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Chartered
Accountant
SINGAPORE

Singapore CA Qualification Examination

INTEGRATIVE BUSINESS SOLUTIONS

ADVANCE INFORMATION

Friday, 28 August 2020

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WARNING

Candidates **must not under any circumstances** contact any similar company or its agents to obtain research data, and they must use **ONLY PUBLICLY AVAILABLE INFORMATION**. Under no circumstances should they seek to use unpublished or private information.

Dear Candidate,

This information package contains the **Advance Information** for the Integrative Business Solutions (IB) module examination to be held on **Friday, 18 September 2020**. A checklist of the documents (Exhibits) contained in this information package is provided on the following page. It is your responsibility to ensure that you have received every document listed.

Your task now is to familiarise yourself with this information including analysing the data provided. In addition, you are encouraged to undertake further research to form a holistic picture of the industry and markets in which the case study company is operating, and the general economic and business environment. Diligent preparation is essential for success in the IB Examination. **Guidance on preparing for the IB Examination is covered in your IB Toolkit.**

The IB examination will be conducted using Exemplify. Please ensure that Exemplify software is pre-installed in your laptop. Although you will have full access to the hard drive on your laptop during the examination, you are strongly advised to have this Advance Information, together with your notes and other preparatory workings in **hard copy format**, as well as a standalone calculator that complies with the SAC's regulations during your exam. **No printing of any materials is allowed during the examination.**

You will also receive additional information (**Examination Day Documents**) on the case study company on the day of the IB Examination. The Examination Requirements will be included within the Exemplify exam. Follow the instructions in your Exemplify exam to download the rest of the Examination Day Documents. Your live proctor will unlock the Exemplify exam and all files for you. The Examination Day Documents complete the case study scenario and set out the requirements for the report that you are required to write. The IB Examination will be an open-book examination of **4 hours 30 minutes**. Your formal report will cover four specified areas, one of which will be to write an Executive Summary. Please note that **only your report commentary (including the assumptions made), appendices, and workings entered in the Exemplify software programme on the day of the examination will be marked.**

NimbleVan (NV) Pte Ltd

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NimbleVan (NV) Pte Ltd origins, company background and key members' biographies**About NV**

NimbleVan (NV) is a logistics service provider that specialises in the provision of last-mile logistics services. Based in Singapore, NV is one of the fastest growing last-mile logistics companies in the country. NV's head office and warehouse are situated in the state-of-the-art Mapletree Logistics Hub on Toh Guan Road in Singapore. At present NV's services are only available in Singapore.

Transactions in the logistics industry involve three key stakeholder groups: consigner, consignee and logistics service provider. In the case of an online sale, the online retailer is the consigner with the end consumer taking on the role of the consignee. The logistics service provider is the party that transports and delivers the items from the consigner to the consignee.

Company origins and background

NV was established in 2015 by its four founders after they identified that the needs of online retailers (e-tailers) in Singapore were not being met efficiently by existing large logistics firms.

Historically, larger logistics service providers tended to focus on providing business-to-business (B2B) supply chain logistics solutions. They offered a wide range of domestic and international freight and multi-leg shipping services, but did not have the infrastructures in place to accommodate the rapid growth in demand for last-mile business to consumer (B2C) logistics services. Market research conducted by NV found that 26% of Singaporeans shop online at least once a week, with 58% making online purchases at least once a month.

In traditional retail distribution, logistics service providers might transport, for example, 1,000 tablet computers from the manufacturer to the retailers' bricks-and-mortar stores or

to the retailer's main warehouse operations for sorting and consolidation prior to delivery to stores.

Last-mile logistics by contrast requires delivery of goods from a local distribution centre to potentially thousands of addresses, for example, transporting 1,000 tablet computers from an e-tailer to 1,000 different consumers. The rapid growth of e-commerce in South East Asia in recent years has fuelled demand for fast and cost-effective parcel delivery services which transport goods from the e-tailer to a destination of the end customers choosing.

The need among traditional logistics service providers to change their business models from predominantly offering B2B logistics services to business-to-consumer (B2C) services presented many established logistics companies with some significant challenges.

Decisions, decisions

At the very outset the founders were confronted with a crucial business decision: whether to build the company's operations from scratch, or to acquire an existing last-mile logistics company that would provide ready manpower as well as a basic IT framework on which NV could build.

Blank slate for a fresh start

NV's founders recognised that an acquisition would not be without its challenges. The risk of inheriting an ingrained corporate culture and creative inertia which are unlikely to be identified during the process of due diligence. This might hinder the founders' plans for finding innovative ways to solve old problems. The founders wanted fresh ideas and out-of-the-box thinking that would bring the logistics industry into the digital era.

NV's founders decided not to buy an existing last-mile logistics firm but instead develop its own IT infrastructure from the ground up. The founders set about hiring fresh talent which were given the freedom to innovate and think outside the box. Today, with the help of its IT teams, NV is a company continuously looking to streamline its operations through

its use of cutting-edge optimisation algorithms covering fleet management, vehicle utilisation and routing, and warehousing operations.

Business model

NV makes extensive use of the latest technologies throughout its operations. The founders encourage the company's employees to generate fresh ideas that challenge existing ways of doing things.

NV aims to offer customers a faster and more reliable service than that offered by established logistics service providers. This has helped NV to win the trust of several successful e-tailers. NV is the exclusive local logistics provider to the e-tailers Dazl and Vallerina. These e-tailers use NV's services to get the goods they sell from their depots to the end consumer.

- **Dazl**

Dazl is one of the largest online retailers in South East Asia. It sells a wide range of products, including men's and women's fashions, electronic products, household products and recently it has started to sell groceries. In Singapore, NV operates an exclusive delivery service for Dazl, for whom it delivered around 2 million parcels in the 2018/19 financial year. This accounted for almost 50% of NV's business. Dazl is a user of NV's Pro plan (see **Exhibit 4(a)**) which is aimed at high volume retailers.

- **Vallerina**

Vallerina is a fashion retailer that sells branded men's and women's clothes. It has become a very popular website in Singapore, particularly among young professionals with high disposable income. Many of Vallerina's customers opt for the relatively expensive next day service. In the year to 31 March 2019, NV made 700,000 deliveries on behalf of Vallerina. Vallerina also uses NV's Pro plan. The clothes are packaged by Vallerina's warehouse staff and regular collections are

made by NV delivery drivers, who take parcels back to NV's warehouse for sorting and dispatch.

Delivery options

NV's service offering is built around four key market differentiators:

- Speed
- Cost
- Convenience
- Reliability

NV's last-mile services allow the consigner to choose between a range of delivery options: same day delivery, next day delivery or standard delivery. (Often this choice will be made by the consignee when buying from the consigner's web site.) Standard delivery takes up to three business days. Each option offered by NV is priced accordingly. The prices depend on the size and weight of the parcel, but on average, a same day parcel delivery costs S\$15.50, a next day delivery costs S\$10 and a standard delivery costs S\$3.30.

Doorstep deliveries

NV's drivers can drop off parcels at any address in Singapore, provided there is a recipient to sign for the parcel.

