For immediate release

SingPost and Alibaba Group to Form Strategic Collaboration to Grow International E-commerce Logistics Business

Singapore, 28 May 2014 – Singapore Post Limited (SingPost) and Alibaba Group Holding Limited (Alibaba Group) today announced that SingPost and Alibaba Investment Limited, a wholly-owned subsidiary of Alibaba Group Holding Limited, have entered into an investment agreement under which Alibaba Investment Limited will invest S$312.5 million to purchase 30 million existing ordinary shares held in treasury by SingPost and 190.096 million new ordinary shares and take a 10.35% stake in SingPost upon completion. Both companies also signed a memorandum of understanding (MOU) which will allow them to discuss and negotiate a joint venture (JV) in respect of the business of international e-commerce logistics. This strategic business cooperation will also tap into other e-commerce opportunities in Southeast Asia and beyond by providing amongst other things, greater access to SingPost's international logistics capabilities, infrastructure and delivery networks, and as well as end-to-end solutions to Alibaba Group customers and merchants.

SingPost is a leading provider of e-commerce logistics solutions and trusted communications in the region. As the national postal service provider in Singapore for over 150 years, SingPost offers integrated trusted communications through its domestic and international postal services and a suite of cutting-edge digital solutions for businesses and consumers. With its regional network and infrastructure, SingPost is able to offer fully integrated e-commerce logistics solutions covering freight transportation, warehouse fulfilment, delivery and returns as well as

web solutions, to its customers. SingPost's e-commerce and related businesses currently account for about 26% of its total revenue.

Combining Strengths of SingPost Group and Alibaba Group

This landmark collaboration between two leading organizations – SingPost, one of the leading global postal companies and Alibaba Group, the largest online and mobile commerce company in the world in terms of gross merchandise volume in 2013 – leverages the core competencies of both companies to advance the e-commerce eco-system and create logistics solutions for international e-commerce.

Said Mr Lim Ho Kee, Chairman of SingPost: "This strategic investment by Alibaba is a significant milestone in our transformation journey into the region and is an affirmation of our long-standing strategy in e-commerce logistics as part of SingPost's growth trajectory. SingPost will benefit from Alibaba's expertise in e-commerce, technology and business volumes. We see considerable strategic advantages, such as the creation of new relationships and opportunities for strategic cooperation with the Alibaba Group, all of which are expected to increase the Company's growth and development pace as it pursues regional opportunities."

Mr Daniel Zhang, Chief Operating Officer of Alibaba Group said: "We are excited to collaborate with SingPost and leverage SingPost's strong delivery networks and end-to-end e-commerce logistics solutions to facilitate international e-commerce. Through this collaboration, we hope to create concrete benefits for our overseas buyers and sellers by enhancing the user experience and providing greater access to a suite of international e-commerce logistics solutions and products."

The collaboration is intended to allow SingPost Group and Alibaba Group to cooperate and leverage each other's strengths and experience to create a platform for international e-commerce logistics business, giving priority to SingPost Group's logistics services based on commercial terms. It aims to, amongst other things, (a) achieve full regional value chain of e-commerce logistics including warehousing, last mile delivery, linehaul, customs clearance, parcel collection, consolidation and order fulfillment, (b) provide Alibaba Group access to SingPost Group's international logistics capabilities, infrastructure, and delivery networks including potential regional roll-out of POPStations, (c) offer end-to-end solutions to the customers and merchants of Alibaba Group, (d) allow SingPost Group's operations to benefit from Alibaba Group's expertise in e-commerce and business volumes and (e) allow Alibaba Group and SingPost Group to leverage on each other's strong brands.

Over the next few months, SingPost Group and Alibaba Group will also continue discussions on the formalisation of a joint venture (JV) in respect of the business of international e-commerce logistics.

Investment by Alibaba Group enables SingPost to significantly scale up its regional capabilities and infrastructure to meet growing e-commerce demand

The e-commerce market in the Asia-Pacific region is becoming the largest e-commerce market in the world, with e-commerce sales expected to hit more than US$1 trillion by 2020, according to eMarketer.

