

## General Announcement::Strengthening of eCommerce Partnership with Alibaba Group Holding Limited

### Issuer & Securities

<b>Issuer/ Manager</b>	SINGAPORE POST LIMITED
<b>Securities</b>	SINGAPORE POST LIMITED - SG1N89910219 - S08
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### Announcement Details

<b>Announcement Title</b>	General Announcement
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<b>Submitted By (Co./ Ind. Name)</b>	Genevieve Tan McCully (Mrs)
<b>Designation</b>	Group Company Secretary
<b>Description (Please provide a detailed description of the event in the box below)</b>	Please refer to the attachments.
<b>Attachments</b>	<p><a href="#">SGX Ann.pdf</a></p> <p><a href="#">Press Release.pdf</a></p> <p>Total size =299K</p>



## **SINGAPORE POST LIMITED**

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

### **STRENGTHENING OF ECOMMERCE PARTNERSHIP WITH ALIBABA GROUP HOLDING LIMITED**

- **COMPLETION OF JOINT VENTURE AGREEMENT WITH ALIBABA INVESTMENT LIMITED (THE "INVESTOR") IN RELATION TO QUANTIUM SOLUTIONS INTERNATIONAL PTE. LTD.**
- **UPDATE ON THE SECOND INVESTMENT AGREEMENT AND PROPOSED ISSUANCE OF 107,553,907 NEW ORDINARY SHARES IN THE CAPITAL OF SINGAPORE POST LIMITED**

*Unless otherwise defined all capitalised terms shall bear the same meanings as in Singapore Post Limited's (the "**Company**") announcements dated 28 May 2014, 31 July 2014, 8 July 2015, 2 November 2015, 10 February 2016, 19 February 2016 and 12 May 2016 (the "**Announcements**").*

Further to the Announcements, the Board of Directors of the Company ("**Board**") wishes to announce the following:

#### **1. COMPLETION OF THE JOINT VENTURE AGREEMENT**

The Board refers to the Announcements and wishes to announce that completion of the Joint Venture Agreement in relation to Quantum Solutions International Pte. Ltd. ("**QSI**") had been completed on 27 October 2016 pursuant to which the Investor has been allotted and issued 74,997,051 new ordinary shares in QSI (the "**QSI Shares**"), constituting 34% of the total issued and paid-up capital of QSI.

Based on the agreed adjustments as set out in the Joint Venture Agreement, the final consideration paid by the Investor for the QSI Shares is S\$86.2 million.

#### **2. UPDATE ON THE SECOND INVESTMENT AGREEMENT AND PROPOSED ISSUANCE**

In addition, the Board wishes to announce that the Info-Communications Media Development Authority (formerly the Info-Communications Development Authority of Singapore) has issued its approval for the Proposed Issuance pursuant to Section 26B of the Postal Services Act, Chapter 237A of Singapore (the "**IMDA Approval**") for the Investor to acquire New Shares representing approximately 5% of the existing issued and paid-up capital (excluding treasury shares) of the Company to become a holder of 12% or more of the total number of voting shares of the Company.

Besides the IMDA Approval, the Proposed Issuance is also subject to, *inter alia*, the following:

- (1) the approval of the SGX-ST being obtained for the listing, quotation and trading of the New Shares on the Main Board of the SGX-ST; and
- (2) the approval of the Shareholders at an EGM being obtained for the Proposed Issuance.

In light of the timelines required to obtain the above two approvals, the Company and the Investor have by mutual consent agreed to extend the Long Stop Date to 28 February 2017.



**For immediate release**

## **SingPost strengthens collaboration with Alibaba in eCommerce logistics**

- *Completion of Alibaba's investment of S\$86.2 million for a 34 per cent stake in SingPost's logistics subsidiary*
- *Regulatory approval obtained for Alibaba's second investment of S\$187.1 million to raise its stake in SingPost to 14.4 per cent*



Alibaba will become a joint venture partner in QSI, and increase its investment in SingPost.

**SINGAPORE, 27 October 2016** – Singapore Post Limited's ("SingPost") eCommerce logistics collaboration with Alibaba Group Holding Limited ("Alibaba") was strengthened today as Alibaba's S\$86.2 million investment in SingPost's logistics subsidiary Quantum Solutions International ("QSI") was completed, and regulatory approval for Alibaba's second investment in SingPost was obtained.

### **Joint venture to strengthen eCommerce logistics network**

SingPost today completed the joint venture with Alibaba in which Alibaba has invested S\$86.2 million for new QSI shares making up 34 per cent of QSI, with SingPost owning the remaining 66 per cent.

First announced on 8 July 2015, the joint venture is the culmination of deepening business ties between SingPost and Alibaba. Beginning as a customer of SingPost, Alibaba became a SingPost shareholder in 2014, and today, SingPost is a strategic logistics partner for Alibaba.



QSI, the joint venture between SingPost and Alibaba, will be a common platform to grow and enhance eCommerce logistics capabilities in Southeast Asia and Oceania, to better serve the region's rapidly growing online retail markets.

The collaboration will focus on strengthening QSI's end-to-end eCommerce logistics network, building scale for future profitability. QSI currently operates in 11 markets, providing a full suite of end-to-end eCommerce solutions that includes warehousing, fulfilment, and last mile delivery.

Mr Simon Israel, Chairman of SingPost said, "The completion of the QSI joint venture underscores the deepening relationship and commitment between both companies to build a leading eCommerce logistics platform together across the region. Both Alibaba and SingPost are confident in the long-term value of collaborating to serve the region's fast rising eCommerce logistics needs."

Mr Daniel Zhang, Chief Executive Officer of Alibaba Group, said, "Our enhanced collaboration with SingPost is another strategic step towards strengthening the fundamental infrastructure for digital commerce that will empower brands and retailers to sell globally through the Alibaba ecosystem. A robust logistics network is vital to helping our merchants successfully serve the vast population across Southeast Asia and Oceania, and realise Alibaba's vision to ultimately serve two billion consumers worldwide."

### **Update on second share placement**

Approval from the Info-communications Media Development Authority ("IMDA") has been obtained for Alibaba to increase its interest in SingPost to 14.4 per cent, from 10.2 per cent currently. Alibaba's further investment of S\$187.1 million into SingPost is targeted to be completed by 28 February 2017, in light of the timeline required to obtain the remaining approvals from SingPost's shareholders at an Extraordinary General Meeting and from the Singapore Exchange for the listing, quotation and trading of new shares on the Main Board of the SGX-ST.

### **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 around the world, with operations in 19 markets.

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.

SingPost has been listed on the Main Board of the Singapore Exchange since 2003. The market capitalisation of SingPost stood at S\$3.53 billion as of 31 March 2016. The company has a strong credit rating of A-/Stable by Standard & Poor's.



To find out more about SingPost, please visit [www.singpost.com](http://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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