

CIRCULAR DATED 6 APRIL 2015

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold your ordinary shares in the capital of StarHub Ltd (the “**Company**”), please immediately forward this Circular and the attached Proxy Form to the purchaser or to the stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the accuracy of any of the statements made or opinions expressed in this Circular.



STARHUB LTD

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) the proposed renewal of the Share Purchase Mandate; and**
- (2) the proposed renewal of the Shareholders’ Mandate for Interested Person Transactions.**

IMPORTANT DATES AND TIMES:

- | | | |
|--|---|---|
| Last date and time for lodgement of Proxy Form | : | 26 April 2015 at 10.30 a.m. |
| Date and time of Extraordinary General Meeting | : | 28 April 2015 at 10.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Seventeenth Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting | : | Meeting Room 300, Level 3
Suntec Singapore Convention & Exhibition Centre
1 Raffles Boulevard, Suntec City
Singapore 039593 |

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “2014 Circular to Shareholders”** : The Company’s Circular to Shareholders dated 21 March 2014.
- “2014 EGM”** : The extraordinary general meeting of the Company held on 14 April 2014.
- “AGM”** : The annual general meeting of the Company.
- “Articles”** : The Articles of Association of the Company.
- “Broadcasting Act”** : The Broadcasting Act, Chapter 28 of Singapore, as amended, supplemented or modified from time to time.
- “CDP”** : The Central Depository (Pte) Limited.
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as amended, supplemented or modified from time to time.
- “Company” or “StarHub”** : StarHub Ltd.
- “Directors”** : The directors of the Company for the time being.
- “EGM”** : The extraordinary general meeting of the Company, notice of which is given on pages 36 to 39 of this Circular.
- “Foreign Shareholding”** : Shares held by, or in respect of which voting rights are controlled by, a foreign source.
- “Foreign Shareholding Limit”** : Subject to Article 10(G)(a) of the Articles, 49% of the issued share capital of the Company, provided always that, subject to the prior approval of any stock exchange upon which shares in the Company may be listed, the Directors may from time to time reduce the Foreign Shareholding Limit to below 49% of the issued share capital of the Company as the Directors may in their absolute discretion determine and may from time to time, following such reduction, increase the Foreign Shareholding Limit to up to 49% of the issued share capital of the Company.
- “Group” or “StarHub Group”** : The Company and its subsidiaries.

DEFINITIONS

“IDA”	:	Info-communications Development Authority of Singapore.
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 9 March 2015.
“Listing Manual”	:	The listing manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date.
“Market Day”	:	A day on which the SGX-ST is open for trading in securities.
“Market Purchases”	:	Has the meaning given to it in paragraph 2.3.3(a) of this Circular.
“Minister”	:	The Minister referred to in the Broadcasting Act and/or the Telecommunications Act, as the case may be.
“NTA”	:	Net tangible assets.
“Off-Market Purchases”	:	Has the meaning given to it in paragraph 2.3.3(b) of this Circular.
“Prescribed Limits”	:	Subject to Article 2 of the Articles, shareholding limits prescribed by the Broadcasting Act, the Telecommunications Act and/or any other legislation to which the Company is subject from time to time and/or any regulations, guidelines, notices and/or codes of conduct promulgated or issued thereunder from time to time and, unless and until approval shall have been obtained from the Minister under the Broadcasting Act, shall include the Foreign Shareholding Limit.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Share Awards”	:	Awards granted under the StarHub Performance Share Plans and/or StarHub Restricted Stock Plans.
“Share Options”	:	Options to subscribe for new Shares granted pursuant to the StarHub Share Option Plan 2004.
“Share Purchase Mandate”	:	Has the meaning given to it in paragraph 2.1 of this Circular.

DEFINITIONS

“Shareholders”	:	Persons (other than CDP) who are registered as holders of Shares in the Register of Members of the Company and Depositors who have Shares entered against their names in the Depository Register.
“Shareholders’ Mandate”	:	Has the meaning given to it in paragraph 3.1 of this Circular.
“Shares”	:	Ordinary shares in the capital of the Company.
“StarHub Performance Share Plans”	:	The StarHub Performance Share Plan 2004 and the StarHub Performance Share Plan 2014.
“StarHub Performance Share Plan 2004”	:	The StarHub Performance Share Plan adopted by the Company on 16 August 2004 and terminated by the Company on 14 April 2014.
“StarHub Performance Share Plan 2014”	:	The StarHub Performance Share Plan 2014 adopted by the Company on 14 April 2014 and due to expire on 13 April 2024.
“StarHub Restricted Stock Plans”	:	The StarHub Restricted Stock Plan 2004 and the StarHub Restricted Stock Plan 2014.
“StarHub Restricted Stock Plan 2004”	:	The StarHub Restricted Stock Plan adopted by the Company on 16 August 2004 and terminated by the Company on 14 April 2014.
“StarHub Restricted Stock Plan 2014”	:	The StarHub Restricted Stock Plan 2014 adopted by the Company on 14 April 2014 and due to expire on 13 April 2024.
“StarHub Share Option Plan 2004”	:	The StarHub Share Option Plan 2004 adopted by the Company on 16 August 2004, suspended by the Company in 2006 and terminated by the Company on 14 April 2014.
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time.
“Telco Competition Code”	:	Code of Practice for Competition in the Provision of Telecommunication Services 2012.

