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* Asterisks denote mandatory information

Name of Announcer *	SINGAPORE POST LIMITED
Company Registration No.	199201623M
Announcement submitted on behalf of	SINGAPORE POST LIMITED
Announcement is submitted with respect to *	SINGAPORE POST LIMITED
Announcement is submitted by *	Genevieve Tan McCully (Mrs)
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

Announcement Title *	Changes in Investee Companies in China
Description	Investment in Shenzhen 4PX Information and Technology Co. Ltd and Cessation of Shenzhen 4PX Express Co., Ltd as Indirect Associated Company

Attachments

 [SGX_Ann.pdf](#)
 Total size = **27K**
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SINGAPORE POST LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199201623M)

**INVESTMENT IN SHENZHEN 4PX INFORMATION AND TECHNOLOGY CO. LTD AND
CESSATION OF SHENZHEN 4PX EXPRESS CO., LTD
AS INDIRECT ASSOCIATED COMPANY**

The Board of Directors of Singapore Post Limited ("**SingPost**") wishes to announce that its wholly-owned subsidiary, Quantum Solutions International Pte. Ltd. ("**QSI**"), has entered into a Joint Venture Agreement ("**JVA**") with Shenzhen Shangcheng Investment Co., Ltd., ("**Shangcheng Investment**"), Shenzhen Capital Group Co., Ltd ("**SCG**"), and Shenzhen Keying Investment Consultancy Co., Ltd. ("**Shenzhen Keying**") today.

Under the terms of the JVA, QSI has agreed to subscribe for 18% equity interest in Shenzhen 4PX Information and Technology Co., Ltd., a company incorporated in the People's Republic of China ("**4PX IT**") for a consideration of RMB60 million (or about S\$12.43 million based on the exchange rate of RMB4.82 to S\$1, which exchange rate is used hereinafter) ("**Subscription**"). Pursuant to an Equity Transfer Agreement entered with 4PX IT, 4PX IT agreed to purchase QSI's 20% equity interest in Shenzhen 4PX Express Co., Ltd. ("**4PX Express**") for a consideration of RMB61.80 million (or about S\$12.80 million) ("**Transfer**"). The Subscription and Transfer are collectively referred to as "**Rationalisation**".

The consideration for the Subscription was arrived at following negotiations on a willing buyer willing seller basis after taking into consideration, *inter alia*, various factors including the existing assets, financial position and business prospects of 4PX IT. The Subscription is financed from the proceeds of the Transfer.

Upon completion of the Subscription, Shangcheng Investment, SCG, Shenzhen Keying and QSI will respectively hold 58.275%, 13.725%, 10% and 18% equity interest in 4PX IT. 4PX IT's principle activities are research and development and sales of computer hardware and software, import and export of goods and import and export of technology ("**IT Business**"). 4PX IT is the holding company of 4PX Express.

The main reasons for the Rationalisation are:- (1) to streamline and rationalise the corporate structure of the 4PX Group in order to enhance the 4PX Group's strategic and operational efficiency and to facilitate future management, expansions and financing activities; and (2) to qualify 4PX IT for preferential tax treatment for its IT Business.

Completion of the Rationalisation is conditional upon 4PX IT obtaining the required approvals from the relevant authorities of the People's Republic of China.

No valuation was commissioned in respect of the 20% equity interest in 4PX Express and the 18% equity interest in 4PX IT. The net book value of SingPost's 20% equity interest in 4PX Express was RMB19.84 million (or about S\$4.11 million) based on 4PX Express's audited financial statements as at 31 December 2012. The net book value of SingPost's 18% equity interest in 4PX IT was RMB1.40 million (or about S\$290,000) based on 4PX IT's audited financial statements as at 31 December 2012, which value does not include the value of 4PX Express. 4PX IT became a holding company of 4PX Express on 26 April 2013. Based on 4PX IT's unaudited consolidated financial statements as at 30 June 2013 which includes the value of 4PX Express, the net book value of SingPost's 18% equity interest in 4PX IT would be RMB 21.50 million (or about S\$4.46 million).

The Rationalisation is not expected to have any material impact on SingPost's net tangible assets or earnings per share of SingPost for the financial year ending 31 March 2014.

None of the directors or substantial shareholders of SingPost have any interest, direct or indirect, in the Rationalisation.

BY ORDER OF THE BOARD

Genevieve Tan McCully (Mrs)
Company Secretary

7 August 2013