If a consignee is not present at the designated address at the scheduled delivery time, the driver will attempt to contact the consignee using the details they provided when they purchased the item from the e-tailer. If contact is made, the consignee can provide the driver with a unique three-digit verification code which permits the driver to leave the parcel at a secure location in accordance with the consignee's instructions, for example a neighbour. Where an NV driver is unable to reach the consignee a notification text message alert is sent to the consignee prompting them to reschedule their delivery. The cost of the second and third deliveries are absorbed by NV and is not passed on to the consigner. Following three unsuccessful delivery attempts NV returns the parcel to the consigner. This process enables NV to track and account for all parcels in its care from pickup to delivery.

Self-service network

Rather than having a parcel delivered to their home, consignees can opt to have their parcel left at a self-service distribution point for collection at a convenient time. Many busy Singaporeans prefer the freedom to pick up their parcels at self-service points than to wait at home for deliveries.

NV's self-service points take a number of forms. NV operates a chain of 10 small retail stores in various locations. NV also operates automated parcel lockers, known as NimbleBox lockers, from which customers can pick up their parcels. The company had 20 locker sites at 31 March 2019. NV also works with small businesses such as pharmacies and newsagents which act as drop-off and collection points for parcels. By March 2019, NV had 300 self-service points in operation across Singapore.

Monthly service plan

NV permits consigners that ship parcels in bulk to subscribe to one of two service plans. The Lite plan is available for consigners that ship less than 250 parcels per month, whereas the Pro plan is available to consigners shipping 250 parcels or more per month. The main features of the plans are described in **Exhibit 4(a)**.

Services powered by technology

NV's core delivery services have been enhanced by the extensive use of sophisticated technology. The use of this technology has enabled NV to add value to both consigners and consignees by enhancing the delivery speed, cost efficiency, convenience and reliability of its service offering.

NV's use of real-time parcel tracking software has been a key differentiator between its own services and those offered by competitors in the last-mile logistics market. The ability of consignees to track in real-time the progress of their parcel as it passes through the delivery process has helped to reduce the frustration that can occur when missing a delivery as parcels can be re-routed prior to the allocated delivery time. This has helped to reduce the associated customer service costs that NV's consigners had historically incurred as fewer customer (consignee) complaints regarding missed deliveries have

enabled them to reduce the number of customer service staff that they employ. The use of real-time tracking has also helped NV's consigner customers to increase the goodwill that they have created with their own customers, as consignees can be confident that they will receive the goods that they have paid for.

NV's consigners and consignees can access the real-time tracking feature through NV's online dashboard.

Founder and key directors' biographies

Director	Background and responsibilities
Mr Shaun Tan	<p>Chief Executive Officer (CEO)</p> <p>Born and educated in Singapore, Shaun was one of the founders that established NV in 2015. Prior to setting up NV, Shaun headed up the South East Asian IT operations of an international logistics company. He has overall responsibility for managing NV's business.</p>
Mrs Alicia Chong	<p>Operations Director</p> <p>Alicia is a native Singaporean who graduated from Nanyang Technological University with a business degree. Prior to being a founder member of NV, she worked as a Senior Operations Manager at the same international logistics company as Shaun Tan.</p> <p>Alicia oversees NV's Operations department which handles NV's physical assets including its vehicles and warehouse facilities.</p>
Ms Tan Hui Lee	<p>Finance Director</p> <p>A qualified accountant, with extensive finance experience having worked for several logistic service providers throughout the South East Asia region.</p> <p>She oversees the work of the Finance department.</p>
Mr Vikram Hussein	<p>Corporate Director</p> <p>Joined as NV's Corporate Director in 2017 having previously held the position of Human Resources Director at a social media marketing agency in Singapore. Vikram has played a key role in promoting NV's approach to cross-functional teamwork.</p>

	Vikram oversees NV's human resources, legal and compliance teams, in addition to the activities of NV's quality assurance and procurement teams.
Ms Valerie Ken	<p>Strategy Director</p> <p>Joined as NV's Strategy Director in 2016. Valerie previously worked in the customer service department of a large e-commerce company targeting shoppers in China.</p> <p>Valerie oversees NV's pricing and customer service teams.</p>
Mr Xiang Ng	<p>Non-executive Director</p> <p>Xiang became a non-executive director in 2016. He is a retired qualified accountant.</p>

END OF EXHIBIT 1

Summary management accounts 2017 – 2019**NimbleVan Pte Ltd****Consolidated Statement of Profit or Loss**

	Notes	Year ended 31 March		
		2019 S\$000	2018 S\$000	2017 S\$000
Revenue from deliveries	1,2	24,703	23,231	17,871
Commission for cash collections	3	1,126	615	-
Total revenue		25,829	23,846	17,871
Cost of sales	4	(13,335)	(11,397)	(8,156)
Gross Profit		12,494	12,449	9,715
Expenses				
IT Department staff costs		(544)	(469)	(449)
Commercial department staff costs		(1,667)	(1,337)	(578)
Corporate, finance department and strategy department staff costs		(2,905)	(2,458)	(1,652)
Depreciation of property		(786)	(818)	(815)
Depreciation of other assets		(919)	(653)	(607)
Other admin expenses		(1,291)	(1,192)	(894)
Operating expenses		(8,112)	(6,927)	(4,995)
Operating profit		4,382	5,522	4,720
Taxation expense		-	-	-
Profit after tax		4,382	5,522	4,720

Notes to the management accounts:

1. Revenue from deliveries

	<i>Year ended 31 March</i>		
	2019	2018	2017
	S\$000	S\$000	S\$000
Pro plan – Same day delivery	6,843	5,466	4,205
Pro plan – Next day delivery	7,506	6,833	5,256
Pro plan – Standard delivery	8,305	9,395	7,227
Lite plan	2,049	1,537	1,183
Total revenue	24,703	23,231	17,871
Average prices	S\$	S\$	S\$
Pro plan – Same day delivery	15.5	16.0	16.0
Pro plan – Next day delivery	10.0	10.0	10.0
Pro plan – Standard delivery	3.3	5.0	5.0
Lite plan	2.9	3.0	3.0

2. Number of Parcels delivered

	<i>Year ended 31 March</i>		
	2019	2018	2017
Total deliveries	4,415,040	3,416,400	2,628,000
Mix of parcel deliveries:			
Pro plan - Same day delivery	10%	10%	10%
Pro plan - Next day delivery	17%	20%	20%
Pro plan - Standard delivery	57%	55%	55%
Lite plan	16%	15%	15%

3. Income from cash-on-delivery

NV introduced its own cash-on-delivery (COD) payment scheme in mid-2017. This scheme allows consignees to pay for goods in cash when they are delivered by NV's delivery personnel. NV charges a handling fee of 5% of the cash that it collects on behalf of its consigners.

	Year ended 31 March		
	2019	2018	2017
% of parcels that are COD	17%	12%	-
Average value (S\$)	30	30	-
Value of COD parcels (S\$000)	22,517	12,299	-
NimbleVan commission at 5% (S\$000)	1,126	615	-

4. Cost of sales

	Year ended 31 March		
	2019	2018	2017
	S\$000	S\$000	S\$000
Fuel	152	145	91
Drivers staff costs	6,300	5,950	3,955
Operations staff costs	2,925	2,394	1,665
Commissions to local partners	1,224	949	788
Depreciation and maintenance of vans	2,261	1,828	1,493
Payments to freelance drivers	473	131	164
Total cost of sales	13,335	11,397	8,156

Commissions to local partners represents fees paid to the National Federated Locker Networks of S\$500,000 (2018: S\$500,000, 2017: Not applicable) plus commissions paid to local partners, who act as collection points. They are paid S\$0.50 per parcel.