DEFINITIONS

“ Telecommunications Act ”	:	The Telecommunications Act, Chapter 323 of Singapore, as amended, supplemented or modified from time to time.
“ Temasek ”	:	Temasek Holdings (Private) Limited.
“ Voting Shares ”	:	Has the meaning given to “voting share” in Section 4(1) of the Companies Act.
“ S\$ ”, “ \$ ” and “ cents ”	:	Singapore dollars and cents, respectively.
“ % ” or “ per cent. ”	:	Per centum or percentage.

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term “foreign source” shall have the meaning ascribed to it in Section 43 of the Broadcasting Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the Listing Manual, or any modification thereof and not otherwise defined in this Circular, shall have the same meaning assigned to it under the Companies Act or the Listing Manual or any modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancy within the tables in this Circular between the listed amounts and the totals thereof is due to rounding.

LETTER TO SHAREHOLDERS

STARHUB LTD

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

Directors:

Tan Guong Ching (Non-Executive Chairman)
Tan Tong Hai (Chief Executive Officer/Executive Director)
Kua Hong Pak (Independent Director)
Peter Seah Lim Huat (Non-Executive Director)
Nihal Vijaya Devadas Kaviratne CBE (Independent Director)
Sio Tat Hiang (Non-Executive Director)
Steven Terrell Clontz (Non-Executive Director)
Lim Ming Seong (Non-Executive Director)
Teo Ek Tor (Independent Director)
Liu Chee Ming (Independent Director)
Robert J. Sachs (Independent Director)
Nasser Marafih (Non-Executive Director)
Takeshi Kazami (Non-Executive Director)

Registered Office:

67 Ubi Avenue 1
#05-01 StarHub Green
Singapore 408942

6 April 2015

To: The Shareholders of
StarHub Ltd

Dear Sir/Madam

1. INTRODUCTION

- 1.1 **EGM.** The Directors are convening an EGM to be held on 28 April 2015 to seek Shareholders' approval for the following proposals:
- (a) the proposed renewal of the Share Purchase Mandate; and
 - (b) the proposed renewal of the Shareholders' Mandate for Interested Person Transactions.
- 1.2 **Circular.** The purpose of this Circular is to provide Shareholders with information relating to the proposals to be tabled at the EGM.
- 1.3 **SGX-ST.** The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Circular.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

- 2.1 **Background.** At the 2014 EGM, Shareholders had approved, *inter alia*, a mandate (the "**Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire the Shares in accordance with, and in the manner prescribed by, the Companies Act and the

LETTER TO SHAREHOLDERS

rules of the Listing Manual and such other laws and regulations as may, for the time being, be applicable. The authority and limitations on the Share Purchase Mandate were set out in the 2014 Circular to Shareholders and Resolution 1 set out in the Notice of the 2014 EGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Resolution 1 at the 2014 EGM and will expire on the date of the forthcoming Seventeenth AGM which will also be held on 28 April 2015 immediately preceding the EGM to be held on the same date. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the EGM immediately following the Seventeenth AGM.

2.2 Rationale for Share Purchase Mandate. The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Group, management will strive to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. In addition to growth and expansion of the business, share purchases at the appropriate price levels may be considered as one of the ways through which the return on equity of the Group may be enhanced.
- (b) In line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its possible financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner. A share repurchase programme will also allow management to effectively manage and minimise the dilution impact (if any) associated with the Company's share plans.
- (c) The Share Purchase Mandate will provide the Company with the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

The purchase or acquisition of Shares will only be undertaken if it can benefit the Company and Shareholders. While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 2.3.1 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised and no purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole.

2.3 Authority and Limits of the Share Purchase Mandate. The authority relating to, and limitations placed on, the purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if renewed at the EGM, are substantially the same as previously approved by Shareholders at the 2014 EGM, and are summarised below:

LETTER TO SHAREHOLDERS

2.3.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the issued Shares as at the date of the EGM. Any Shares which are held as treasury shares will be disregarded for the purposes of computing the 10% limit.

