

Singapore Post Extraordinary General Meeting

5 January 2017



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Purpose of the EGM

Overview and Rationale of the Proposed Issuance

Details of Proposed Issuance

Financial Effects

EGM Resolution

Purpose of the Extraordinary General Meeting

- To seek shareholders' approval for the proposed issuance of new ordinary shares to Alibaba Investment Limited.
- This will increase Alibaba Investment Limited's stake in SingPost from approx. 10.2% to approx. 14.4%.
- Shareholders' approval is required as the share issuance is to Alibaba Investment Limited, who is a substantial shareholder of SingPost.
- Alibaba Investment Limited and its associates will abstain from voting.

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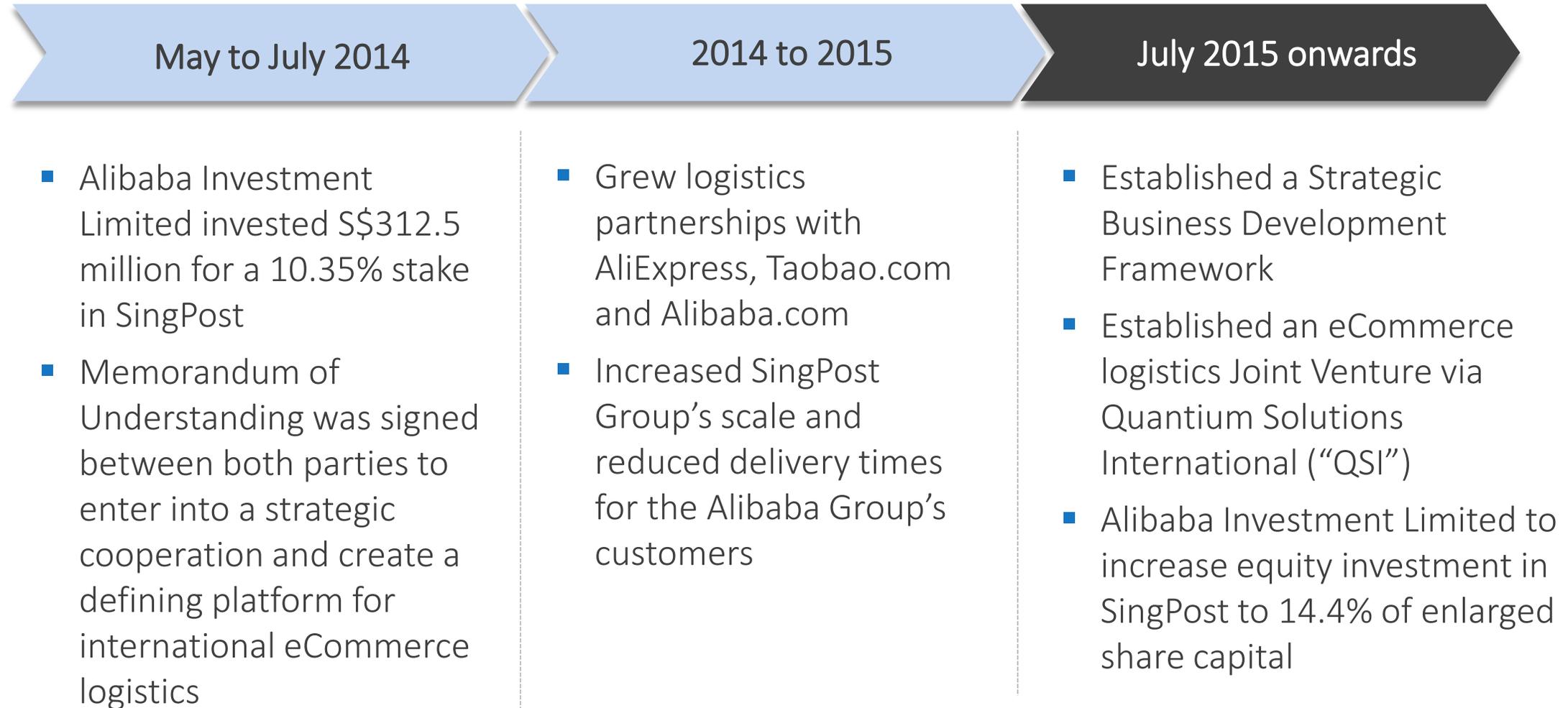
EGM Resolution

About the Alibaba Group

- The Alibaba Group operates an ecosystem where online and mobile commerce participants can leverage the power of the Internet to establish and grow their business as well as meet consumer demand efficiently.
- The Alibaba Group and its related companies operate a range of online eCommerce platforms, including:
 - AliExpress, a global online marketplace for consumers to buy directly from China;
 - Taobao Marketplace, China's largest online shopping destination in terms of gross merchandise volume;
 - and Tmall, China's largest third-party platform for brands and retailers in terms of gross merchandise volume.



