



SingPost and Alibaba Group to Expand E-Commerce Logistics Cooperation

- *SingPost and Alibaba Group taking next step to establish end-to-end e-commerce logistics platform - Alibaba investing in Quantum Solutions International, a SingPost subsidiary*
- *Alibaba Group to increase equity stake in SingPost to 14.51 percent subject to regulatory approval*
- *SingPost and Alibaba Group to enter into a joint strategic business development framework to improve efficiency and integration in e-commerce logistics*

Singapore, July 8, 2015 – Singapore Post Limited (“SingPost”) (STI: S08) and Alibaba Group Holding Limited (“Alibaba”) (NYSE: BABA) announced today a series of new initiatives for collaboration and growth following the signing of a joint venture agreement. The three initiatives signal the deepening of a business relationship that started last year and a commitment from both parties to increase e-commerce logistics collaboration in the future to build a leading e-commerce logistics platform to service the rapidly growing e-commerce businesses across Asia Pacific and beyond.

Initiative One: Alibaba will invest up to approximately S\$92 million (US\$67.85 million) in QSI for a 34 percent stake in Quantum Solutions International (“QSI”). SingPost will hold the remaining 66 percent of the equity of QSI. QSI is currently a wholly-owned subsidiary of SingPost providing leading end-to-end e-commerce logistics and fulfilment services across the Asia Pacific region. Its network spans more than 10 countries and the company offers customers e-commerce logistics solutions and warehousing across Asia Pacific.

QSI will reorganize its business and become the joint venture vehicle of SingPost and Alibaba Group. This will allow QSI to ramp up its development of e-commerce logistics infrastructure and services. In addition, QSI will also become a platform for both parties to strengthen their collaboration and realize synergies across their businesses. QSI will encompass e-commerce warehousing, last-mile delivery and other end-to-end e-commerce solutions.

Initiative Two: Alibaba Group will purchase 107,553,907 new ordinary shares amounting to 5 percent of the existing share capital of SingPost for S\$187.1 million (US\$138.6 million). Upon completion, Alibaba’s deemed interest on a fully diluted basis in SingPost will rise from 10.23 percent to 14.51 percent. Alibaba Group’s acquisition of additional equity in SingPost is subject to Info-Communications Development Authority of Singapore (IDA) and SingPost’s shareholder approvals. Alibaba Group acquired its initial stake in SingPost in 2014.

Initiative Three: SingPost and Alibaba have also entered into a joint strategic business development framework to further improve efficiency and integration of e-commerce logistics solutions. SingPost and Alibaba will share their respective knowledge and leverage each other’s strengths to scale across the e-commerce logistics value chain. A joint Steering Committee will be created and drawn from their respective executives.

Mr. Lim Ho Kee, Chairman of SingPost, said: “The pace of transformation at SingPost has been accelerating steadily. As a postal service provider, we are on a burning platform, facing a global decline in mail revenue with trends like e-substitution and lifestyle changes. It is a win-win situation for both of us because we share similar goals and have a natural fit between our operations across Asia. On behalf of my fellow directors, I welcome Alibaba as one of our partners on the next phase of the journey.”

Mr. Daniel Zhang, Chief Executive Officer of Alibaba Group, said, “Over the past year, Alibaba and SingPost have worked closely to explore cross border e-commerce opportunities and created a series of customized logistics solutions in various markets. This additional investment into SingPost and establishment of a joint venture signify our commitment in expanding our global logistics footprint, which in turn will help Chinese businesses sell, and global brands deliver more easily around the world.”

Dr. Wolfgang Baier, Group Chief Executive Officer of SingPost, said, “We are now taking the next step by building a regional e-commerce logistics platform and infrastructure for e-commerce players across Asia Pacific based on Quantum Solutions – our e-commerce logistics subsidiary. Alibaba started as our customer and then last year became our shareholder and business partner. Today with the significant growth in e-commerce ahead, both of us are convinced of the long term value of working together in a win-win partnership for e-commerce businesses in Asia Pacific.”

Full Details and Disclosure

This news release is to be read and understood in context with the detailed disclosures made today by SingPost to the SGX-ST.

About Singapore Post Limited

Singapore Post (SingPost) is the leading provider of mail, logistics and ecommerce solutions in Singapore and the Asia Pacific region, with operations in more than 10 countries.

As Singapore’s national postal service provider, SingPost offers trusted communications through domestic and international postal services as well as end-to-end integrated mail solutions covering letter shopping, delivery and mailroom management, among others. For over 150 years, SingPost has been delivering a trusted and reliable service to customers and businesses in Singapore.

As part of its transformation, SingPost has been steadily expanding beyond Singapore, leveraging its regional platform Quantum Solutions and other subsidiaries and partners. With its regional network and infrastructure, SingPost offers fully integrated ecommerce logistics solutions covering the four areas of freight, customs & regulations management, warehousing & fulfilment, last mile delivery & returns, as well as ecommerce web services, to its customers.

SingPost was listed on the Main Board of the Singapore Exchange in 2003 and 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.

SingPost won the World Mail Award for Retail Customer Access in 2015, ecommerce, 2014 and People Management, 2013. SingPost also gained international acclaim when it was bestowed the Service Provider of the Year award by Postal Technology International in 2014 and 2012. SingPost is the only company to win to the Universal Postal Union’s EMS Cooperative award for its Speedpost courier service every year since 2001.

SingPost’s subsidiaries and businesses include:

- SP eCommerce (www.specommerce.com/), an ecommerce enabler that provides brands and retailers with integrated end-to-end ecommerce solutions
- Quantum Solutions (www.quantiumsolutions.com/) which specialises in logistics and fulfilment services to businesses in the Asia Pacific region
- CouriersPlease (www.couriersplease.com.au/), a leading metropolitan express parcel delivery service in Australia
- Famous Holdings (www.famous.com.sg/), an established freight consolidator and freight-forwarder with a regional presence in 7 countries

- Lock+Store (www.lockandstore.com/), a self-storage operator in Singapore, Hong Kong and Malaysia
- DataPost (www.datapost.com.sg/), the biggest data print bureau in the Southeast Asia region
- Speedpost (www.speedpost.com.sg/), a leading provider for courier service in Singapore and international shipping to more than 200 destinations across the globe
- vPOST (www.vpost.com.sg/), one of the largest online shopping and shipping services providers in Southeast Asia
- Omigo Marketplace (www.omigo.com.sg/), Singapore's online marketplace for consumers to shop and for SMEs and international brands to sell online
- SAM (www.mysam.sg/), a digital mailbox with bill payment services which can be accessed anywhere, anytime

For more information, please visit: www.singpost.com

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere. The company is the largest online and mobile commerce company in the world in terms of gross merchandise volume. Founded in 1999, the company provides the fundamental technology infrastructure and marketing reach to help businesses leverage the power of the Internet to establish an online presence and conduct commerce with hundreds of millions of consumers and other businesses.

Alibaba Group's major businesses include:

- Taobao Marketplace (www.taobao.com), China's largest online shopping destination
- Tmall.com (www.tmall.com), China's largest third-party platform for brands and retailers
- Juhuasuan (www.juhuasuan.com), China's most popular online group buying marketplace
- Alitrip (www.alitrip.com), a leading online travel booking platform
- AliExpress (www.aliexpress.com), a global online marketplace for consumers to buy directly from China
- Alibaba.com (www.alibaba.com), China's largest global online wholesale platform for small businesses
- 1688.com (www.1688.com), a leading online wholesale marketplace in China
- Aliyun (www.aliyun.com), a provider of cloud computing services to businesses and entrepreneurs

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