2.3.2 *Duration of Authority*

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in general meeting; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the fullest extent mandated,

whichever is the earliest.

2.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the SGX-ST's trading system, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") effected, otherwise than on a securities exchange, in accordance with an equal access scheme as defined in Section 76C of the Companies Act.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

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- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that the offers may relate to Shares with different accrued dividend entitlements, (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid, and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances; and
- (3) the information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

2.3.4 **Purchase Price**

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors, subject to and in accordance with the Listing Manual and the Articles. The purchase price to be paid for the Shares as determined by the Directors pursuant to the Share Purchase Mandate must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“Average Closing Price” means the average of the closing market prices of a Share over the last five Market Days, on which the Shares are transacted on the SGX-ST, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual for any corporate action that occurs after the relevant five-Market Day period; and

LETTER TO SHAREHOLDERS

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Status of Purchased Shares.** A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

2.5 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.5.1 ***Maximum Holdings***

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares (excluding treasury shares).

2.5.2 ***Voting and Other Rights***

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company’s assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3 ***Disposal and Cancellation***

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees’ share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or

LETTER TO SHAREHOLDERS

- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

- 2.6 **Source of Funds.** In accordance with the current requirements of the Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its own Shares may be made out of the Company's distributable profits as well as capital.

The Company may use internal sources of funds of the Group or external borrowings or a combination of both to fund the Company's purchases or acquisitions of Shares pursuant to the Share Purchase Mandate.

- 2.7 **Financial Effects.** The financial effects on the Company arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held as treasury shares or cancelled. The financial effects on the Company, based on the audited financial statements of the Company for the financial year ended 31 December 2014, are based on the assumptions set out below:

2.7.1 ***Purchase or Acquisition out of Capital or Profits***

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

LETTER TO SHAREHOLDERS

2.7.2 *Number of Shares Purchased or Acquired*

Based on approximately 1,727.50 million Shares in issue (excluding treasury shares) as at the Latest Practicable Date, and assuming no further Shares are issued (except for the approximately 5.95 million Shares which are issuable on the exercise of the outstanding Share Options or pursuant to the terms of the conditional Share Awards) and no further Shares are purchased or acquired and held by the Company as treasury shares on or prior to the AGM, the purchase by the Company of 10% of its issued Shares (excluding treasury shares) will result in the purchase or acquisition of approximately 172.75 million Shares.

As no Shares were held as treasury shares as at the Latest Practicable Date, on the basis of paragraph 2.5.1, the maximum number of Shares the Company can acquire or purchase and hold as treasury shares is 172.75 million Shares.

2.7.3 *Maximum Price Paid for Shares Acquired or Purchased*

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 172.75 million Shares at the maximum price of S\$4.465 for one Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 172.75 million Shares is S\$771.3 million.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 172.75 million Shares at the maximum price of S\$4.677 for one Share (being the price equivalent to 110% of the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 172.75 million Shares is S\$808.0 million.

2.7.4 *Illustrative Financial Effects*

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.2 and 2.7.3 above, the financial effects of the:

- (a) purchase or acquisition of 172.75 million Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made wholly out of profits and held as treasury shares or cancelled; and
- (b) purchase or acquisition of 172.75 million Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made wholly out of profits and held as treasury shares or cancelled,

on the audited financial statements of the Company for the financial year ended 31 December 2014 are set out below.

LETTER TO SHAREHOLDERS

Scenarios 1(A) & 1(B)

Market Purchases made wholly out of profits and (a) held as treasury shares or (b) cancelled.

	Company	
	Before Share Purchase S\$'mil	After Share Purchase S\$'mil
<u>As at 31 December 2014</u>		
Share Capital and Reserves	1,394.3	
(a) where Shares purchased were held as treasury shares		623.0
(b) where Shares purchased were cancelled		623.0
Shareholders' Funds	1,394.3	623.0
Net Tangible Assets	1,394.3	623.0
Current Assets	667.1	667.1
Current Liabilities	964.0	964.0
Total Borrowings	687.5	1,458.8
Cash and Cash Equivalents	176.0	176.0
Number of Shares ('mil)	1,726.3 ⁽¹⁾	
(a) where Shares purchased were held as treasury shares		1,553.6 ⁽²⁾
(b) where Shares purchased were cancelled		1,553.6 ⁽³⁾
<u>Financial Ratios</u>		
Net Tangible Assets per Share (cents)	80.8	40.1
Earnings per Share (cents)	29.4	30.9
Net Gearing ⁽⁴⁾ (%)	37	139
Current Ratio (times)	0.69	0.69

Notes:

- (1) No Shares were held as treasury shares as at 31 December 2014.
- (2) Includes approximately 172.75 million Shares purchased and held as treasury shares.
- (3) Denotes the number of Shares outstanding after approximately 172.75 million Shares purchased were cancelled.
- (4) "Net Gearing" means the ratio of the total net borrowings to average shareholders' funds.

