

STARHUB LTD
(Incorporated in the Republic of Singapore)
Company Registration Number: 199802208C

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX-ST LISTING MANUAL

Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited, StarHub Ltd (“**StarHub**”) wishes to announce the following transactions that occurred during the second half year ended 31 December 2020:

1. INCORPORATION OF JOINT VENTURE COMPANY WITH M1 LIMITED

StarHub refers to its joint announcements with M1 Limited issued on 23 January 2020 and 17 February 2020 (“**Announcements**”) in relation to the joint bid by StarHub and M1 Limited (“**M1**”) for a 5G licence (the “**Joint Bid**”).

StarHub wishes to announce that, StarHub Mobile Pte Ltd (a wholly-owned subsidiary of StarHub) (“**StarHub Mobile**”) and M1 have on 3 September 2020 jointly incorporated a joint venture company, Antina Pte. Ltd. (the “**JVCo**”), to develop, deploy and operate a 5G mobile network in Singapore pursuant to the Joint Bid (the “**Joint Venture**”). StarHub Mobile, M1 and the JVCo have also entered into a subscription and shareholders’ agreement (“**SSHA**”) to, *inter alia*, regulate the affairs of the JVCo in connection with the Joint Venture.

The JVCo is held by StarHub Mobile and M1 in equal shareholding proportions, and has an issued and paid-up capital of S\$4,000,000 comprising 4,000,000 ordinary shares as at 31 December 2020. The subscription price of S\$2,000,000 for StarHub Mobile’s 50% shareholding interest in the JVCo was funded by way of internal cash resources. The unaudited net asset value of StarHub Mobile’s 50% shareholding interest in the JVCo is approximately S\$1,915,700 as at 31 December 2020. The JVCo is an associated company of StarHub.

2. ACQUISITION OF SHARES RESULTING IN A COMPANY BECOMING A SUBSIDIARY

On 30 July 2020, StarHub completed the acquisition of the entire issued share capital of Strateq Sdn. Bhd. (“**Strateq**”) involving the following steps (the “**Strateq Transaction**”):

- (a) the acquisition by Taman Kenyir Holdings Sdn. Bhd. (“**Taman Kenyir**”), an indirect subsidiary of StarHub, of an aggregate of 27,961,074 ordinary shares (“**Ordinary Shares**”) and 7,000,000 redeemable preference shares (“**Preference Shares**”) in the capital of Strateq (collectively, the “**Sale Shares**”) under the conditional share sale agreement dated 11 March 2020 between Taman Kenyir, STQ System Holdings Sdn. Bhd., Y.A.M. Tunku Dato’ Seri Shahabuddin Bin Tunku Besar Burhanuddin, Datuk Ir. Dr. Ahmad Fikri Bin Hussein and Yeap Chong Boon (the “**Share Sale Agreement**”). The Sale Shares represent approximately 88.28% of all the issued Ordinary Shares and 100% of all the issued Preference Shares in the capital of Strateq; and
- (b) the transfer by Tan Seng Kit (“**TSK**”), and acquisition by Taman Kenyir, of the remaining 3,710,311 Ordinary Shares (the “**TSK Sale Shares**”) in the capital of Strateq, representing the remaining approximately 11.72% of all the issued Ordinary Shares in the capital of Strateq.

Accordingly, as at 31 December 2020, Strateq is an indirect subsidiary of StarHub.

In relation to the Sale Shares, the consideration for the Sale Shares (“**Acquisition Consideration**”) is the aggregate of: (i) the Initial Consideration of RM238,605,216; (ii) the Preference Share Consideration of RM11,046,133; (iii) the Preference Share IRR Consideration; (iv) the Adjustment Amount; and (v) the Deferred Consideration. “**Initial Consideration**”, “**Preference Share Consideration**”, “**Preference Share IRR Consideration**”, “**Adjustment Amount**” and “**Deferred Consideration**” shall have the same meanings given to them in the announcement dated 11 March 2020 in connection with the Strateq Transaction (the “**March 2020 Announcement**”). The Acquisition Consideration was arrived at on a willing-seller willing-buyer basis after taking into account the historical financial performance and growth potential of Strateq. The Initial Consideration, Preference Share Consideration, Preference Share IRR Consideration and Adjustment Amount were funded by StarHub using bank borrowings.

In relation to the TSK Sale Shares, Taman Kenyir acquired the TSK Sale Shares in exchange for the allotment and issuance of such number of fully-paid ordinary shares in the capital of Nettilling Sdn. Bhd. (“**Nettilling**”), an indirect subsidiary of StarHub, to TSK representing approximately 11.72% of all the issued ordinary shares in Nettilling.

As disclosed in the March 2020 Announcement, based on the unaudited consolidated financial statements of Strateq and its subsidiaries for the financial year ended 31 December 2019, the aggregate net asset value of the Sale Shares and the TSK Sale Shares as at 31 December 2019 is RM144,743,518 (approximately S\$47,597,342 based on the exchange rate of S\$1: RM3.0410 used in the March 2020 Announcement).

For more information, please refer to the March 2020 Announcement and the announcement dated 30 July 2020 in connection with the completion of the Strateq Transaction.

BY ORDER OF THE BOARD

Veronica Lai
Company Secretary
Singapore, 19 February 2021