

Asset Acquisitions and Disposals::(1) Incorporation of Subsidiary (2) Acquisition of 71.1% Equity Interest in Jagged Peak, Inc.

Issuer & Securities

Issuer/ Manager	SINGAPORE POST LIMITED
Securities	SINGAPORE POST LIMITED - SG1N89910219 - S08
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Announcement Details

Announcement Title	Asset Acquisitions and Disposals
Date & Time of Broadcast	09-Oct-2015 20:00:25
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Announcement Sub Title	(1) Incorporation of Subsidiary (2) Acquisition of 71.1% Equity Interest in Jagged Peak, Inc.
Announcement Reference	SG151009OTHR40MR
Submitted By (Co./ Ind. Name)	Ng Poh Keng Jocelyn
Designation	Group Company Secretary
Description (Please provide a detailed description of the event in the box below)	Please refer to the attachments.

Attachments	<p>SGX Ann.pdf</p> <p>PressRelease.pdf</p> <p>Total size =119K</p>
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SINGAPORE POST LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199201623M)

- (1) **INCORPORATION OF SUBSIDIARY**
- (2) **ACQUISITION OF 71.1% EQUITY INTEREST IN JAGGED PEAK, INC.**

1. INCORPORATION OF SUBSIDIARY

The Board of Directors (the "**Board**") of Singapore Post Limited (the "**Company**") wishes to announce that it has, through its wholly-owned subsidiary Singapore Post Enterprise Pte Ltd incorporated a wholly-owned subsidiary under the laws of the State of Delaware, the United States of America known as SP Jagged Peak LLC ("**SP JP**") on 8 October 2015.

The capital of SP JP is US\$1,000¹ divided into 1,000 ordinary shares of US\$1.00 each.

2. ACQUISITION OF 71.1% EQUITY INTEREST IN JAGGED PEAK INC. (THE "ACQUISITION")

The Board also wishes to announce that SP JP has on 9 October 2015 entered into an agreement and plan of merger (the "**Merger**") with Jagged Peak, Inc. (the "**Merger Agreement**"), under which SP JP will acquire, through the Merger (as defined below) all the outstanding stock of Jagged Peak, Inc. ("**Jagged Peak**") from the shareholders of Jagged Peak other than approximately 28.9% of the stock, which is effectively held by Paul Demirdjian and Primrose Demirdjian for approximately US\$15.8 million²). Mr. Demirdjian is the Chief Executive Officer of the Company, and both Mr. and Mrs. Demirdjian are directors, principal shareholders and founders of the Company.

The consideration of US\$15.8 million for the Merger will be satisfied wholly in cash from the Company's internal resources, and was arrived at on an arm's length and willing-buyer and willing-seller basis, taking into account, *inter alia*, the multiple derived on the basis of industry trading comparables and precedent transactions. The closing of the Merger Agreement is subject to certain conditions, including the approval by the stockholders of Jagged Peak.

For purposes of the Merger, it is contemplated that prior to closing of the Merger Agreement, SP JP and the Demirdjians will form a new company under the laws of the State of Nevada, the United States of America ("**SP Nevada Co**"), wherein SP Nevada Co will merge with Jagged Peak resulting in approximately 71.1% of the equity interest being owned by SP JP with the remaining 28.9% owned by the Demirdjians. The Company will provide an update as and when the SP Nevada Co is formed and the closing of the Merger Agreement has taken place.

The book value and net tangible asset value of Jagged Peak based on its unaudited financial statements as at 26 June 2015³ was approximately US\$2.9 million and -US\$0.7 million, respectively⁴ and the open market value of Jagged Peak based on the last traded share price on 8 October 2015 (being the date immediately before the Merger Agreement was signed)

¹ equivalent to approximately, S\$1,423 based on the exchange rate of US\$1.423 to S\$1.00

² equivalent to approximately, S\$22.5 million based on the exchange rate of US\$1.423 to S\$1.00

³ Source: public announcement (10-Q filing dated 7 August 2015) released by Jagged Peak on the Securities and Exchange Commission

⁴ equivalent to approximately S\$4.1 million and -S\$0.9 million⁴, respectively, based on the exchange rate of US\$1.423 to S\$1.00

was approximately US\$15.4 million.⁵

Jagged Peak is an eCommerce logistics enabler for high-velocity consumer products based in the United States of America, its stock is currently traded on the OTCQX marketplace. The Company considers the Acquisition to be in line with its objective of growing its eCommerce logistics and capabilities.