LETTER TO SHAREHOLDERS

Scenarios 2(A) & 2(B)

Off-Market Purchases made wholly out of profits and (a) held as treasury shares or (b) cancelled.

	Company	
	Before Share Purchase S\$'mil	After Share Purchase S\$'mil
<u>As at 31 December 2014</u>		
Share Capital and Reserves	1,394.3	
(a) where Shares purchased were held as treasury shares		586.3
(b) where Shares purchased were cancelled		586.3
Shareholders' Funds	1,394.3	586.3
Net Tangible Assets	1,394.3	586.3
Current Assets	667.1	667.1
Current Liabilities	964.0	964.0
Total Borrowings	687.5	1,495.5
Cash and Cash Equivalents	176.0	176.0
Number of Shares ('mil)	1,726.3 ⁽¹⁾	
(a) where Shares purchased were held as treasury shares		1,553.6 ⁽²⁾
(b) where Shares purchased were cancelled		1,553.6 ⁽³⁾
<u>Financial Ratios</u>		
Net Tangible Assets per Share (cents)	80.8	37.7
Earnings per Share (cents)	29.4	30.9
Net Gearing ⁽⁴⁾ (%)	37	146
Current Ratio (times)	0.69	0.69

Notes:

- (1) No Shares were held as treasury shares as at 31 December 2014.
- (2) Includes approximately 172.75 million Shares purchased and held as treasury shares.
- (3) Denotes the number of Shares outstanding after approximately 172.75 million Shares purchased were cancelled.
- (4) "Net Gearing" means the ratio of the total net borrowings to average shareholders' funds.

LETTER TO SHAREHOLDERS

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE PURELY FOR ILLUSTRATIVE PURPOSES ONLY.

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding treasury shares), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares (excluding treasury shares). **IN PARTICULAR, THE DIRECTORS DO NOT INTEND TO EXERCISE THE SHARE PURCHASE MANDATE UP TO THE MAXIMUM LIMIT AND TO SUCH LIQUIDITY AND CAPITAL ADEQUACY POSITION OR AN EXTENT IF SUCH EXERCISE WOULD MATERIALLY AND ADVERSELY AFFECT THE FINANCIAL POSITION OF THE COMPANY OR THE GROUP AS A WHOLE.** In addition, the Company may cancel all or part of the Shares purchased or acquired, or hold all or part of the Shares purchased or acquired in treasury.

2.8 Listing Rules. Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement currently requires the inclusion of, *inter alia*, details of the total number of shares purchased, the purchase price per share or the highest and lowest prices paid per share, as applicable, the total number of issued shares (excluding treasury shares) after purchase and the total number of treasury shares held after purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In addition, in line with the best practices set out in the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases during the period of one month immediately preceding the announcement of the Company’s quarterly and full-year results.

Rule 723 of the Listing Manual requires a listed company to ensure that at least 10% of any class of its listed securities (excluding treasury shares) must be held by public Shareholders. As at the Latest Practicable Date, approximately 33.63% of the issued Shares (excluding treasury shares) are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

LETTER TO SHAREHOLDERS

2.9 **Shareholding Limits.** The Articles provide that no person shall, whether alone or together with his associates (as defined in the Broadcasting Act or otherwise as applicable), hold or control shares in the Company in excess of any of the Prescribed Limits without first obtaining the approval of the Minister or the applicable regulatory authority.

The Broadcasting Act provides that no person may become:

- (a) a substantial shareholder (as defined under the Companies Act);
- (b) a 12% controller (as defined under the Broadcasting Act); or
- (c) an indirect controller (as defined under the Broadcasting Act),

of the Company without first obtaining the approval of the Minister.

The Telco Competition Code provides that before entering into any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, the Company must calculate the percentage of Voting Shares held by each Shareholder following such purchase or acquisition and, if as a result of such purchase or acquisition, such Shareholder will become:

- (i) a 12% Controller of the Company; or
- (ii) a 30% Controller of the Company,

such Shareholder and the Company must seek the approval of the IDA before the Company proceeds with such purchase or acquisition.

