SingPost - eCommerce Networks

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(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:
(1) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
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SingPost history and its acceleration in the last years

Statutory Board

Postal Services Group in Singapore Telecom
(Merger on 1 Oct1982)
1982

Listed Company

Singapore Post Limited
(Listed on SGX on 13 May 2003)
2003

1800s – 1940s

1950 1960 1970 1980 1990 2000 2010 2020

1992
Singapore Post Pte Ltd
(Corporatisation on 1 April 1992)

Company (Subsidiary of SingTel)

Postal Services Department
(Before 1 Oct 1982)

Government Department

accenture
High performance. Delivered.

Ranked No 1 postal agency in the world three years in a row

postal technology international Awards 2014

Global Service Provider of the Year award

World Mail Awards

World Mail Award 2014 (eCommerce)

EMS UPU Universal Postal Union

Only company to win an EMS Cooperative award every year since 2001

- EMS Performance Gold Level Award 2013
- World Mail Award 2013 (People Management)
- Global Service Provider of the Year Award 2012
- ASEAN Energy Awards 2008
- World Mail Award 2007 (Quality)

Acceleration supported by need to change

Strategic Threats

Mail Decline

Staying relevant in the Digital World

Rapidly rising Cost of Business

Our Response

Transformational change program to become "Regional Leader in eCommerce Logistics and Trusted Communications":