Summary management accounts (2017-2019)

Consolidated Statement of financial position as at 31 March

	<i>Notes</i>	2019 S\$000	2018 S\$000	2017 S\$000
Non-current assets				
Head office & warehouse	5	18,000	18,734	19,500
Locker sites	6	932	984	-
Fleet of vans	7	6,312	3,900	4,387
Other plant & equipment	8	2,784	1,980	1,840
Goodwill	9	4,000	4,000	4,000
Total non-current assets		32,028	29,598	29,727
Current assets				
Trade receivables		3,776	3,616	2,781
Cash and short-term investments		8,086	6,016	871
Total current assets		11,862	9,632	3,652
Total Assets		43,890	39,230	33,379
Equity and liabilities				
Share Capital		55,720	55,720	55,720
Retained losses		(12,763)	(17,145)	(22,667)
Total equity		42,957	38,575	33,053
Current liabilities				
Trade payables		215	199	149
Cash receipts owed to clients		411	225	-
Prepaid packages for Lite plan		307	231	177
Total current liabilities		933	655	326
Total equity and liabilities		43,890	39,230	33,379

Notes to the management accounts:

5. Head office and warehouse

	2019	2018	2017
	<i>S\$000</i>	<i>S\$000</i>	<i>S\$000</i>
Cost of Head office building and warehouse	20,000	20,000	20,000
Accumulated amortisation	(2,135)	(1,468)	(801)
Carrying value	17,865	18,532	19,199
Building improvements at carrying value	135	202	301
Total	<u>18,000</u>	<u>18,734</u>	<u>19,500</u>

The warehouse and head office building consists of the company's premises in Toh Guan Road, which was acquired for S\$20 million. The premises are being depreciated over 30 years on a straight-line basis. Building improvements are depreciated at a rate of 33% on a reducing balance method.

6. Locker sites

	2019	2018
	<i>S\$000</i>	<i>S\$000</i>
Cost at 1 April	1,036	1,036
Accumulated depreciation at start of year	(52)	0
Depreciation expense for the year	(52)	(52)
Accumulated depreciation at 31 March	<u>(104)</u>	<u>(52)</u>
Carrying value at 31 March	<u>932</u>	<u>984</u>

Locker sites relate to the cost of the 20 Nimblebox self-service locker sites owned by NV where parcels can be left for collection by consignees. The costs of these are depreciated over twenty years using a straight-line method of depreciation.

7. Fleet of vans

	2019	2018	2017
	<i>S\$000</i>	<i>S\$000</i>	<i>S\$000</i>
Cost at 1 April	8,850	7,150	5,850
Accumulated depreciation	(2,538)	(3,250)	(1,463)
Carrying value at 31 March	<u>6,312</u>	<u>3,900</u>	<u>4,387</u>
	2019	2018	2017
Number of vans at start of year	110	90	60
Additions	80	20	30
Disposals	(60)	-	-
Number of vans at end of year	<u>130</u>	<u>110</u>	<u>90</u>
	2019	2018	2017
Average number of vans over the year	<u>120</u>	<u>100</u>	<u>75</u>

NV operates a fleet of delivery vans. It depreciates these over four years on a straight-line basis.

8. Other plant and equipment

	2019	2018	2017
	<i>S\$000</i>	<i>S\$000</i>	<i>S\$000</i>
Cost at 1 April	5,510	5,000	5,000
Additions	3,000	810	-
Disposals	(2,000)	(300)	-
Cost at 31 March	<u>6,510</u>	<u>5,510</u>	<u>5,000</u>
<i>Accumulated depreciation</i>			
At 1 April	(3,530)	(3,160)	(2,553)
Charge for the year	(931)	(665)	(607)
On disposals	735	295	-
At 31 March	<u>(3,726)</u>	<u>(3,530)</u>	<u>(3,160)</u>
Net book value at 31 March	<u>2,784</u>	<u>1,980</u>	<u>1,840</u>

Other plant and equipment consists of machinery in the warehouse and computer equipment in the head office. These are depreciated over their useful lives.

9. Goodwill on acquisition of Nimblebox

In 2017, NV acquired all the shares in Nimblebox, a small manufacturer of drop-off lockers. This has enabled the company to control the design of its own lockers. Locker sites relate to the cost of the 20 Nimblebox self-service locker sites owned by NV. Goodwill of S\$4 million were recognised on acquisition.

10. Other Key Performance Indicators

NV monitors its performance using a small number of key performance indicators as follows:

Key performance indicators

	2019	2018
% of deliveries delivered on time	95%	98%
% of population within 0.5 km of a self-service point	75%	60%
Number of parcels lost or damaged per 1,000 deliveries	4	3

END OF EXHIBIT 2

Overview of the last-mile logistics industry in Singapore prepared by logistics industry analyst Yen-Pei Lee – January 2020

The growth of e-commerce has led to a huge increase in last-mile logistics in Singapore, as in many other countries in the world. The industry in Singapore is fragmented – there are an estimated 7,600 logistics providers in the country. These range from the large traditional logistics service providers such as Post-Us International GmbH (Post-Us) and Singapore Universal Postal Services Pte Ltd (SUPS) to start-ups such as NimbleVan (NV).

Traditional logistics service providers

Post-Us is an international courier, parcel and express mail logistics service provider. The company employs 380,000 people and serves 220 countries and territories around the world. Post-Us delivers over 1.5 billion parcels globally a year. It is estimated that the company enjoys annual revenues of around S\$500 million within Singapore during the year ended 31 December 2019, although this is not limited to last-mile deliveries.

SUPS is a leading e-commerce logistics service provider. SUPS provides innovative mail and parcel logistics solutions to customers in Singapore and around the world. SUPS has developed a range of e-commerce logistics solutions including warehousing and fulfilment, last-mile delivery and international freight forwarding. SUPS was the first company to be awarded Public Postal Licensee status in Singapore which empowers it to operate postal services with the exclusive right to receive, collect, and deliver letters and postcards throughout Singapore^[17]. SUPS revenues from last-mile deliveries were S\$735 million in 2018 on which it achieved an operating profit of S\$165 million.

Traditional logistics companies such as Post-Us and SUPS initially found it difficult to succeed in the last-mile segment. Their business model was not set up for delivering one or two parcels to a large number of addresses. While SUPS could deliver letters to all addresses in Singapore, its letters division did not have the right machinery to sort parcels,

and the parcels division was not used to dealing with the growth in volume caused by the rise of e-commerce. As demand for last-mile logistics took off, larger traditional logistics service providers faced a backlash from consignees unhappy at being required to wait at home, often for half-a-day to take receipt of their parcel. The inability of traditional logistics service providers to give accurate delivery time slots caused frustration among many consignees.

New Start-ups

This presented an opportunity for start-up companies such as NV which was founded in 2015. The company's founders are proud that with plenty of young enthusiastic computer scientists, the company was able to re-design the whole process of collecting parcels, sorting them, and planning the quickest and most efficient routes for their drivers to get parcels to customers.

NV only deals with last-mile deliveries. It has been able to design a business model that is financially viable and popular with customers, who value services such as the online tracking tool that provides up to the minute information about the whereabouts of their parcel. They are also able to provide customers with a much narrower estimated delivery window of two hours, so consignees do not have to wait at home all day when a delivery is expected.

