

KONNECTIVITY PTE. LTD.

(Reg. No. 201832874H)

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Tel: 62706666 Fax: 64136352

15 March 2019

To: The Dissenting Shareholders / Non-Assenting Shareholders of M1 Limited

Dear Sir/Madam

Compulsory Acquisition of Shares in M1 Limited (“M1” or the “Company”) pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (“Companies Act”) by Konnectivity Pte. Ltd. (the “Offeror”) and rights pursuant to Section 215(3) of the Companies Act

1. Introduction

1.1 Offer. We refer to the offer document (the “**Offer Document**”) dated 7 January 2019 (the “**Commencement Date**”) in relation to the voluntary conditional general offer (the “**Offer**”) by us for all the issued and paid up ordinary shares in the capital of M1 (excluding treasury shares) (“**Shares**”), other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees. The Offer has since been declared unconditional in all respects on 15 February 2019. All capitalised terms used and not defined herein shall have the same meanings given to them in the Offer Document.

If you have already (i) accepted the Offer in respect of all your Shares by completing and returning a valid Form of Acceptance and Authorisation for Shares and/or a valid Form of Acceptance and Transfer for Shares, or (ii) sold all your Shares on the Singapore Exchange Securities Trading Limited (“SGX-ST”) prior to the date of this letter, please disregard this letter and the accompanying Form 57 and Form 58 (each as defined below).

1.2 Holdings of Shares. As announced on 6 March 2019, as at 5.00 p.m. (Singapore time) on 6 March 2019, the total number of Shares owned, controlled or agreed to be acquired by us and parties acting or deemed to be acting in concert with us (including valid acceptances of the Offer) amount to an aggregate of 854,143,523 Shares, representing approximately 92.20 per cent. of all the Shares in issue¹.

1.3 Compulsory Acquisition. As we have received valid acceptances pursuant to the Offer or otherwise acquired Shares following the Commencement Date other than through valid acceptances of the Offer in respect of not less than 90 per cent. of the total number of issued Shares (other than those already held by us, our related corporations or respective nominees as at the Commencement Date), we are entitled, and as stated in the Offer Document and

¹ Calculated based on 926,409,782 Shares, based on the business profile of the Company extracted from the Accounting and Corporate Regulatory Authority of Singapore on 6 March 2019, and rounded to the nearest two (2) decimal places.

announced on 6 March 2019, intend, to exercise our right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer at the Offer Price of S\$2.06 in cash for each Share and on the same terms and conditions of the Offer (the “**Consideration**”). We will then proceed to delist the Company from the SGX-ST.

2. Compulsory Acquisition under Section 215(1) of the Companies Act

2.1 Dissenting Shareholders. According to the records maintained by The Central Depository (Pte) Limited (“**CDP**”) and/or Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Registrar**”) as at 5.00 p.m. (Singapore time) on 11 March 2019 (being the latest practicable date prior to the printing of this letter), you have not accepted the Offer in respect of all your Shares. Accordingly, we are writing to inform you that we are exercising our right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all the Shares held by you at the Consideration of S\$2.06 in cash for each Share that you own and on the same terms and conditions of the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (the “**Form 57**”).

2.2 Compulsory Acquisition. We will exercise the right of compulsory acquisition to acquire all the Shares held by you on or about 16 April 2019 (the “**Transfer Date**”), being the date after the expiration of one month from the date of the Form 57, subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act.

2.3 Registration of Transfer. Upon the settlement of the Consideration to M1 by us, M1 will cause to be transferred to us all the Shares held by you and register us as the holder of all those Shares as soon as practicable. The Consideration will be credited by M1 into a separate bank account and held by M1 in trust for you.

2.4 Adjustments for Distribution. Without prejudice to the foregoing, the Offer Price, and accordingly the Consideration, has been determined on the basis that the Shares will be acquired with the right to receive any dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by M1 in respect of the Shares (collectively, “**Distributions**”) that may be declared, paid or made by M1 on or after 27 September 2018 (i.e. the date on which we announced our pre-conditional voluntary general offer for all the Shares) (the “**Pre-Conditional Offer Announcement Date**”).