THINK BIG

+

ACT SMALL

+

FAIL FAST

+

LEARN QUICKLY

SingPost Group at a glance today

> 150 years
of serving Singapore

> 3 million
mail items delivered each business day

28%
Ecommerce revenue

15 countries
footprint

42%
Logistics revenue

~33%
regional revenue

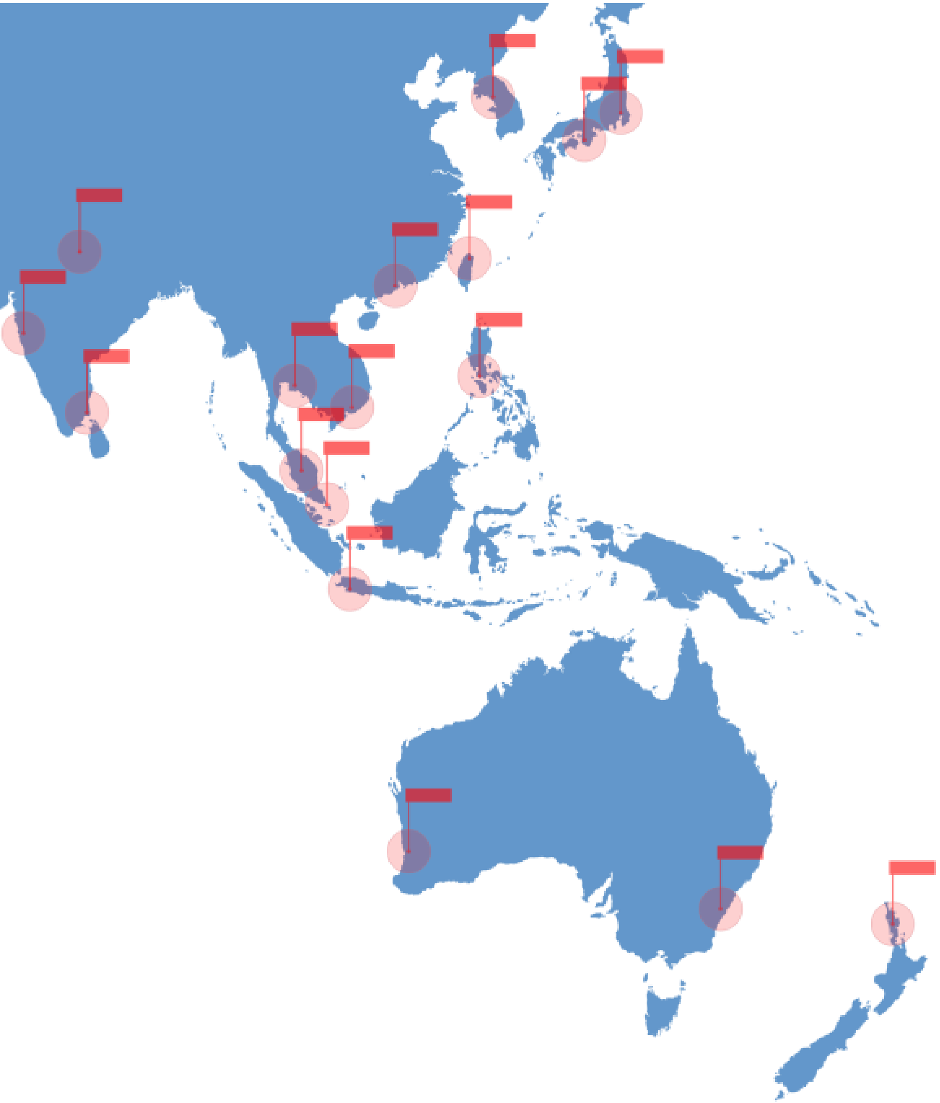
S$4.1B
market capitalisation

7,000
size of workforce

Alibaba.com

Diversifying into ecommerce networks

Singapore POST



eCommerce Supply Chain provider in Asia

22 Logistics Centers **13** Countries & Offices **4** Call Centers **8** Languages & Dialects

Own Technology IP, Rapid Growth

adidas
mi
Canon
UNDER ARMOUR
TOSHIBA Leading Innovation >>>
PHILIPS
deckers OUTDOOR CORPORATION
MUJI 無印良品
NORBREEZE GROUP
NU SKIN THE DIFFERENCE. DEMONSTRATED.
Triumph
JRunway Shop
ZTE中兴
Capitol Optical

Using Singapore as a hub for South East Asia and Asia Pacific

Singapore:

- No. 1 Business Environment in the world
- No. 2 Most Competitive City in the world
- No. 1 Logistics Hub in Asia, 5th in the world
- 17 of 25 Top 3PL providers have regional HQ / hub operations in Singapore

Asia & ASEAN:

- Asia - 4.3 billion combined population & US$23 trillion combined nominal GDP
- ASEAN - 625million combined population & US$2.4 trillion combined nominal GDP

eCommerce as THE growth opportunity – example South East Asia (SEA)

SEA eCommerce Market Outlook for 2020

	ID	SG	PH	VN	TH	MY	Aggregate	China
Population (m)	245	5	98	89	68	30	534	1,344
# Online (m)	76	4	34	31	31	19	194	618
% Online	31%	74%	34%	35%	46%	63%	36%	46%
Retail sales (US$ bn)	100	30	34	80	94	98	436	3,812
eCommerce % of retail	0.1%	1%	0.3%	0.1%	0.2%	0.2%	0.2%	8.0%
Opportunity (US$ bn) by 2020 at 8% retail sales	8.0	2.4	2.7	6.4	7.6	7.9	USD 34.9bn	