Road Warriors is another start-up. It is smaller in size than NV and specialises in same day deliveries – typically within two hours. They deliver presents and flowers and will go to the respective retailer to collect the items before delivering them. They are a useful service for busy professionals who have forgotten a special anniversary or birthday.

The ride hailing app Teleport also entered the delivery business through the introduction of its TeleportDelivery service. This enables users of the Teleport app to arrange deliveries. TeleportDelivery has estimated revenues of S\$6 million in Singapore in 2019.

Several smaller firms have also tried to enter the market. Most of these have not been able to achieve the volume of parcel deliveries made by NV.

Market analysis – for the year ended 31 December 2019

The large logistics service providers do not disclose enough details to determine how much of their revenue is derived from last-mile deliveries. However, we have made the following estimates based on available data of the last-mile market in Singapore:

	Market share
SUPS	37%
Post-Ups	25%
Big-express	22%
NV	1%
Road Warriors	1%
Others	14%

While the new start-ups such as NV were able to use technology to gain a foothold in a niche area that traditional logistics companies were failing in, it was perhaps inevitable that the traditional companies, with their large capital base, would soon address the weaknesses in their last-mile logistics offering. In 2019, Post-Ups set up a new division that specialises in last-mile deliveries. A new sorting office has been opened using high technology scanners and bar codes to automatically sort parcels. SUPS has also now merged its letters and parcels division and updated its infrastructure so that it can include parcels in the letter delivery rounds that it makes. As a result, both companies are now finding that they can compete profitably in the last-mile market and are putting pressure on the start-ups like NV.

Published industry figures show how much Post-Ups and SUPS have improved in terms of customer service. In 2018, SUPS managed to deliver only 90% of its parcels on time while by 2019 this had increased to 95%. Post-Ups claims that it already delivers 99% of parcels on time. This is slightly better than NV, which achieved 95% in 2019.

Government support

The Singapore government has a vision to make Singapore a regional e-commerce hub and has set out a roadmap to support the logistics industry in this endeavour. Initiatives include setting up of a nationwide locker network by the Infocomm Media Development

Authority, which can be used by all logistics companies when making deliveries. This will avoid the problem of customers not being home when a parcel is delivered. It has also launched standards for terminology and data used in the logistics industry which should lead to easier communications between e-tailers and logistics providers. ^[18]

Various grants are available such as the Productivity Solutions Grant, which aims to increase productivity by adopting digital technology in certain sectors, including logistics. Under the scheme, the Singapore government will fund up to 70% of qualifying costs. ^[19] Qualifying costs means spending on items specified within the scheme – for example the government will fund up to 50% of the cost of buying a vertical carousel for storage, up to a maximum of \$30,000. Grants are also available for IT solutions such as customer relationship management applications, and digital payment systems, and fleet management systems.

Developments in technology will continue to change the industry. The use of algorithms and geocode technology to optimise delivery routes, and online tracking are already core technology for most logistics companies. Developments in the pipeline include the use of drones to deliver parcels. From the environmental perspective, more and more electric powered vans are likely to be used to deliver parcels.

This is how the industry has developed to date, but since it is a very dynamic industry, many changes are likely to occur in the future.

END OF EXHIBIT 3

Description of NV Pte Ltd's operations

NV owns and runs a core-fleet of more than 100 vans. NV employs a core-fleet of permanent drivers who drive vans emblazoned with the NV logo. NV's red and black vans have become a common sight across Singapore, with their presence helping to drive up the company's brand awareness. The company's core-fleet drivers are issued with company uniforms and are trained to embody NV's company philosophy of offering high quality customer service. The company's head office and warehouse are situated at the state-of-the-art Mapletree Logistics Hub. NV's warehouse is equipped with an advanced ramp-up facility that provides greater operational efficiencies. Its location on Toh Guan Road offers excellent connectivity via the Pan Island Expressway, which extends from Tuas in the west to Changi Airport Singapore in the east. This provides the NV fleet with ready access to Singapore's far-reaching expressway network.

NV has developed its service offering to make it easy for consignees to return items to consigners. Operating a refund policy is an important deciding factor for consignees when selecting an e-tailer to purchase from. While the consigner will bear the costs, NV facilitates a smooth refund process by minimising the administration and processing burden for consigners and consignees alike. NV's return process has been designed to be quick and easy. To return a parcel the consignee is required to provide NV with the details of the 'Return tracking ID' code that was provided by the consigner when they originally placed their order for delivery. The consignee can then choose their preferred date, time and location from which NV should pick up the return parcel.

NV's head office and warehouse are both owned by the company. The founders' rejected the idea of renting a warehouse, as they found that owning a space was more cost effective than leasing such a facility from a third-party provider, particularly in the long term. They were fortunate to find a warehouse which gave them the option of buying up a bigger adjoining warehouse later, should they need to.

Freelancer support

To accommodate the variability in the demand for parcel deliveries and pickups, NV's core-fleet of permanent drivers are supported by freelancers, known as reserve-fleet drivers. This arrangement allows NV to save on costs as it can operate a smaller fleet of owned vehicles without sacrificing its ability to handle a sudden influx of extra business. NV has been able to consistently handle peak season deliveries in accordance with its promises to consigners and consignees alike.

NV can expand its delivery capacity in real-time through its NimbleDriver app which allows it to crowdsource available freelance labour. NV's core-fleet is small enough that its own employed drivers are never idle, while its pool of reserve-fleet drivers has to date generally been large enough that unforeseen demand can be managed smoothly. NV reserve-fleet drivers get paid per delivery currently at the rate of S\$1 per delivery.

NV's use of freelance drivers has translated into smaller investments in time and money in terms of maintaining and inspecting delivery vehicles and recruiting and retaining drivers. Having a smaller workforce of employed drivers reduces the scope for NV to fail to comply with local employment laws and regulations.

The company's use of freelance delivery personnel means that NV is unable to retain full control over the service levels that consigners and consignees receive. Freelancers who provide substandard service are given a warning, and if a second complaint is received from a consigner or consignee, NV removes that individual from its pool of available freelancers.

Driving for NimbleVan's reserve-fleet

NV's pool of reserve drivers consists of taxi drivers, members of the general public and small delivery start-ups. In exchange for providing NV with reserve capacity, the company's freelance partners benefit from having access to NV's fleet management optimisation system which is accessed through the NimbleDriver app. Since NV owns the

fleet management optimisation system the company maintains full traceability over every parcel, no matter who is making a delivery.

The integration of NV's proprietary fleet management optimisation system with the NimbleDriver app enables the company to achieve vehicle-routing efficiencies, allowing its drivers to deliver parcels at a faster rate than is typical for the industry. This means freelance drivers end up earning more money per hour, despite NV's per-parcel pay rate being lower than the industry average.

Freelance delivery personnel use their own vehicles to make deliveries on behalf of NV. The types of vehicle used include vans, cars and e-bikes. The use of smaller vehicles such as e-bikes are ideal during busy peak times for delivering small, light items in busy city areas.

Monthly service plan

NV offers two monthly service plans. The Lite plan is available for consigners that ship less than 250 parcels per month, whereas the Pro plan is available to consigners shipping 250 parcels or more per month.

Lite plan

The Lite plan is a cost-effective, standard shipping option which is charged at a flat rate of \$2.90 per parcel. A standard sized package is bought in advance by the consigner and the price of the package includes the charge for delivery. The consigner can send as much as it can fit in the package and NV does not place restrictions on the weight of the package. The Lite plan offers the consigner the best service value as the package includes up to 30 days of delivery history. The items are delivered on the standard delivery basis.

