

Asset Acquisitions and Disposals::Further Investment in Shenzhen 4PX Information Technology Co., Ltd

Issuer & Securities

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Announcement Details

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Description (Please provide a detailed description of the event in the box below)	Please refer to the attached.

Attachments	SGXAnn.pdf Press Release.pdf Total size =278K
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SINGAPORE POST LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199201623M)

FURTHER INVESTMENT IN SHENZHEN 4PX INFORMATION TECHNOLOGY CO., LTD

The Board of Directors of Singapore Post Limited (the “**Company**”) wishes to announce that its wholly-owned subsidiary, Quantum Solutions International Pte. Ltd. (“**QSI**”), has increased its equity interest in Shenzhen 4PX Information Technology Co., Ltd (“**4PX IT**”) from 18.00% to 35.91% in the manner set out below:

- (a) acquisition of a 13.73% equity interest of the pre-enlarged share base from Shenzhen Capital Group Co., Ltd (“**SCG**”) at a cash consideration of RMB110,937,500 (or about S\$24.5 million based on the exchange rate of RMB4.53 to S\$1.00, which exchange rate is used hereinafter) (“**SCG Transfer**”);
- (b) acquisition of a 0.28% equity interest of the pre-enlarged share base from Shenzhen Shangcheng Investment Co., Ltd (“**Shangcheng**”) at a cash consideration of RMB2,222,791 (or about S\$0.5 million) (“**Shangcheng Transfer**”); and
- (c) subscription of new shares in 4PX IT for a 5.73% equity interest of the enlarged share base at a cash consideration of RMB50,000,000 (or about S\$11.0 million) (the “**Subscription**”).

The SCG Transfer, Shangcheng Transfer and Subscription are collectively referred to as the “**Additional Investment**”. Through the Additional Investment, the interest of QSI in 4PX IT increases from 18.00% pre-enlarged share base to 35.91% of the enlarged share base.

Rationale for the Additional Investment

The Additional Investment in 4PX IT, with its logistics capabilities in warehousing, express delivery and freight forwarding, is a key part of the Company’s strategy to strengthen its integrated end-to-end eCommerce logistics customer solutions and to take advantage of the growth in China’s ecommerce volumes.

Consideration

The consideration for each of the SCG Transfer, Shangcheng Transfer and Subscription were arrived at on a willing-buyer willing-seller basis and will be satisfied wholly in cash from the Company’s internal resources.

Financial Effects

Based on 4PX IT’s latest audited financial statements as at 31 December 2014, the net asset value of 4PX IT is approximately RMB182.3 million (or about S\$40.2 million).

The above transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 March 2016.

Directors’ and Controlling Shareholders’ Interests

None of the Directors or controlling shareholders of the Company has any interest, whether direct or indirect, in the Additional Investment other than through their respective interests (if any) in the Company.

SingPost increases stake in Shenzhen 4PX Information Technology to about 36 per cent to step up eCommerce logistics in China



Singapore, 15 February 2016 – Singapore Post Limited (“SingPost”), a leading postal and eCommerce logistics provider in Asia Pacific, today announced it has purchased an additional 17.91 per cent of the equity in Shenzhen 4PX Information Technology Co. Ltd (“4PX”) for RMB 163.16 million (about S\$36 million).

Under the deal, SingPost through its wholly-owned subsidiary Quantum Solutions International Pte. Ltd. (“QSI”) increases its equity interest in 4PX from 18 per cent to 35.91 per cent through the purchase of vendor shares (for RMB 113.16 million or about S\$25 million) as well as new shares (for RMB 50 million or about S\$11 million).

Headquartered in Shenzhen, PRC, 4PX is one of China’s top eCommerce cross-border solutions providers, serving more than 20,000 merchants in more than 50 locations in China and globally. The capabilities that 4PX offers its customers include logistics (warehousing, express delivery and freight forwarding) as well as software and consulting services for eCommerce sellers.

Ms Goh Hui Ling, Deputy CEO (International Mail) of SingPost, said: “The additional investment in 4PX, with its extensive logistics capabilities in warehousing, express delivery and freight forwarding, is a key part of SingPost’s strategy to strengthen our integrated end-to-end eCommerce logistics solutions and to leverage on the rapid growth in China’s eCommerce activities.”

Mr Kevin Li, Founder and Chairman of 4PX, added: “SingPost’s additional investment in 4PX will help 4PX to enhance its overseas operations. It will also provide China cross-border eCommerce merchants and consumers with better



eCommerce logistics solutions and services, as well as propel 4PX to become the market leader in China cross-border eCommerce.”

Formed in 2004, 4PX has more than 2,600 employees and operates warehouses in China, Australia, UK, Germany and the US.

The purchase of equity in 4PX will be carried out through QSI and funded from SingPost’s internal resources.

For further details and disclosures relating to this transaction, please see:
<http://www.singpost.com/investor-centre/sgx-announcements-a-financial-news.html>

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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 more than 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 and 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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