

SINGAPORE POST LIMITED

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

CHANGE IN INTEREST IN SHENZHEN 4PX INFORMATION AND TECHNOLOGY CO., LIMITED FROM 30.52% TO 19.75%

Singapore Post Limited ("**SingPost**" or the "**Company**") wishes to announce that its associated company Shenzhen 4PX Information and Technology Co., Limited ("**4PX**") has agreed to issue additional shares in the capital of 4PX to its existing shareholder Zhejiang Cainiao Supply Chain Management Co., Limited ("**Cainiao**"), subject to several conditions being met including but not limited to satisfactory due diligence on 4PX by Cainiao (the "**Cainiao Share Subscription**"). Cainiao has also agreed to make further cash contributions to 4PX in two tranches subsequent to the Cainiao Share Subscription, subject to prescribed conditions being met (the "**Cainiao Cash Contribution**", and together with the Cainiao Share Subscription, shall collectively be referred to as the "**Cainiao Investment**").

Quantum Solutions International Pte. Ltd. ("**QSI**"), a subsidiary of SingPost, currently holds an equity shareholding of 30.52% in 4PX. Upon the completion of Cainiao Share Subscription, although the number of 4PX shares held by QSI remains unchanged, QSI's equity shareholding percentage in 4PX will be diluted down to 19.75% (the "**Initial Diluted Shareholding Percentage**") whereupon 4PX will cease to be an associated company of SingPost.

In the event that, subsequent to the Cainiao Share Subscription, either or both of the two tranches of the Cainiao Cash Contribution does not take place, shareholders of 4PX can seek to adjust their equity shareholding accordingly (the "**4PX Shareholding Adjustment**"). This may result in QSI's equity shareholding percentage in 4PX eventually being diluted to a lesser extent if, as a consequence of the 4PX Shareholding Adjustment, the resultant equity shareholding percentage held by QSI increases above the Initial Diluted Shareholding Percentage.

4PX is a cross-border eCommerce logistics solutions provider headquartered in Shenzhen, People's Republic of China. Cainiao's further investment in 4PX will allow deeper business integration between 4PX, Alibaba group and SingPost, in particular for cross-border eCommerce volumes. The additional equity capital investment by Cainiao also strengthens 4PX's balance sheet and provides additional funds for expansion so that 4PX will be well positioned to benefit from the rapid growth in China's eCommerce activities.

As of 30 June 2018, the book value of QSI's current 30.52% equity shareholding in 4PX is S\$38.7 million. A further announcement in relation to the impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 March 2019 will be made in due course.

Alibaba Group Holding Limited ("**Alibaba Group**") is the holding company of each of Cainiao and Alibaba Investment Limited. Alibaba Investment Limited owns 14.5% of SingPost and 34% of QSI. Mr Chen Jun, a Non-Executive, Non Independent Director of the Company, is a Vice President at Alibaba Group.

Save as disclosed above, none of the Directors or controlling shareholders of SingPost has any interest, whether direct or indirect, in the Cainiao Investment (other than through their respective shareholdings in the Company).

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