

STARHUB LTD

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

ANNOUNCEMENT

**PROPOSED ACQUISITION OF SHARES IN ACCEL SYSTEMS & TECHNOLOGIES PTE. LTD.
("ASTL")**

1. INTRODUCTION

The Board of Directors (the "**Board**") of StarHub Ltd (the "**Company**") wishes to announce that the Company has today entered into a conditional sale and purchase agreement (the "**Agreement**") with Accel Frontline Limited (the "**Seller**"), pursuant to which the Seller has agreed to sell, and the Company has agreed to purchase, 11,730,000 issued ordinary shares in the capital of ASTL (the "**Sale Shares**"), representing 51 per cent. of the entire issued share capital of ASTL (the "**Proposed Acquisition**"). Following the completion of the Proposed Acquisition, ASTL will be a subsidiary of the Company.

As the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") in respect of the Proposed Acquisition do not exceed 5 per cent., the Proposed Acquisition constitutes a non-discloseable transaction under Chapter 10 of the Listing Manual, and this Announcement is being made pursuant to Rule 704(17) of the Listing Manual.

2. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition is a strategic investment which will grow the Company's cyber security capabilities through the acquisition of ASTL, a cyber security consultant and solutions provider. ASTL will complement the Company's current cyber security capabilities and allow the Company to provide a full in-house suite of cyber security solutions to its customers.

3. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

- 3.1 **Consideration.** The consideration of S\$19,380,000 for the Proposed Acquisition (the "**Consideration**") was arrived at on a willing seller willing buyer basis after taking into account (a) the historical financial performance and growth potential of ASTL and (b) the rationale for the Proposed Acquisition (as described in paragraph 2 above).

The Consideration shall be paid in cash by the Company to the Seller on the date of completion of the Proposed Acquisition ("**Completion**"), and will be funded by the Company using internal cash resources.

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

- (a) in respect of certain contractual arrangements entered into by ASTL, the obtaining of waivers and/or consents from third parties for the change in the composition of the

board of directors and/or the shareholding of the Company pursuant to the Proposed Acquisition;

- (b) corporate actions and the passing of resolutions by the board of directors of ASTL in accordance with the terms of the Agreement;
- (c) there being no material adverse change to the financial conditions, assets, liabilities, prospects, businesses, or results of operations of the business operated by ASTL between the date of the Agreement and Completion; and
- (d) the execution of a shareholders agreement between the Company, ASTL and the Other Shareholders (as defined below).

4. INFORMATION ON ASTL

ASTL is a cyber security consultant and solutions provider incorporated in Singapore. As at the date of this Announcement, ASTL has an issued and paid-up share capital of S\$2,300,000 comprising 23,000,000 ordinary shares ("**Shares**").

As at the date of this Announcement, other than the Seller, the other shareholders of ASTL are Tham Soh Mui (Tan Sumei), Steve Ting Tuan Toon and Wong Swee Ping, Shirley (collectively, the "**Other Shareholders**"), who are the owners of an aggregate of 11,270,000 Shares, representing 49 per cent. of the entire issued share capital of ASTL.

Based on the latest available audited financial statements of ASTL for the financial year ended 31 March 2017, the net asset value and the net tangible asset value represented by the Sale Shares are S\$6,045,127 respectively.

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 Acquisition.
- 5.2 **Inspection.** A copy of the 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, 26 May 2017