Accordingly, in the event any Distribution is or has been declared, paid or made by M1 in respect of the Shares on or after the Pre-Conditional Offer Announcement Date, the Consideration payable to you shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of your Shares compulsorily acquired by us falls, as follows:

2.4.1 if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “**Books Closure Date**”), the Consideration shall remain unadjusted for each Share, as we will receive the Distribution in respect of such Share from M1; and

2.4.2 if such settlement date falls after the Books Closure Date, the Consideration for each Share shall be reduced by an amount which is equal to the amount of the Distribution in

respect of each Share, as we will not receive the Distribution in respect of such Share from M1.

As you may be aware, the Books Closure Date for the proposed final dividend of S\$0.06 per Share announced by M1 (the “**Dividend**”) falls on 7 May 2019 such that the record date for determining entitlements to the Dividend is 5.00 p.m. on 6 May 2019. Accordingly, if settlement in respect of your Shares compulsorily acquired by us takes place before 5.00 p.m. on 6 May 2019, the Consideration you receive shall remain unadjusted for each Share. However, if such settlement takes place after 5.00 p.m. on 6 May 2019, the Consideration you receive for each Share shall be reduced by S\$0.06, being the amount of the Dividend payable by the Company to you, such that you shall receive S\$2.00 per Share from us.

2.5 Settlement. Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in Form 57, as soon as practicable after the Transfer Date:

2.5.1 if your Shares are held through a Securities Account maintained with CDP, CDP will, on our behalf, despatch remittances in the form of S\$ crossed cheques for the appropriate aggregate amount of the Consideration payable in respect of all your Shares to you (or, if you hold Shares which are not deposited with CDP, your designated agent(s), as you may direct) by ordinary post, at your own risk, to your address as it appears in the records of CDP, or by such other manner as you may have agreed with CDP for the payment of any cash distributions; and

2.5.2 if your Shares are held in scrip form, the Registrar will, on our behalf, despatch a cheque for the appropriate aggregate amount of the Consideration payable in respect of all your Shares to you by registered post, at your own risk, to your address as it appears in the register of holders of the Shares, as maintained by the Registrar.

2.6 No Action Needed. No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and entitle you to payment, which will be made to you in accordance with paragraph 2.5 above.

3. Rights under Section 215(3) of the Companies Act

3.1 Non-Assenting Shareholder. Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (the “**Form 58**”) is enclosed with this letter. You may, within three months from the date of the Form 58 (that is, by 15 June 2019), require us to acquire your Shares and we shall be entitled and bound to acquire your Shares at the Consideration (or otherwise in accordance with Section 215(3) of the Companies Act).

3.2 No Action Required. As we will be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to the Form 58. Shareholders who nevertheless wish to exercise their right under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

4. Delisting

4.1 Listing Status of M1. Rule 723 of the Listing Manual requires M1 to ensure that at least 10 per cent. of the total number of Shares (excluding treasury shares) is at all times held by the public (the “**Free Float Requirement**”). As announced on 27 February 2019 and based on the latest information available to the Offeror and to the best of the Offeror’s knowledge, the Free Float Requirement is no longer satisfied, and as stated in the Offer Document, we have no intention of preserving the listing status of M1 and undertaking or supporting any action to satisfy the Free Float Requirement or for any trading suspension by the SGX-ST to be lifted.

4.2 Pursuant to Rule 1303(1) of the Listing Manual, the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer. M1 will be delisted from the SGX-ST upon the completion of the compulsory acquisition exercise under Section 215(1) of the Companies Act as described in this letter. The date on which M1 will be delisted from the SGX-ST will be announced in due course.

5. General

If you are in any doubt about any of the matters referred to in this letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

6. Responsibility Statement

The directors of the Offeror (including any director who may have delegated detailed supervision of the preparation of this letter) have taken all reasonable care to ensure that the facts stated and opinions expressed in this letter are fair and accurate and that there are no other material facts not contained in this letter, the omission of which would make any statement in this letter misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from M1, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this letter.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Yours faithfully
For and on behalf of
Konnectivity Pte. Ltd.



Lamy Sebastien Francois
Director

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