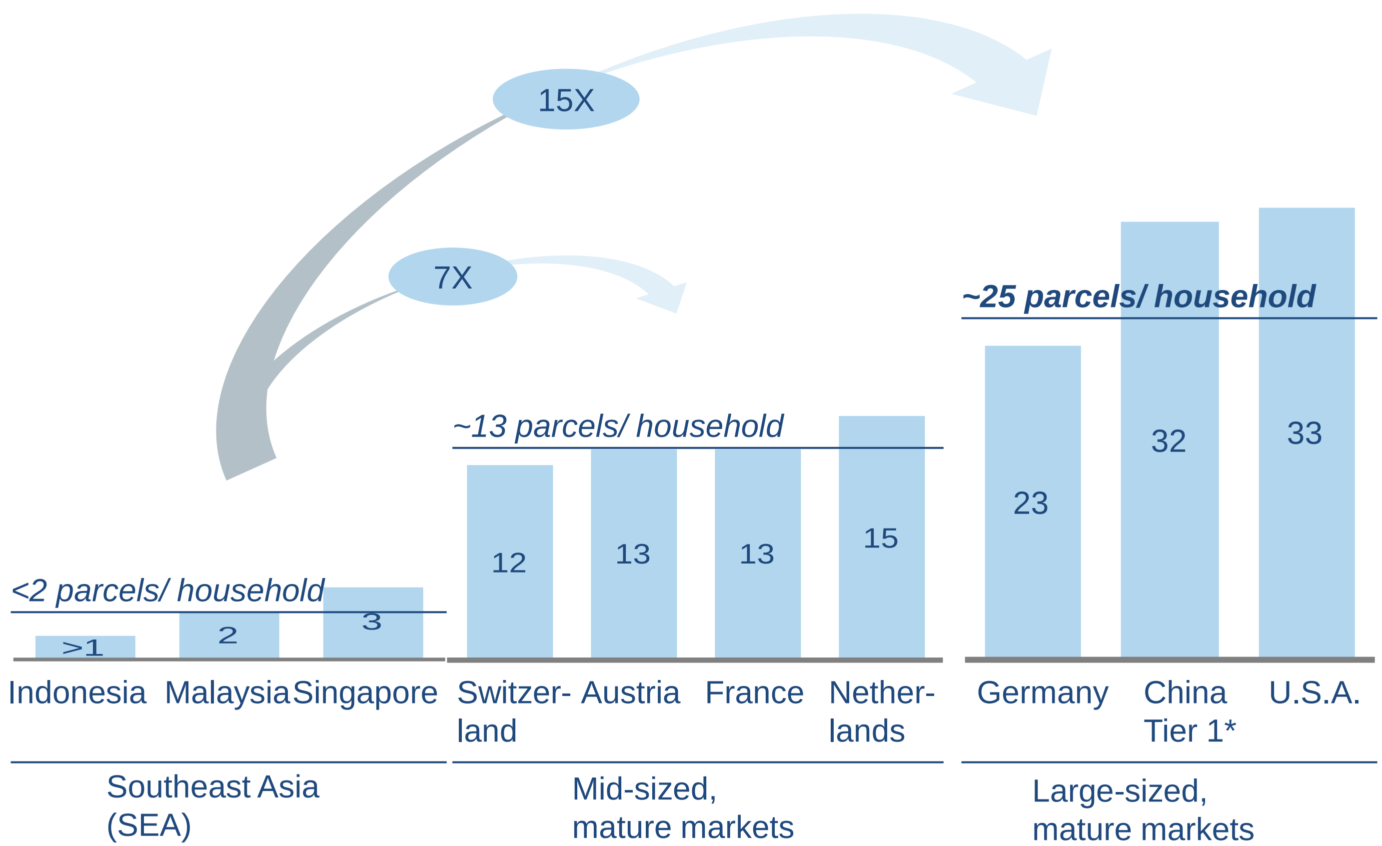
Source: UBS, 2013

As a result SEA ecommerce logistics represents massive growth opportunities

INDICATIVE

Parcel penetration by household

In parcels per year



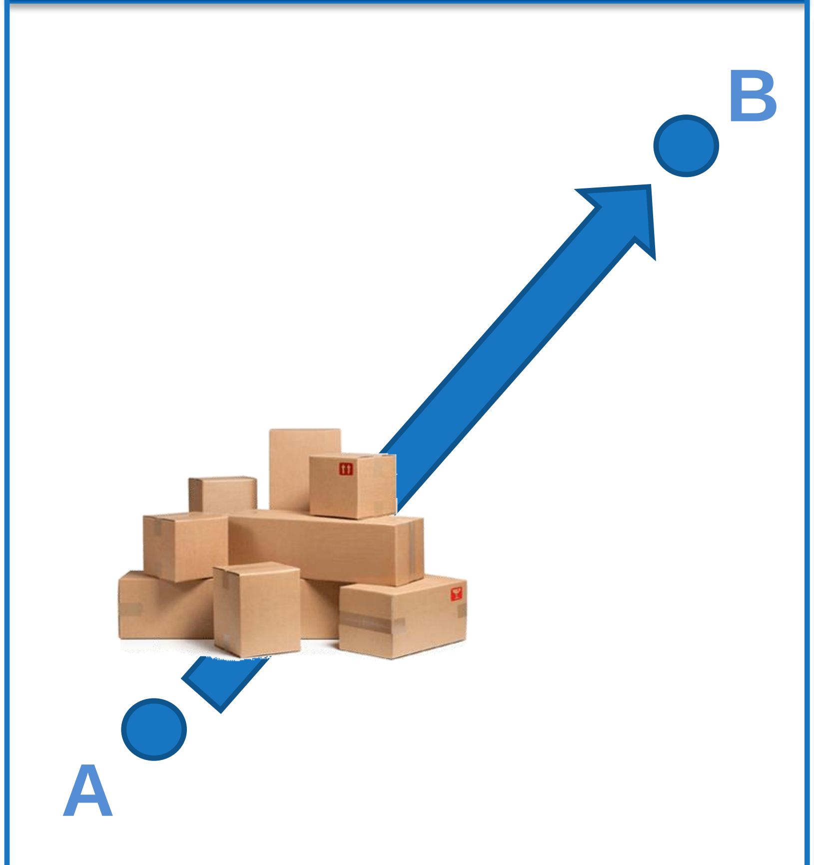
Note: China data is for tier 1 cities only