In the face of increasing competition in the last-mile industry, NV commenced a promotional campaign for the Lite plan towards the end of the year 2018 and demand for

this service began to increase during the last few weeks of the year ended 31 March 2019. This campaign is due to run until the end of 2020.

Pro plan

The Pro plan is aimed at meeting the needs of NV's large-volume e-tailers. The Pro plan covers all delivery services and tailored pick-up options. All of NV's Pro plan consigners are assigned a dedicated account manager. Consigners under the Pro plan enjoy access to unlimited delivery history and delivery reports.

Subscribers to NV's Pro plan service package are provided with access to an open-source application programming interface (API) that enables NV's Pro plan consigners to integrate the functionality of booking a parcel for delivery with their own customer purchase ordering systems. This saves the consigner time as they do not need to switch to a different interface to create separate delivery orders. The API also allows real-time tracking information to be integrated directly into the consigner's own service interface on their website or app. This enables consigners to provide their own customers with a uniformly branded, full-service shopping experience, enabling users to browse for products through to arranging the last-mile delivery stage of their purchase. The API enables the ability to integrate systems in this manner helps to save consigners time when dealing with the administration of processing orders. It also helps to speed up the time taken to get parcels arranged for delivery.

The main features of the two plans are as follows:

	Pro plan	Lite plan
Dedicated account manager	✓	-
Use of interface to link web site to NV's apps	✓	-
Delivery services available:	Same day Next day Standard	Standard
Payment terms	Monthly	In advance
Delivery history	Unlimited	30 days

Self-service network

The increasingly busy lifestyles of many Singaporeans mean most are unavailable to wait at home for their parcel. Many prefer the freedom to pick up their parcels at designated self-service points.

Consignees can opt to make use of NV's self-service points when they are paying for the goods on the e-tailers website. Instead of entering a residential address for delivery, they can select the option to have the parcel sent to a self-service point. They are then redirected to the NV website or the NV app to select the most conveniently located self-service point. Once a parcel is ready for collection NV sends a notification to the consignee advising them that their parcel is available.

NV's self-service points take a number of different forms. NV operates a chain of small retail stores in various locations. These are complemented by NV's own automated parcel lockers, known as NimbleBox lockers. NV also works with many small businesses such as pharmacies and newsagents who act as drop-off and collection points. These businesses operate in high-footfall areas like MRT stations. NV pays these trusted local partners a commission of \$0.50 for every parcel that they handle on its behalf.

In 2018, NV joined the National Federated Lockers Network and Collection Points programme. This programme, launched by the Infocomm Media Development Authority consists of a network of locker stations that participating corporate members can access when delivering or picking up parcels. The network operates through the use of a standardised data interchange platform that allows participating members, including NV, to check the availability of lockers in the network and to make locker reservations for use in delivering parcels to consignees.

The number of collection points available as at 31 March 2019 was as follows:

NV's own retail stores	10
NimbleBox locker sites	20
National Federated Locker Network sites	70
Retail stores operated by partners	<u>200</u>
Total collection points available	<u><u>300</u></u>

NV has taken the decision not to open any additional retail stores of its own, as it believes it is more cost effective to use partners and lockers. NV's founders intend to have 500 self-service points in operation by the end of March 2020. The introduction of 200 additional self-service points is central to the founders' plans to make the process of parcel collection hassle-free. When NV's network of self-service points reaches 500 stations, there will be a distribution point within 500 metres of any residential home in Singapore.

Customer support

NV supports the users of its services through the operation of a 24/7 live chat service which is available through the NV website. NV's live chat is staffed with dedicated customer service officers that are on hand to provide immediate assistance to consigners and consignees alike with any issues that they encounter. NV is committed to reducing any undue interruption that consigners and consignees experience when using its services.

Cash on delivery

NV introduced a cash-on-delivery (COD) payment scheme in mid-2017, which is similar to schemes introduced by other logistics firms. This scheme allows consignees to pay for goods in cash when they are delivered by NV's delivery personnel. Consigners have benefited from the introduction of the scheme as consignees no longer need to have a credit card to shop online. Since the COD payment option was introduced, several NV's consigners have observed that a growing numbers of consignees are making impulse purchases as no immediate payment is due when they order. For the COD payment option, NV charges a handling fee of 5% of the cash that it collects on behalf of its consigners.

END OF EXHIBIT 4 (a)

Overview of NV Pte Ltd's human resources strategy and organisational structure

Human resources strategy

NV employs 200 permanent staff (excluding drivers) and 400 full-time and freelance drivers. The company's permanent staff work across several departments, including Commercial, Finance, Corporate, Operations, Strategy and IT.

NV's HR strategy has always revolved around hiring individuals with little or no industry experience and employing new team members who do not come with preconceived notions of logistics operations. The ability to regularly bring in fresh ideas to disrupt the industry remains fundamental to the company's ongoing success.

Cross-functional team members

All NV employees are expected to gain experience of the work undertaken by the different departments within the company. For example, NV's engineers are required to spend a certain number of weeks per year working as delivery personnel, so that they can gain an understanding of the operational difficulties NV's drivers habitually face. Drivers, in turn, are required to spend a certain number of weeks brainstorming new ideas to enhance NV's service offering. Not only does this contribute invaluable insights, but each driver's technical knowledge of NV's business model is enhanced.

IT department

The IT department oversees developing NV's valuable technology assets. The department is staffed by fresh graduates, chartered engineers and several individuals with differing levels of IT experience. The IT department is central to NV's operations and was the cornerstone on which the business was built. Key teams within the department are Engineering, which works on asset development and testing e.g. developing the company's NimbleBox self-service lockers and enhancing the NimbleDriver app; Product

Design, which plans and designs the company's assets according to NV's strategic direction; and Analysis, which assists with data collection and analysis.

Operations department

The Operations department handles NV's physical assets including its vehicles and facilities. The Fleet teams include NV's delivery drivers who hold various classes of driving license, as well as fleet supervisors and vehicle maintenance personnel. They have the crucial job of ensuring that NV's vehicles remain in good working order, as well as ensuring that all deliveries are carried out according to schedule.

The Warehouse team's work includes managing the warehouse floor, sorting incoming parcels and overseeing the overall operation of the facility. Other teams handling incoming parcels includes freight management, customs coordinators and line haul coordinators, as well as the recovery teams who deal with client servicing and warehouse recovery. These teams work closely with the Account Management and Business Development teams to ensure that consigners feel their needs are being met.

Each NV retail store is staffed with its own manager. NV also has a team in charge of overseeing the correct functioning of its NimbleBox self-service points.

Commercial department

The Marketing & Communications team sits within the Commercial department. This team is responsible for communicating with NV's shareholders, customers and the media. The Marketing & Communications team plays a key role in developing new relationships with new customers. The team also works to maintain NV's existing business relationships with consigners through direct business development, branding, marketing, social media exposure and public relations support.

Other departments

NV is supported by several other departments that ensure the company runs smoothly on a day-to-day basis. These include the Finance department, which handles accounting and

financial analysis; the Corporate department, which handles human resources, legal and compliance, quality assurance and procurement; the Strategy department, which handles pricing and lead generation; and the customer service team, that staffs NV's customer service operations.

