

M1 LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199206031W)

ANNOUNCEMENT

ENTRY OF SHARE SUBSCRIPTION AGREEMENT WITH MERCHANTRADE ASIA SDN BHD IN RELATION TO MOBILE REMITTANCE BUSINESS

The Board of Directors of M1 Limited (the “**Company**”) wishes to announce that it has today entered into a share subscription agreement with its wholly owned subsidiary Kliq Pte. Ltd. (“**Kliq**”) and Merchantrade Asia Sdn Bhd (“**Merchantrade**”).

Kliq operates the M1 digital mobile remittance service which was launched in April 2017. Merchantrade is a provider of online and mobile applications for remittance and money changing in Malaysia and has partner relationships with various foreign banks and non-bank remittance operators which facilitate outbound remittances from Singapore.

Under the terms of the share subscription agreement, and subject to the satisfaction of conditions precedent by the Company, Kliq and Merchantrade, the Company and Merchantrade have each agreed to subscribe for new ordinary shares to be issued by Kliq, upon completion as follows:-

	No. of ordinary Kliq shares pre-completion	% shareholding pre-completion	No. of ordinary Kliq shares post-completion	Subscription Price	% shareholding post-completion
Company	100,000	100%	2,550,000 (including original 100,000 shares)	S\$2,550,000 (including initial capital of S\$100,000)	51%
Merchantrade	0	-	2,450,000	S\$2,572,500	49%
Paid-up capital of Kliq, post-completion			5,000,000	S\$5,122,500	100%

Accordingly, the Company will, pursuant to this transaction, increase its investment in the capital of Kliq from S\$100,000 to S\$2,550,000 by subscribing for an additional 2,450,000 ordinary shares, and reduce its shareholding in its wholly owned subsidiary to 51%.

The subscription prices were arrived at following arms’ length negotiations and will be paid in cash.

This change in shareholding in Kliq has received the approval of the Monetary Authority of Singapore. The increased investment by the Company in Kliq will be funded by internal resources, and is not expected to have a material effect on the net assets or earnings per share of the M1 Group for the financial year ending December 2017.

Merchantrade is partially owned (20%) by Celcom Axiata Berhad, a wholly owned subsidiary of M1's controlling shareholder, Axiata Group Berhad. Save as disclosed herein, none of the Directors or controlling shareholders of the Company or Kliq has any interest, direct or indirect, in the above transaction.

By Order of the Board

Karen Teo
Company Secretary
24 October 2017