

M1 LIMITED

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

ANNOUNCEMENT

ACQUISITION OF SHARES IN OCTOPUS RETAIL MANAGEMENT PTE. LTD.

The Board of Directors of M1 Limited wishes to announce that its wholly-owned subsidiary M1 TeliNet Pte. Ltd. ("**M1 TeliNet**") has today entered into an investment agreement ("**Agreement**") with Eleos Web Pte. Ltd. ("**Eleos**"), Octopus Retail Management Pte. Ltd. ("**ORM**"), both of which are private limited companies incorporated in Singapore, and their shareholders.

Eleos is an established provider of mPOS (mobile point-of-sale) solutions for retailers and F&B outlets. Its Octopus Retail Solution uses smart devices to manage customer orders, payments, inventory and for reporting.

The Octopus Retail Solution will be operated by ORM, an SPV incorporated by Eleos' shareholders in June 2016 for the purpose of this investment.

Pursuant to the Agreement, and subject to the satisfaction of completion conditions by Eleos, ORM and its shareholders, M1 TeliNet has agreed to acquire 3,000,000 new ordinary shares to be issued by ORM. M1 TeliNet will own 30% of the share capital of ORM, post-acquisition.

The acquisition price has been fixed at SGD 3 million, and was arrived at following arms' length negotiations and taking into account ORM's assets, intellectual property, financial position and business prospects.

This acquisition will be funded internally by cash, 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 2016.

None of the Directors of M1 Limited or M1 TeliNet has any interest, direct or indirect, in the above transaction.

As the acquisition of shares in ORM and the completion of the investment will result in ORM becoming an associated company of the M1 Group, this announcement is made pursuant to and for the purpose of compliance with Rule 704(17)(c) of the Listing Manual.

By Order of the Board

Karen Teo / Foo Siang Larng
Company Secretaries
2 August 2016