SINGAPORE POST LIMITED

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

THE PROPOSED DISPOSAL OF 100% EQUITY INTEREST IN GENERAL STORAGE COMPANY PTE. LTD.

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1. INTRODUCTION

The Company refers to its previous announcement dated 2 September 2021 in respect of its entry into a sale and purchase agreement relating to the sale of General Storage Company Pte. Ltd. ("**GSC**") and its subsidiaries (the "**Previous Announcement"**).

Unless otherwise defined or the context requires otherwise, capitalised terms as used in this announcement shall bear the same meanings as ascribed to them in the Previous Announcement.

2. UPDATE ON THE PROPOSED DISPOSAL

Pursuant to Clause 3.1 of the SPA, Completion of the Proposed Disposal is conditional upon the satisfaction or waiver of the conditions in Clause 3.1 (the "**Conditions Precedent**").

The Company wishes to announce that the Vendor and the Purchaser have agreed on 1 December 2021 that all the conditions in Clause 3.1 have been satisfied or waived, and Completion is currently scheduled to take place on 22 December 2021.

On Completion, the Company will have received the estimated completion payment of approximately S$87 million, which is subject to any adjustments by the agreed adjustment date. Following Completion, GSC and its subsidiaries will cease to be part of the SingPost Group.

3. 502 CHAI CHEE LANE

One of the Conditions Precedent pertain to the consent of the landlord, Jurong Town Corporation ("**JTC**") in relation to a property at 502 Chai Chee Lane, Singapore 469025 (the "**Chai Chee Property"**) which is held by Lock & Store (Chai Chee) Pte. Ltd. ("**LSCC**", a 100% subsidiary of GSC) as lessee. Based on JTC's review, JTC has determined that the transaction will result in an assignment of the Chai Chee Property, pursuant to which an assignment fee will be imposed. In view of this assignment fee of approximately S$4 million, it will result in an approximate S$4 million exceptional loss which will be recorded in this financial year. The previously announced gain to retained earnings of approximately S$6 million which would be directly transferred to fair value reserves is now expected to be reduced to approximately S$2 million after taking into account this exceptional loss.

The Proposed Disposal is consistent with SingPost Group's strategy of recycling capital by divesting non-core assets and will result in SingPost receiving net cash proceeds of over S$83 million which can be redeployed to other growth strategies.

Issued by Singapore Post Limited on 3 December 2021.