Said Dr Wolfgang Baier, Group Chief Executive Officer of SingPost: "E-commerce logistics is the key enabler to capture the growth in e-commerce in Asia. This strategic investment will help boost our transformation in regional e-commerce logistics and realize our next growth frontier. With the tremendous e-commerce opportunity, the funds from this investment provide SingPost with financial flexibility and enable us to significantly scale up our e-commerce logistics business and build new capabilities as we are poised for growth in the region."

Added Dr Baier: "Through this step-change strategic collaboration, SingPost will be able to grow its regional e-commerce logistics much faster and strengthen it as a regional revenue stream, even as our core domestic business continues to be under tremendous pressure from rapidly declining domestic traditional mail volumes. We will speed up investments into our regional capabilities especially technology and infrastructure. Still, as Singapore's Public Postal Licensee (PPL), our foremost priority is to provide high quality domestic mail services to meet our service obligations in Singapore. We are already investing S$100 million to improve customer service and productivity including the replacement of our mail sorting machines and delivery fleet as well as offering more 24/7 services such as POPStation and ezy2ship. And we will continue to invest despite the declining domestic letter mail volumes into serving Singapore's postal needs and meeting its stringent delivery standards."

For details of the announcement, please refer to SingPost's SGXNet announcement.

End

About Singapore Post Limited
(Reg. No. 199201623M)

Singapore Post Limited (SingPost) is the national postal service provider in Singapore offering **trusted communications** through domestic and international postal services as well as end-to-end integrated mail solutions covering secure data printing, letter-shopping, delivery and mailroom management, among others. As the trusted communications service provider for more than 150 years, SingPost today goes beyond physical postal communications to offer secure digital communications solutions as part of integrated solutions to its customers. With its competencies in mail, logistics and e-commerce, SingPost is able to offer integrated **e-commerce logistics** solutions tailored to customers' needs. Having one of the largest multi-channel distribution networks in Singapore, regional operations in 13 countries and access to a global postal network of more than 220 countries/territories, SingPost is also well-positioned to provide end-to-end e-commerce logistics solutions such as warehousing, pick and pack, delivery and returns management for B2B, B2C and B2B4C customers in Singapore and the region.

SingPost was recently named the top postal company by Accenture and won the UPU-approved World Mail Award for People Management in 2013. SingPost also gained international acclaim when it was bestowed the Service Provider of the Year 2012 award by Postal Technology International. SingPost won the 2014 EMS Cooperative Gold Certification Award by the Universal Postal Union for its *Speedpost* courier service and is the only company to win an award every year since 2001.

SingPost was listed on the Main Board of the Singapore Exchange in 2003. To learn more about SingPost, 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 online third-party platform for brands and retailers
- Juhuasuan (www.juhuasuan.com), China's most popular online group buying marketplace
- 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
- Alibaba Cloud Computing (www.aliyun.com), a leading provider of cloud computing services to businesses and entrepreneurs

Alibaba Group also provides payment and escrow services on its marketplaces through its association with Alipay (www.alipay.com), a related company of Alibaba Group.

Through China Smart Logistics, a 48%-owned affiliate, Alibaba Group, operates a central logistics information system that connects a network of express delivery companies in China.

~~~~~~~~~~

Media contacts

Ms Tay Poh Choo, VP Group Communications
Singapore Post Ltd
Tel. +65 6845-6409 / 9739-0290
Email: pohchoo@singpost.com

Ms Florence Shih, Associate Director
International Corporate Communications
Alibaba Group
Tel: +852 2215 5114
Email: florenceshih@hk.alibaba-inc.com

Investor relations contacts

Ms Selena Chong, AVP Investor Relations
Singapore Post Ltd
Tel. +65 6845-6720 / 9011-6600
Email: selena@singpost.com

Mr Wallace Cheung, Vice President
Investor Relations
Alibaba Group
Tel: +852 2215 5121
Email: wallacecheung@hk.alibaba-inc.com
~~~~~~~~~~