SINGAPORE POST LIMITED

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

CLARIFICATION ON THE ANNOUNCEMENT RELEASED ON 19 SEPTEMBER 2019

Singapore Post Limited ("**SingPost**" or the "**Company**") refers to the query from Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 20 September 2019 relating to the Company's announcement entitled "Filing of Voluntary Petitions for Relief by (1) Jagged Peak, Inc., (2) TradeGlobal North America Holding, Inc., and (3) TradeGlobal LLC" (collectively, the "**U.S. Subsidiaries**") under Chapter 11 of the United States Bankruptcy Code" (the "**19 September 2019 SGXNet Announcement**" or "**Latest Announcement**"), which was released on 19 September 2019, and wishes to respond as follows:

SGX-ST'S Query:

It is stated in the Company's 19 September 2019 SGXNet Announcement, "*SingPost will no longer include the U.S. Subsidiaries in its consolidated financial reports. For the quarter ended 30 June 2019, the unaudited consolidated loss arising from the U.S. Subsidiaries was approximately S$6.9 million.*"

Please clarify the (i) basis for excluding the U.S. Subsidiaries from the Group's consolidated financial reports; and (ii) whether and how this is in compliance with the Singapore Financial Reporting Standards (International)?

The Company's Response:

In the Latest Announcement, the Company provided an update on its planned exit of its U.S. eCommerce businesses, namely the businesses under Jagged Peak and TradeGlobal, that was earlier announced on 3 April 2019.

In the Latest Announcement, the Company also announced that the boards of directors of Jagged Peak, Inc. and TradeGlobal North America Holding, Inc. respectively, have set up independent board special committees, which comprise only independent directors appointed by the respective boards and which have been given wide powers to restructure the U.S Subsidiaries including powers to determine and approve any restructuring, negotiating the terms of, and the taking of all necessary steps to effectuate, such restructuring including the sale of assets, without the need to obtain further approval from the other directors on the boards of directors of the respective companies.

Following the decisions of the board special committees, the U.S Subsidiaries have filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code ("**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Nevada ("**Court**"). This has resulted in the Court now having supervision over the businesses of U.S Subsidiaries. The Court has broad discretion according to the Bankruptcy Code, allowing the Court to issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of the Bankruptcy Code. For instance, the U.S. Subsidiaries are required to obtain Court approval for any actions outside the ordinary course of business, including the sale of assets other than inventory, terminating a rental agreement, stopping or expanding business operations, etc. The board special committees have also appointed a Chief Restructuring Officer to oversee the U.S. Subsidiaries and the sale of all or substantially all of their assets in an orderly manner.

As a result of the above and in accordance with the requirements under the Singapore Financial Reporting Standard (International) 10, Consolidated Financial Statements, SingPost is required to deconsolidate the U.S. Subsidiaries in its consolidated financial reports.

Issued by Singapore Post Limited on 23 September 2019.