

## STARHUB LTD

(Incorporated in the Republic of Singapore)  
(Company Registration No. 199802208C)

### ANNOUNCEMENT

#### PROPOSED SUBSCRIPTION OF SHARES IN MM2 ASIA LTD. (“MM2”) PURSUANT TO A PLACEMENT AGREEMENT

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#### 1. INTRODUCTION

The Board of Directors (the “**Board**”) of StarHub Ltd (the “**Company**”) wishes to announce that the Company has today entered into a placement agreement (the “**StarHub Placement Agreement**”) with mm2, a Singapore incorporated company listed on the Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Pursuant to the StarHub Placement Agreement, the Company has agreed to subscribe for an aggregate of 26,315,790 new ordinary shares (the “**StarHub Placement Shares**”) in the capital of mm2 (the “**Proposed Subscription**”). The Proposed Subscription will be effected by way of a private placement to the Company pursuant to Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. Following the completion of the Proposed Subscription, the total number of issued ordinary shares in mm2 will be increased from 1,136,488,820 shares to 1,162,804,610 shares, and the Company will hold 114,315,790 mm2 shares, representing approximately 9.83 per cent. of the enlarged issued and paid-up share capital of mm2.<sup>1</sup>

As the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the “**Mainboard Rules**”) in respect of the Proposed Subscription do not exceed 5 per cent., the Proposed Subscription constitutes a non-discloseable transaction under Chapter 10 of the Mainboard Rules, and this Announcement is being made pursuant to Rule 704(17) of the Mainboard Rules.

#### 2. RATIONALE FOR THE PROPOSED SUBSCRIPTION

The Proposed Subscription is a strategic investment that affirms the Company’s position as the single largest corporate shareholder of mm2. The Company will continue to forge a deeper collaboration with mm2 to expand and differentiate its content offerings, tap on mm2’s regional footprint, and explore new areas of mutually beneficial cooperation across all business lines.

#### 3. PRINCIPAL TERMS OF THE PROPOSED SUBSCRIPTION

- 3.1 **Consideration.** The aggregate consideration payable by the Company for the StarHub Placement Shares is S\$15,000,000.30 (the “**Consideration**”). The price per StarHub Placement Share is S\$0.57, which represents a premium of approximately 0.6 per cent. to the volume weighted average price of S\$0.5666 for each mm2 share, based on trades done on the SGX-ST on 28 June 2017 (being the full market day prior to the signing of the StarHub

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<sup>1</sup> Assuming that (a) 87,748,000 new mm2 shares are issued to other third party subscribers pursuant to the separate placement agreement dated 15 June 2017 entered into between mm2, DBS Bank Ltd. and Maybank Kim Eng Securities Pte Ltd (the “**15 June Placement Agreement**”) and announced by mm2 on 15 June 2017, and (ii) no further mm2 shares are issued on or prior to the completion of the Proposed Subscription (“**Completion**”).

Placement Agreement). The price per StarHub Placement Share is also equal to the placement price of S\$0.57 per mm2 share in the 15 June Placement Agreement.

The Consideration shall be paid in cash by the Company to mm2 on the date of Completion, and will be funded by the Company using internal cash resources.

3.2 **Conditions.** Pursuant to the terms of the StarHub Placement Agreement, the Proposed Subscription will be subject to and conditional upon, *inter alia*, the satisfaction or waiver of the conditions precedent set out below:

- (a) the receipt by mm2 and its sponsor of the listing and quotation notice from the SGX-ST for the listing of the StarHub Placement Shares (on terms and conditions acceptable to the Company and mm2, each acting reasonably) and not being revoked or amended as at the date of Completion;
- (b) the requisite approval of the shareholders of mm2 (the “**Independent Shareholder Approval**”), as required under the SGX-ST Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) for the Proposed Subscription having been obtained and not being revoked or amended and being in full force and effect on the date of Completion; and
- (c) there having been, as at the date of Completion, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the representations and warranties of the Company and mm2 under the StarHub Placement Agreement as if they were repeated on and as of the date of Completion.

In accordance with Rule 812(2) of the Catalist Rules, the Company and its associates will abstain from voting on the resolution at the extraordinary general meeting of mm2 to be convened to obtain the Independent Shareholder Approval.

3.3 **Completion.** Completion will occur on the date falling two business days after the date the last of the conditions precedent in the StarHub Placement Agreement is satisfied (or such other date as the Company and mm2 may agree in writing).

#### 4. **RULE 704(17)(B) OF THE MAINBOARD RULES**

As the Proposed Subscription will result in the Company’s aggregate cost of investment in quoted securities to exceed approximately 28.92 per cent. of the Company’s latest audited consolidated net asset value<sup>2</sup> for the financial year ended 31 December 2016 (the “**FY2016 NAV**”), the Company wishes to disclose the following information in accordance with Rule 704(17)(b) of the Mainboard Rules:

- (a) the aggregate cost of the Company’s quoted investments (which comprises of its shareholding interests in mm2) before the Proposed Subscription is S\$41,360,000<sup>3</sup>, representing approximately 21.22 per cent. of the FY2016 NAV;

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<sup>2</sup> Pursuant to a ruling obtained from the SGX-ST dated 21 March 2016, as the net tangible asset value of the Company is negative, the Company is using its net asset value as the benchmark for the purposes of Rule 704(17)(b) of the Mainboard Rules.

<sup>3</sup> Based on the fair value of the Company’s quoted investments as indicated in the Company’s latest announced consolidated financial results for the financial period ended 31 March 2017.

- (b) the aggregate cost of the Company's quoted investments (which comprises of its shareholding interests in mm2) after the Proposed Subscription is S\$56,360,000<sup>4</sup>, representing approximately 28.92 per cent. of the FY2016 NAV;
- (c) the total market value<sup>5</sup> of the Company's quoted investments (which comprises of its shareholding interests in mm2) before the Proposed Subscription is S\$49,896,000;
- (d) the total market value<sup>5</sup> of the Company's quoted investments (which comprises of its shareholding interests in mm2) after the Proposed Subscription is approximately S\$64,817,053; and
- (e) the Company has not made any provision for diminution in value of investments.

## 5. FURTHER INFORMATION

- 5.1 **Interests of Directors and Controlling Shareholders of the Company.** None of the Directors and the controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Subscription.
- 5.2 **Inspection.** A copy of the StarHub Placement Agreement is available for inspection during normal business hours at the registered office of the Company at 67 Ubi Avenue 1, #05-01 StarHub Green, Singapore 408942 for 3 months from the date of this Announcement.

## BY ORDER OF THE BOARD

Veronica Lai  
Company Secretary  
Singapore, 29 June 2017

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<sup>4</sup> Based on the fair value of the Company's quoted investments as indicated in the Company's latest announced consolidated financial results for the financial period ended 31 March 2017 and the Consideration.

<sup>5</sup> The market value is calculated using the volume weighted average price per mm2 share of S\$0.567 based on trades done on the SGX-ST on 28 June 2017 (being the full market day prior to the signing of the StarHub Placement Agreement).