The incorporation of SP JP and the Merger are not expected to have any material impact on the net tangible assets or earnings per share of the Company for the financial year ending 31 March 2016.

BY ORDER OF THE BOARD

Jocelyn Ng
Group Company Secretary

9 October 2015

⁵ equivalent to approximately S\$22.0 million based on the exchange rate of US\$1.423 to S\$1.00, on a fully diluted basis



For Immediate Release

SingPost expands its eCommerce logistics network to USA

To acquire a majority stake in Jagged Peak, Inc a US-based eCommerce logistics provider with multi omni-channel platforms and to become one of the leading global eCommerce logistics enablers

SINGAPORE, 9 October 2015 – To continue with its aspirations of building an end-to-end eCommerce logistics network and technology platform, Singapore Post Limited, (“SingPost”) (STI: S08) through its indirect wholly owned subsidiary, SP Jagged Peak LLC, has entered into an agreement to acquire a 71.1 per cent equity stake in Jagged Peak, Inc (“Jagged Peak”), a US eCommerce logistics enabler for high-velocity consumer products for US\$15.8 million (or approximately S\$22.5 million). SingPost’s eCommerce footprint comprising its best of breed technology platforms and fulfilment service network will then be global, linking the continents of Asia, Australia, continental North America and Europe.

Mr Lim Ho Kee, Chairman of SingPost, said, "As SingPost pioneers and leads eCommerce logistics in Asia Pacific, we are casting our eyes beyond the region. Jagged Peak can enable end-to-end fulfilment of eCommerce orders across the US. SingPost is excited about this capability. This transaction is also part of our strategy to focus our resources on strengthening our geographical reach and the technology we employ as an eCommerce logistics company."

Dr Wolfgang Baier, Group Chief Executive Officer of SingPost, said, "This acquisition will 'connect the dots' and make our eCommerce logistics network global. The acquisition of Jagged Peak allows us to use their state-of-the-art eCommerce omni-channel technology to enable brands and retailers not only to leverage their warehouse facilities in over 20 locations in the US but expand these services into our Asia Pacific warehouse network. A win-win for existing and future customers. We have planted the seeds with this investment of what will be SingPost's global multi-channel B2B4C eCommerce logistics platform."

Acquisition of Jagged Peak

SingPost will acquire 71.1 per cent of the equity ownership interests in Jagged Peak for a consideration of US\$15.8 million (or approximately S\$22.5 million). Jagged Peak reported revenues of approximately US\$61.7 million (or approximately S\$83.5 million) for the fiscal year ended December 2014 (Source: as filed with the Securities and Exchange Commission via Jagged Peak's latest 10-K filing).



Jagged Peak's proprietary and accredited eCommerce logistics platform, utilised by more than 20 warehousing facilities across the US, Canada and Europe, will enable SingPost to become a truly global eCommerce logistics provider for high-velocity consumer products. The proposed acquisition will enable SingPost to support customers globally and move products more efficiently to consumers by implementing Jagged Peak's Flexnet technology. There is also opportunity to realise synergies by leveraging Jagged Peak's omni-channel eCommerce and order management platforms. SingPost intends to invest in Jagged Peak's eCommerce logistics infrastructure, processes and technology to help customers maximise their business potential globally. SingPost's now global eCommerce logistics and technology infrastructure will enable SingPost customers to grow not only across Asia Pacific but expand into the US and beyond seamlessly with one eCommerce logistics solution provider.

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About Singapore Post Limited

For over 150 years, Singapore Post (SingPost) as the country's postal service provider, has been delivering trusted and reliable services to homes and businesses in Singapore.

Today, SingPost is pioneering and leading in eCommerce logistics as well as providing innovative mail and logistics solutions in Singapore and the Asia Pacific, with operations in 15 countries.

Building on its trusted communications through domestic and international postal services, SingPost is taking the lead in end-to-end integrated and digital mail solutions. The suite of SingPost eCommerce logistics solutions includes front end web management, warehousing and fulfilment, last mile delivery or international freight forwarding.

Listed on the Main Board of the Singapore Exchange in 2003, SingPost is a constituent stock of various main global benchmark indices - FTSE All-World Index Series, FTSE All-World Minimum Variance Index, FTSE All-World High Dividend Yield Index, FTSE RAFI Index Series, FTSE Global Infrastructure Index Series and FTSE ST Index Series. It has a strong credit rating of 'A/Stable/NR' by Standard & Poor's.

To find out more about SingPost, please visit www.singpost.com and <https://www.singpost.com/corporate-information/businesses.html> for more information on SingPost's subsidiaries and businesses.

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