END OF EXHIBIT 4 (b)

Article titled ‘*Technology and the rise of NimbleVan*’ taken from the Logistics Today website [Article dated 4th March 2020]

Market-leading logistics service provider NimbleVan (NV) has enjoyed a meteoric rise since it was established in 2015 and is today one of the fastest-growing last-mile logistics companies in Singapore. The company’s initial success is largely attributed to the company’s founders vision when they identified that the last-mile logistics demands of many e-tailers in Singapore were not being efficiently met by established logistics firms like Post-Us, and SUPS.

What Shaun Tan and his team realised earlier than many of NV’s competitors was that technology offered the key to improving efficiencies, lowering costs and a delivering top-notch service for the last mile. From launch, Shaun Tan and his team recognised NV’s IT assets would differentiate their small start-up from SUPS and other logistics giants.

Market-first innovations

One of NV’s most important innovations was the use of cutting-edge combinatorial optimisation algorithms to determine the fastest and most fuel-efficient set of routes for its fleet of vehicles to use when delivering parcels. NV’s geocode-based optimisation technology is one of the key factors that have differentiated the company’s offering in the market, allowing its drivers to choose optimal delivery routes that help save time and fuel.

Another key innovation concerns NV’s use of real-time tracking. At a time when its competitors still used outdated mail-sorting technology that relied on paper records, NV was creating digital records for each order. This technology has advanced in leaps and bounds since 2015 and has since become the de-facto standard in the last-mile logistics market.

NimbleDriver app

These innovations were distilled into the compact but advanced NimbleDriver app, which is used by all NV drivers. While its competitors were painstakingly typing out each waybill's tracking ID, NV puts barcodes on each parcel, which can be scanned with the NimbleDriver app. The details of scanned parcels automatically appear in the app, which then maps the most efficient delivery route to take using NV's optimisation technology.

The app enables NV to crowdsource freelance labour in real time, enabling the company to keep its delivery promises even during times of high demand. The app also keeps track of parcels to be delivered, optimises each vehicle's route, and provides the company, consigners and consignees with real-time delivery visibility.

Unlike some of its rivals in the last-mile logistics space, NV maintains full traceability of every item delivered. Customers can log in to the company's website or app to track their parcel's progress end-to-end in real time. With NV's APIs and webhooks, consigners can also add NV's tracking functionality to their own online stores and marketplaces. Functionality here includes in-app shipment tracking, push notifications of delivery updates, shipping performance analyses and shipment delivery verification.

NimbleBox automated parcel lockers

NimbleBox is the name of NV's proprietary automated parcel lockers, which provide a convenient designated place for consigners to drop off parcels for delivery or for consignees to pick up their purchases. These lockers can only be opened with a tracking ID or QR code delivered via email or SMS, providing a secure and flexible way for sellers to deliver to buyers.

NV engineers brought their considerable technical expertise to integrate NimbleBox. Rather than creating them from scratch, in 2017 NV acquired a small maker of automated parcel lockers that were originally beset with service failures and integrated these operations into its own. This gave NV substantial foundations on which to create its own

advanced automated lockers, without paying premium prices to a company with a larger footprint.

NV upgraded its NimbleBox lockers in 2019 to measure the weight and dimensions of a parcel stored in its lockers. This allowed NV to charge consigners more accurately for some of its services, addressing the company's previous tendency to underestimate weight and dimensions, and thus undercharge for its services ^[33]. This innovation has automated the work-intensive process of measuring each consigner package, resulting in improved pricing for NV.

SGQR Payments

QR codes are two-dimensional bar codes that can store more information than traditional bar codes. In the past decade, payment systems have been developed using QR code technology, whereby users of smart phone-based payment apps, such as EZi Wallet, can pay for their goods in stores and online by scanning a QR code displayed in the store or website. The app reads the payment details of the merchant, and the customer then enters the amount he wishes to pay, and the payment is sent automatically to the merchants' bank account.

In September 2018, the Singapore Government introduced a standardised QR code system for payments called SGQR. This overcomes the problem of merchants (stores and websites) having to display several QR codes, one for each payment app. Now only one code is required.

QR payments are not used by NV currently, as the company is paid directly by the e-tailers. The technology may be relevant to NV in the future because:

1. The company may start to do retail deliveries where it collects on behalf of individuals. The SGQR would be a useful method of payment.

2. It would be possible for QR technology to read the names and addresses of consignees when they place orders on the website of e-tailers. This saves the consignees time as they no longer need to enter their address.
3. It may be possible to use QR codes on the delivery packages rather than the traditional bar codes, as they can store more information – such as the phone numbers of consignees or other relevant information.

Future plans

The last mile-logistics segment is competitive in Singapore and growth is getting harder to achieve. NV's options to achieve further growth would be to invest in other geographic markets, or to move into retail deliveries. The latter option would require development of an app and logistics that would allow retail investors to send parcels. Given the success of NV in the last mile logistics, this is likely to be a challenge that the company will relish.

END OF EXHIBIT 5

Overview of NV Pte Ltd's funding arrangements

The need for funding comes from the fact that NV's business model is heavily reliant on its use of IT and physical assets, which require large initial investments when building up its logistics network and fleet.

NV secured its first round of funding in 2015 from TTC Pte Ltd (TTC), one of Asia's leading venture capital firms. TTC invested US\$2.5 million in NV which enabled the founders to set the company on a trajectory to success. It also allowed the company to buy its first warehouse. A year later in 2016 NV's founders raised a further US\$8.5 million during its B round of funding from private equity firm Sun Lim Investments. This investment helped to support the purchase of delivery vans.

After doubling its revenue in 2016, NV was able to raise record-breaking US\$28.8 million of C round funding in 2017, making it one of South East Asia's best-funded logistics start-ups. This enabled the company to exercise its option to buy a larger warehouse that adjoined its existing premises.

The current ownership of NV is as follows:

Shaun Tan	15.0%
Tan Hui Lee	15.0%
Alicia Chong	15.0%
Other founders	6.0%
Speedy Delivery Group	9.5%
South East Asia Ventures	9.0%
Sun Lim	9.0%
TTC	9.5%
Omega Capital	8.7%
Singapore Technology Investors	3.3%
Total	100.0%

No individual investor has control, joint control or significant influence.

END OF EXHIBIT 6

Email from Tan Hui Lee, NV Pte Ltd's Finance Director, to NV Pte Ltd board of directors

Tan Hui Lee

From: Tan Hui Lee <lee@NV.sg>
Sent: 16 March 2020 11:43 am
To: NV board of directors <All@NV.sg>
Subject: Expansion plans

I wanted to make the board aware of the recent contact that I had with a representative of Teleport Pte Ltd (Teleport) regarding a potentially exciting future opportunity.

Teleport is a multi-national technology company which originally started out 10 years ago as an app offering taxi ride hailing services. Since this time the ecosystem of the 'Teleport app' has expanded and now offers users a far broader range of additional services, including the ability to book flights and accommodation. The Teleport app is available throughout several countries in South East Asia.

Last week, Halimah Sock Hoong, a senior representative at Teleport, contacted me. Four years ago, in 2016, the company launched TeleportDelivery (TD), a new parcel delivery service which is available through its app. The service allows individual consumers, e-commerce platforms and smaller businesses that sell through social media platforms such as Facebook, Instagram and Carousell to send and receive parcels more easily.

TD has operations in Singapore, Malaysia, Vietnam, Thailand, Indonesia and the Philippines. It operates in around 40 cities throughout South East Asia. Teleport and TD are both tax residents in Singapore. It is Teleport's intention that its TD logistics service will be expanded to provide delivery services to additional cities across South East Asia.