Background: Creation of significant synergies between SingPost and Alibaba Group



Strategic Business Development Framework

- Leverage each other's strengths and scale to further improve efficiency and integration in the eCommerce logistics industry

Joint Venture in Quantum Solutions International

- On 27 October 2016, Alibaba Investment Limited completed its subscription for a 34% stake in QSI for approximately S\$86.2 million
- QSI will act as a platform for collaboration between SingPost and the Alibaba Group

The completion of the Proposed Issuance is not conditional upon the completion of the transactions contemplated by the Joint Venture Agreement and vice versa

Proposed Issuance:

Strong business rationale for deepening strategic partnership



Demonstrates the Alibaba Group's long term support for SingPost's eCommerce logistics vision and willingness to share the risks and rewards of achieving it



Accelerates existing and new revenue-generating initiatives between SingPost and the Alibaba Group in eCommerce logistics



Advances build-up of eCommerce logistics infrastructure and services



Strengthens SingPost's overall capital base to capitalise on potential acquisition opportunities and continue with its long-term growth and expansion

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EGM Resolution

Issue of 107,553,907 New Shares to Alibaba Investment Limited

- Representing approximately:
 - 4.97% of existing share capital ; and
 - 4.73% of enlarged share capital of SingPost

- The issue price of S\$1.74 per new share, based on the Second Investment Agreement signed on 8 July 2015, represents:
 - approx. 7.89% discount to Volume Weighted Average Price (“VWAP”) per share on 7 July 2015, the preceding full market day up to the date the Second Investment Agreement was signed
 - approx. 18.4% premium to VWAP per share of approx. S\$1.47 on 7 December 2016, the Latest Practicable Date before the Circular was printed