Source: McKinsey research, SingPost analyses

eCommerce instills paradigm shifts: From operations focus to customer focus

From Route Optimization…

Optimizing from point "A" to point "B"



… To Customer-centric Network Optimization

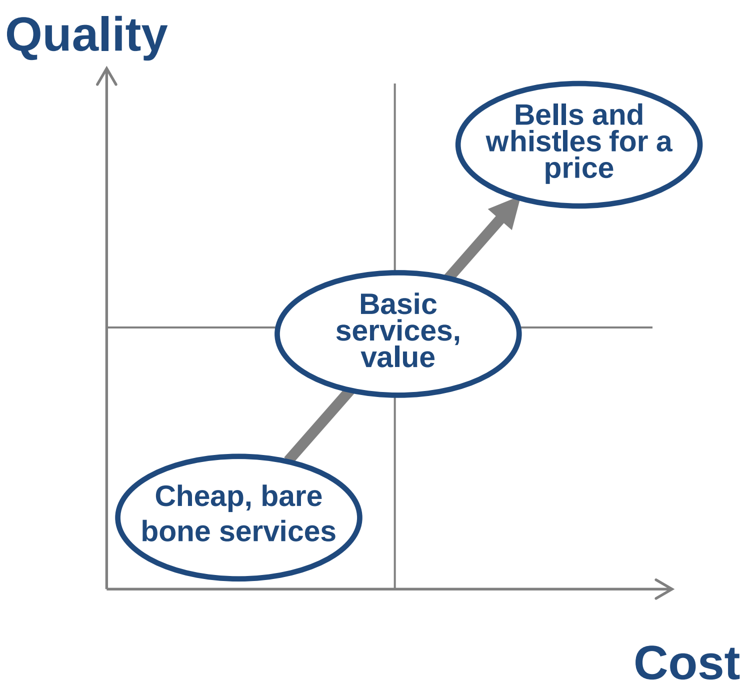
Bringing both Customers & Parcels together

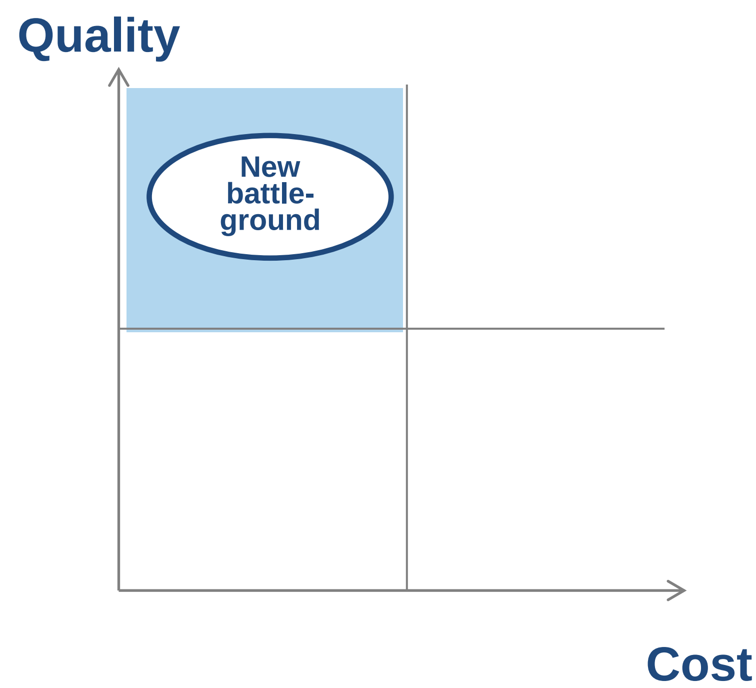
eCommerce instills paradigm shifts: Towards lowest cost and highest Service