The TD business has not been profitable to date – in the year ended 31 March 2019, it made a loss of S\$8.3 million. Relief for TD's losses has been obtained via group relief to Teleport (its 100% parent company) where possible, however TD will have carried forward unabsorbed tax losses of S\$12 million as at 31 March 2020.

TD has around 30 million active users in the six countries. In the year ended 31 March 2019, TD made 6.4 million deliveries of its own, and received commission on approximately 74 million freelance deliveries. Its revenues in 2019 were as follows:

	S\$ million
Fees on own deliveries	45.2
Commission on freelance deliveries	<u>14.8</u>
Total revenue	<u><u>60.0</u></u>

Teleport has realised that perhaps they do not have the capabilities required to make TD work. They have contacted NV due to our expertise in last-mile logistics. Halimah has proposed two options for involving NV:

Option 1: Acquiring the company

NV would acquire TD and take over the management and running of the business. TD is incorporated as a separate legal entity within the Teleport group, so the acquisition would involve the purchase of Teleport's shares in TD. The company would continue to be called TeleportDelivery but would in fact be controlled by NV. The company would still have access to delivery bookings from the Teleport app for no additional charge. Teleport would benefit from this agreement because it would mean that they are offering more services on the Teleport app, so are happy not to charge NV a commission for using their brand name. NV would also have the option to start up TD in other countries in South East Asia.

Teleport would still like to own a minority shareholding in TD as they consider it to have great potential. They have therefore asked if we might consider buying only

51%, or 75% of the shares in the company. If not, they would still consider selling 100%.

While Halimah said that the price would be subject to negotiation, she indicated that the directors of Teleport believe that the business is worth approximately S\$41 million based on the net present value of future free cash flows. I have not seen their calculation of this yet.

Option 2: Licencing the operations

Establish a licencing agreement whereby NV would take over the operations of TD in all six countries and make use of its TD app infrastructure. Under Option 2 the payments made by NV to licence the TD app functionality would be based on the volume of deliveries made. Therefore, the more deliveries NV makes using the TD business infrastructure the higher the charge the company would be required to pay Teleport. NV would keep all the profits of TD after paying the license fee. While Halimah did not provide me with details of how the fee would be calculated, she indicated that it would be in the region of 5% of the company's revenues.

Under both options NV would be eligible to adopt Teleport's mobile wallet payment facility, TeleportPay. TeleportPay provides users of the Teleport app with the functionality to send and receive payments for purchases made through the platform.

The main strategic advantage is geographic expansion which is something we have been considering. Cooperation with TD provides us with an existing set up in several countries in South East Asia. I believe that we can apply our experience of managing delivery routes efficiently to improve the performance of TD's business. NV would also gain access to the massive base of users of the Teleport app. Secondly, NV can use the Teleport app. We have been considering moving into the retail parcel delivery business for some time, but we do not have an app that allows retail customers to book the delivery of a parcel. TD's app does this already, which gives us the opportunity to move into a new market segment.

Clearly, careful consideration would need to be given to the cost implications of both options in terms of developing the infrastructures required. Although, this would need to

be confirmed, Halimah indicated that Teleport would be looking for the arrangement under Option 2 for an initial period of three years.

Halimah has provided me with some cash flow projections for TD for the next four years. The projections are as follows:

	<i>For year ended 31 March</i>			
	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>
	<i>S\$000</i>	<i>S\$000</i>	<i>S\$000</i>	<i>S\$000</i>
Revenue				
Fees from own deliveries	47,000	54,050	62,158	71,482
Commission on freelance deliveries	17,000	19,550	22,482	25,854
Total revenue	64,000	73,600	84,640	97,336
Direct costs				
Drivers staff costs	(24,000)	(26,400)	(29,040)	(31,944)
Operational workers' staff costs	(19,000)	(20,900)	(22,990)	(25,289)
Fuel costs	(3,000)	(3,300)	(3,795)	(3,832)
Depreciation delivery vans	(10,500)	(11,550)	(12,705)	(13,976)
Total direct costs	(56,500)	(62,150)	(68,530)	(75,041)
Indirect costs				
Management staff costs	(2,300)	(2,530)	(2,783)	(3,061)
Commercial department staff costs	(3,800)	(4,180)	(4,598)	(5,058)
Accounting & finance staff costs	(5,900)	(6,195)	(6,753)	(6,919)
IT development	(500)	(500)	(600)	(720)
Rental of warehouses	(800)	(780)	(936)	(1,123)
Office costs	(400)	(440)	(484)	(532)
Total indirect costs	(13,700)	(14,625)	(16,154)	(17,413)
Operating profit/(loss)	(6,200)	(3,175)	(44)	4,882
Add: Depreciation	10,500	11,550	12,705	13,976
Operating cash-flows	4,300	8,375	12,661	18,858
Less: investment in non-current assets	(10,500)	(11,550)	(12,705)	(13,976)
Free cash-flow	(6,200)	(3,175)	(44)	4,882

Teleport believes that the amount that is required for investment to maintain the company's operating capacity is similar to the depreciation charge. Free cash-flow is therefore the same as operating profit. The projections assume that the company will add

10 new cities per year. They also assume that existing locations will grow by 5% per year in terms of revenue.

I have not analysed these forecasts yet and feel that they do not consider the efficiencies that the business could experience in NV's hands. Our superior competences in fleet management and route optimisation may enable us to gain greater efficiencies, particularly with regards to number of parcels per delivery, which would reduce driver and vehicle costs.

Once I hear back from Halimah I will be in contact, however, I would be keen to get your feedback on these proposals. Please let me know a suitable time when we can all discuss this further.

Kindest regards,

Tan Hui Lee

Finance Director, NV Pte Ltd

END OF EXHIBIT 7

Extract from Board Minutes – March 2020

Any other business

Shaun Tan noted he had received the e-mail from Tan Hui Lee regarding the possible acquisition or license agreement with Teleport. He asked the other directors what their initial thoughts were.

Valerie Ken thought it seemed like an interesting idea. She added that it would be consistent with the strategic direction to which NV is looking to move, the retail parcels market and geographic expansion. Obviously, it would be necessary to consider the price that Teleport were considering and the fee that they would charge under option 2.

Tan Hui Lee mentioned that if there was an acquisition, the company would need to raise the finance to pay for it as the company would not have enough cash. She mentioned that perhaps the venture capitalists might be persuaded to invest more in the company.

Shaun Tan expressed reservations about whether the venture capitalists would be prepared to provide additional finance. He explained that the company had done well to achieve so much venture capital finance already and believed it might be difficult to achieve additional finance from this source.

Tan Hui Lee suggested that although it is early days, it would be useful to have some finance agreed and in place prior to any negotiations being conducted with Teleport. She pointed out that it would be embarrassing to agree a deal with Teleport and then not have the finance to make that deal feasible.

It was agreed that Tan Hui Lee would investigate alternative sources of finance to be prepared in case the decision was taken to buy TD. It would be assumed for now that S\$41 million would be required. Tan said that the options she would consider, in addition to venture capital, would be a bank loan and an issue of bonds on the Singapore Bond Market.