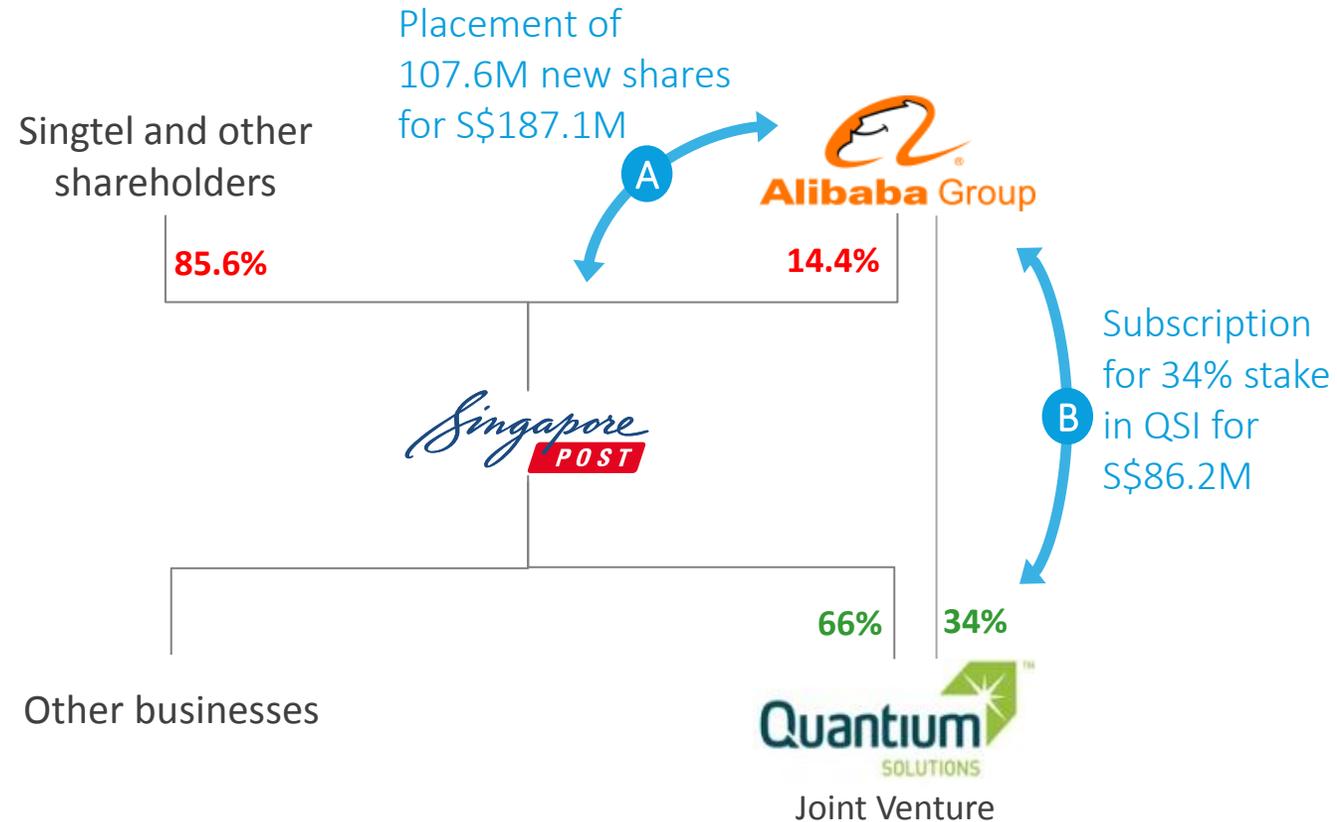
SingPost Group structure



Before Joint Venture and Proposed Issuance

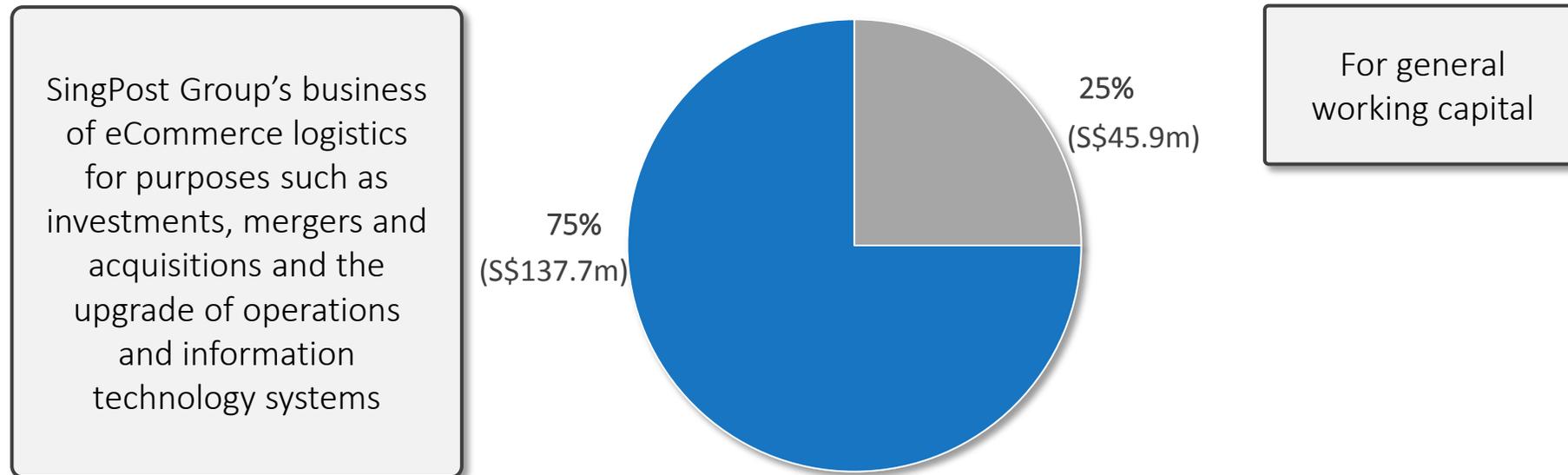


Upon completion



Proceeds to be employed for strengthening SingPost's network

Net proceeds of approximately S\$183.6 million¹



1. After deducting estimated expenses of approximately S\$3.5M

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Financial effects of the Proposed Issuance

For illustration purposes only:

Group Earnings

For the first 6 months of FY16/17
ended 30 September 2016

	Actual	Pro Forma*
Earnings per share (S cents)	2.76	2.63

Group Net Asset Value

As at 30 September 2016

	Actual	Pro Forma*
NAV per share (S cents)	71.2	75.9

Group Gearing

As at 30 September 2016

	Actual	Pro Forma*
Net Gearing (%)	16.1%	3.8%

* The pro forma financial effects are presented for illustrative purposes only and do not represent SingPost's actual financial position following completion of the Proposed Issuance.

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EGM Resolution

We are seeking shareholders' approval for the Proposed Issuance

Ordinary Resolution

- a) allot and issue an aggregate of 107,553,907 New Shares by way of a private placement to Alibaba Investment Limited at a subscription price of S\$1.74 per New Share, pursuant to the terms and subject to the conditions of the Second Investment Agreement; and
- b) complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient or in the interests of the Company to give full effect to the Proposed Issuance and this resolution.

The Directors¹ recommend that shareholders vote in favour of this resolution.

1. Save for Mr Chen Jun as he is a VP at Alibaba Group and has abstained from making a recommendation.

Thank you

