

We are slightly behind the business case on Couriers Please, which gives us crucial last mile access in Australia. Since acquiring it in December 2014, we have been integrating the last mile delivery business of Couriers Please with SingPost's logistics warehousing operations in Australia. We expect to close the gap in the business case by realising planned synergies as we continue to integrate these operations into our network.

Our US acquisitions of Trade Global and Jagged Peak were completed less than a year ago. These give us a vital foothold in one of the world's most important eCommerce markets. A key part of the business case is to help our US clients expand their businesses into Asia through our network. We have owned Trade Global for just eight months and Jagged Peak, four months. It is premature to take stock and reach conclusions on their progress at this early stage as the two US businesses are highly seasonal. They peak sharply in November and December, leading into Christmas. It is this peak season that generates a large part of profit and cash flow in a given year and we still have this ahead of us.

Please be assured that the Board is closely monitoring the performance of these acquired businesses and will update shareholders in due course. We should recognise that eCommerce is a rapidly changing space, exposed to disruption from innovation and competitors. Success depends on our ability to achieve scale, stay ahead of the game and manage the businesses well.

Regarding our relationship with Alibaba and the pending transactions previously announced:

The further placement to Alibaba and a Joint Venture with Quantium Solutions were announced subject to conditions precedent. The timeline has been extended until 31 October 2016 to allow these conditions to be fulfilled.

The additional placement is subject to Alibaba obtaining regulatory approval to increase their stake and being satisfied on any conditions that might be imposed.

The proposed Alibaba joint venture with Quantium Solutions is also subject to conditions precedent. Additionally, we are presently working on a joint business plan. This is taking some time to arrive at, as it is complex and commercial terms need to be thoroughly addressed. Alibaba's recent acquisition of Lazada has added to both opportunity and complexity.

In the interim Alibaba remains an important and growing customer for SingPost and we value and appreciate our partnership.

As is the case with all conditional transactions, shareholders should exercise caution in assuming transactions will be completed. We will keep you updated when appropriate.

I will now comment on what to expect going forward as a shareholder:

Our postal business has been our historical source of profit and cash flow and I have highlighted the potential risks of disruption to this business.

SingPost's transformation is a journey to be completed and will take some time to accomplish. To finance this transformation, we have raised new capital and taken on debt.

As with most transformations, there are risks, notably around the acquired businesses and our ability to create value from them. There are lower risks in logistics and significantly higher risks in eCommerce.

While we expect strong revenue growth in eCommerce logistics, it will take a number of years before our acquired businesses contribute materially to the bottom line.

At the same time, we will be funding the operational losses from our investments in eCommerce start-ups, and infrastructure associated with eCommerce logistics - notably the upcoming Regional eCommerce Logistics Hub and IT systems. We are also foregoing a significant portion of rent from SingPost Centre while it is being redeveloped. And depending on whether new capital comes in and whether we are able to divest other non-core assets, we may have to take on more debt which will then need to be serviced and paid down.

The Group has enjoyed a historical ROE of 17 to 21 per cent, attributed to our legacy Postal business. We can't expect this level of ROE from our recently acquired businesses, so you should expect the blended ROE of the Group to decline over time as the new businesses grow.

These comments raise the importance of ensuring that our dividend policy is sustainable. The policy needs to be reviewed to ensure there is a clear link to underlying earnings, so that it is sustainable through our transition and provides for future growth.

So please have realistic expectations for the next few years as we navigate through our transformation. I can assure you that your Board is very conscious of the challenges. When we have rebuilt the Board and have our Group CEO in place, we will conduct an in depth review of the business.

I will conclude here for us to commence with the business of the AGM.