From 'Classic" industry segmentation…

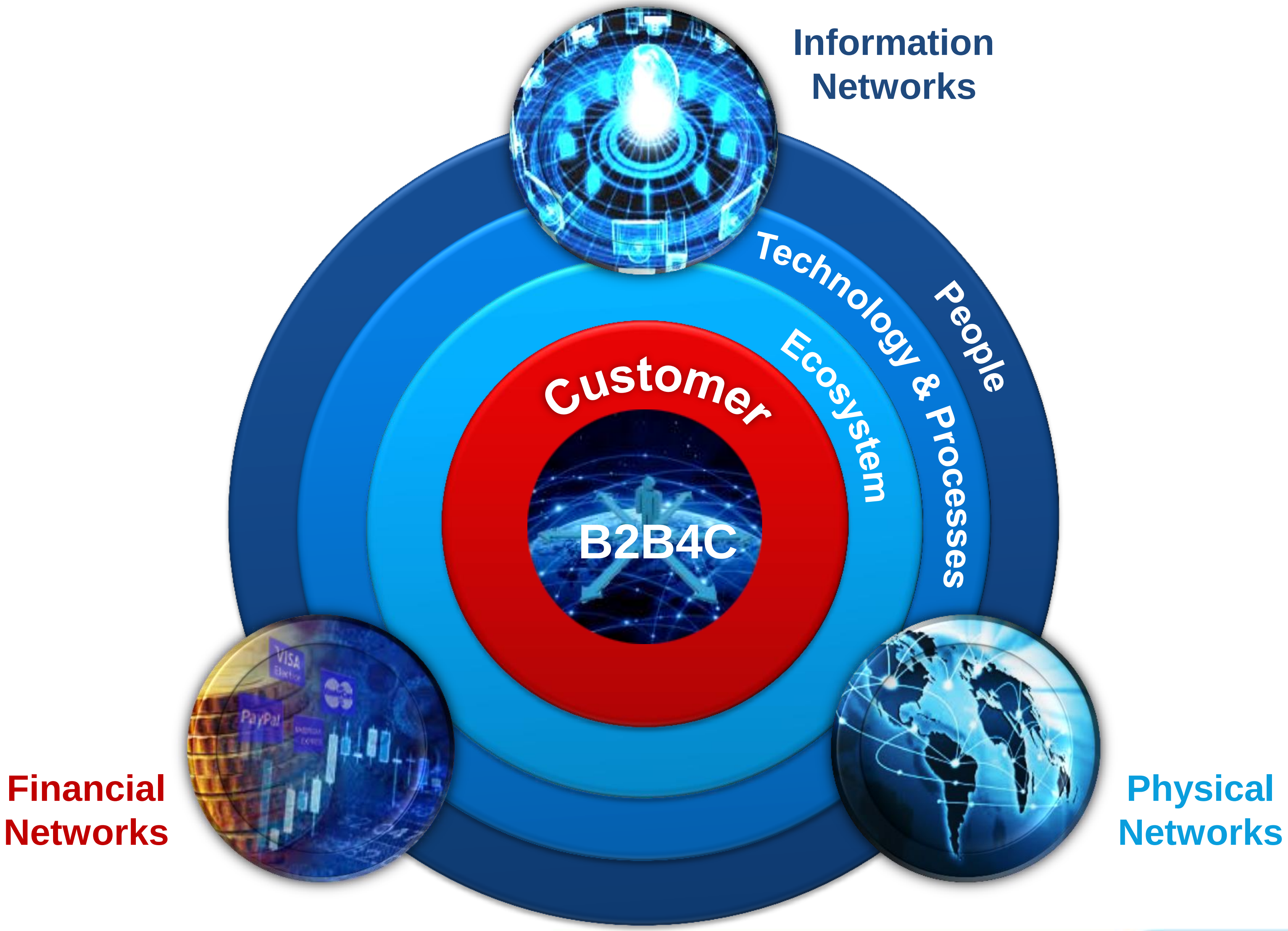
… To disruptive business models

Differentiate along service or cost	Need top service and lowest cost





The answer: building ecommerce ecosystems & networks



Two examples of ecommerce ecosystems at work

B2C	B2B
POPStation	ezyCommerce

Customer-centric ecommerce ecosystem: POPStations

Connecting internal and external networks

One Login Multi-Channel
(with SMS/Email Interactions)

Convenient Touchpoints
(e.g. 7 Days/week Post Offices)

Web-enabled Track & Trace

Enhanced Sorting Infrastructure

Flexible Doorstep Delivery

POPStations
& associated Mobile Apps

Business-focused ecommerce ecosystem: ezyCommerce

Connecting customers to global ecommerce networks

What's next?

Full Convergence of online and offline (O^2)

Ubiquity of pick-up points: anytime and anywhere (IOT)

Autonomous vehicles and robotics – maybe drones

Pay for extra services, but scale still wins

Some questions for the future of eCommerce networks

- How to solve the lowest cost & highest service paradigm shift (customer analytics)?
- How to manage cross-border regulations as eCommerce networks become more international?
- How to attract top talent to solve these issues?

Quantium SOLUTIONS

LOCK+STORE
Your Private Storage Space

GDEX

Efficient
A Name You Can Trust

4PX

ITL CORPORATION

DashLogistics

Thank You