END OF EXHIBIT 8

Fleet management and regulatory considerations prepared by Alicia Chong, NV Pte Ltd's Operations Director

As a business that relies on having access to a large fleet of operational vehicles, NV is careful to ensure that all drivers operating on its behalf hold driving licenses according to the type of vehicle they drive. All delivery personnel whether they are freelancers or permanently employed drivers working on behalf of NV are required to comply with local regulations governing the type of vehicle they use. Motor vehicles and Power-Assisted Bicycles (PABs) must be registered with the Land Transport Authority (LTA).

In the case of motor vehicles, the LTA in Singapore states that it is the responsibility of the registered owner of the vehicle to pay any vehicle-related fees, taxes and licencing, and to ensure the roadworthiness of the vehicle.

NV requires that all freelance delivery personnel that ride Personal Mobility Devices (PMDs) be required to declare that their device meets the regulations set out by the LTA. It is the responsibility of the rider of PMDs to ride safely and to ensure compliance with the Active Mobility Act (2017). Riders of e-scooters may no longer use their devices on footpaths and must stay on cycling routes instead.

NV requires that all PMDs used in making deliveries on its behalf are registered with the LTA.

Ensuring the safety of the general public and its delivery personnel is a key priority for NV. The company holds regular mandatory training sessions for its core-fleet and freelancer delivery personnel and enforces strict penalties on individuals found disobeying traffic regulations.

END OF EXHIBIT 9

Extract from Board Minutes – April 2020Agenda item 3: Reliability of reserve-fleet drivers

Valerie Ken highlighted that in recent months, the customer service team had experienced a spike in the number of complaints received from consignees regarding the performance of certain reserve-fleet drivers. Valerie outlined the key elements of some of the complaints received:

- One consignee complained that they had twice received failed delivery notification text messages having actually been present at the designated time and address to take receipt of their parcel. A failed delivery notification is only sent if the consignee is not present at the delivery address at the time of the parcel drop off. The consignee checked their home CCTV footage only to discover that the assigned NV reserve-fleet driver had lightly knocked on the consignee's front door waited three seconds and then run off before it was possible for the consignee to get to the door.
- A consignee that had arranged a doorstep delivery had arrived home before their designated two-hour drop-off window only to find that the driver had left their parcel, which contained a S\$800 digital camera, on their doorstep. The parcel could easily have been stolen.
- A consignee collected their parcel from an NV self-service locker only to discover that the parcel was badly damaged. Upon investigation it came to light that the consignee's complaint was linked to an anonymous phone call that a member of the customer service team had taken earlier on the same day from a member of the public who claimed to have seen a reserve-fleet driver dropping and kicking a number of parcels down the footpath as he dropped them off at the same locker. The caller confronted the driver about his behaviour, to which the driver moaned about receiving unfair treatment from NV.

Shaun Tan agreed that action needed to be taken. Alicia Chong confirmed that following consultation with the customer service team that the three reserve-fleet drivers mentioned had been identified and that they had been removed from NV's approved pool of freelance drivers. Alicia confirmed that each of the freelancers involved had already received a warning about their performance prior to the instances highlighted by Valerie.

Vikram Hussein noted that the three cases highlighted the importance of NV maintaining its strong focus on the reliability and quality of its delivery service, as this represented a key differentiator for the company.

In response Alicia Chong proposed a change to the terms and conditions under which the freelancers working on behalf of NV would be bound in the future. The change would no longer commit NV to pay freelancers for parcels which arrived damaged at the designated drop off point or that were delivered later than planned.

Xiang Ng raised some concern about the proposal. Xiang was worried whether the introduction of such a scheme would unfairly penalise the company's freelancers, and in some cases may have a detrimental impact on their livelihoods.

After some discussion, the board eventually approved the proposal and agreed that it would come into effect at the end of this month.

END OF EXHIBIT 10

Extract from an article in *The Singapore Times*, 20th May 2020

Figures published by the Ministry of Manpower show that approximately 8 to 10 per cent of the workforce in Singapore, approximately 200,000 people, today work as self-employed freelancers. This trend has been attributed to the rise of the so-called 'gig' economy, where individuals provide services to organisations and get paid in return for the work undertaken. Advocates of the 'gig' economy argue that this enables freelancers to pick up work or 'gigs' on a flexible basis to suit their lifestyle.

This flexibility does however come at a cost. 'Gig' workers do not have the same legal protections as those classified as employees as they have no statutory rights to receive guaranteed regular pay, paid leave or pension contributions from the hiring firm. The lack of protections for freelance workers has led to accusations that the gig economy is fundamentally exploitative as it creates uncertainty for individuals regarding whether they will receive work in the future.

The ongoing controversy surrounding the increasing role of the 'gig' economy in society was illustrated by the recent court case brought by a freelance parcel delivery driver, Sandra Chew. Earlier this year Ms. Chew brought a case against Singapore-based logistics firm, NimbleVan, to cover the private medical costs that she incurred following a road traffic accident. In January this year, Ms. Chew responded to a request via the NimbleDriver app for freelance personnel to deliver parcels to addresses in the Central Region when her car was involved in an accident with a bus. Ms. Chew sustained extensive injuries as a result of the crash and was unable to work for three months in her other role as a self-employed taxi driver. The accident left Ms. Chew with a medical bill of S\$20,000 over and above what was covered by her own insurance policy, which she only managed to pay by resorting to taking out a series of personal loans from friends and family.

Lawyers representing NimbleVan successfully argued that the company was not legally obliged to meet Ms. Chew's costs on the grounds that she was a self-employed contractor

in accordance with the provisions of the Work Injury Compensation Act. The Act requires all employers in Singapore to purchase work injury compensation (WIC) insurance to cover the costs incurred by workers earning up to S\$1,600 per month, injured in the course of their work. The company's defence team argued that Ms. Chew had assented to the standard terms and conditions required by the company when applying to work as a freelance delivery driver. Reserve-fleet drivers, as freelancer personnel are referred to by the company, are required to acknowledge that working as a freelancer does not create an obligation for NimbleVan to indemnify individuals for any losses or costs that they incur. The court's ruling in favour of the company has left Ms. Chew in further debt as she has been forced to find further funds to cover her legal costs.

This is not the first time that NimbleVan has found itself at the centre of controversy, as last month, the company amended the terms under which all freelance personnel would be bound when working on its behalf. The change in conditions resulted in reserve-fleet drivers no longer receiving payment for parcels damaged in transit or delivered late.

This paper has spoken to several reserve-fleet drivers that claim to have been penalised as a result of the change. One individual that wished to remain anonymous, claimed that he was refused a payment after he delivered a parcel which was already damaged when he collected it from the NimbleVan warehouse. The reserve-fleet driver, who claims that he raised the matter to NimbleVan prior to making the delivery, was informed that the delivery still needed to be made as it was designated as a 'same day delivery' item.

Speaking at the time, NimbleVan's Operation's Director, Mrs. Alicia Chong, hailed the amendment to the freelancer's terms and conditions, as a move intended to help to make 'the company responsive to the needs of its customers and to firmly set out the required level of service we expect from the partners we work with'. This move was seen by many in the industry as an attempt by NimbleVan to address growing concerns over the reliability of its delivery services.

END OF EXHIBIT 11

Suggestions for further research and reference list

Further research

The following resources may be useful when beginning your research into the case study company. As always, the caveat is to read everything with a healthy dose of scepticism and apply professional judgment. Just because an article is on this list, does not give it legitimacy or relevance. All links were active as at 3 August 2020.

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END OF EXHIBIT 12
END OF ADVANCE INFORMATION