For the purposes of the Telco Competition Code:

- (i) **“12% Controller”** means a person who, alone or together with his associates (as defined under Section 32A(4) of the Telecommunications Act), (a) holds 12% or more but less than 30% of the total number of Voting Shares in the Company, or (b) is in a position to control 12% or more but less than 30% of the Voting Power (as defined below) in the Company;
- (ii) **“30% Controller”** means a person who, alone or together with his associates, (a) holds 30% or more of the total number of Voting Shares in the Company, or (b) is in a position to control 30% or more of the Voting Power in the Company; and
- (iii) **“Voting Power”** in an entity means control that is direct or indirect, including control that is exercisable as a result of or by means of arrangements or practices, whether or not having legal or equitable force and whether or not based on legal or equitable rights, of that percentage of the total number of votes that may be cast in a general meeting of that entity, as the case may be.

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The Articles empower the Directors, if it shall come to their notice that, *inter alia*, (a) any person or, as the case may be, any person together with his associates holds or controls shares of the Company in excess of any of the Prescribed Limits without first obtaining the approval of the Minister or the applicable regulatory authority or (b) any change in the nationality of an individual or in the constitution or the ownership of the shares of a corporation has caused the Foreign Shareholding to exceed the Foreign Shareholding Limit, to take all steps and do all acts or things as they may in their absolute discretion deem necessary to ensure that the provisions of the Broadcasting Act (including the Foreign Shareholding Limit), the Telecommunications Act and/or any other legislation to which the Company is subject from time to time and/or any regulations, guidelines, notices and/or codes of conduct promulgated or issued thereunder are or will be complied with, and require the Directors to take such action as may be directed by the Minister or the applicable regulatory authority, including but not limited to requiring such person or persons or the holder or holders of the shares concerned (as the case may be) to dispose such number of his shares within such period of time as may be specified by the Minister or the applicable regulatory authority. Article 10(C) of the Articles also provides that the Directors shall take such remedial action if directed to do so by the Minister or the applicable regulatory authority.

As the number of issued Shares in the capital of the Company may be diminished by the number of Shares purchased or acquired by the Company, the shareholding percentage of a holder of Shares (whose Shares were not the subject of a share purchase or acquisition by the Company) in the issued Shares in the capital of the Company immediately following any purchase or acquisition of Shares by the Company will increase correspondingly.

The Company wishes to draw the attention of Shareholders to the following consequences of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, if the proposed Share Purchase Mandate is approved by Shareholders:

A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY MAY INADVERTENTLY CAUSE THE INTEREST IN THE SHARES OF ANY PERSON TO REACH OR EXCEED THE PRESCRIBED LIMITS (IN PARTICULAR, A PERSON WHOSE INTEREST IN SHARES IS CURRENTLY CLOSE TO ANY PRESCRIBED LIMIT). SHAREHOLDERS WHOSE CURRENT SHAREHOLDINGS ARE CLOSE TO ANY OF THE PRESCRIBED LIMITS AND WHOSE SHAREHOLDINGS MAY EXCEED ANY SUCH LIMITS BY REASON OF A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY ARE ADVISED TO CONSIDER SEEKING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY) TO CONTINUE TO HOLD, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), THE SHARES WHICH THEY MAY HOLD IN EXCESS OF THE PRESCRIBED LIMITS AS A CONSEQUENCE OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY.

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2.10 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.10.1 *Obligation to make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert with a Director acquires or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code. For this purpose, effective control means a holding, or aggregate holdings, of Shares carrying 30% or more of the voting rights of the Company, irrespective of whether that holding (or holdings) gives de facto control. The “acquisition of effective control” in the Company refers to a situation where a person and parties acting in concert with him, who previously held in aggregate less than 30% of the Company’s voting rights, increase their aggregate holding of voting rights in the Company to 30% or more. The “consolidation of effective control” in the Company refers to a situation where a person and parties acting in concert with him, who already owned between 30% and 50% of the Company’s voting rights, increase their aggregate holding of voting rights in the Company by more than 1% within a six-month period.

2.10.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be acting in concert with each other:

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts); and
- (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies whose associated companies include any of the aforementioned, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforementioned for the purchase of voting rights, all with each other. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

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The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.10.3 *Effect of Rule 14 and Appendix 2*

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of Resolution 1 authorising the Share Purchase Mandate.

Based on the interests of the substantial Shareholders in Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date as set out in paragraph 4.2 below, none of the substantial shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum limit of 10% of its issued Shares (excluding treasury shares) as at the Latest Practicable Date.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase or acquisition of Shares by the Company.

2.11 Details of Previous Share Purchases. There were no purchases or acquisitions of Shares made by the Company in the 12 months immediately preceding the Latest Practicable Date, pursuant to the Share Purchase Mandate approved by the Shareholders at the 2014 EGM.

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3. THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

- 3.1 **Shareholders' Mandate.** At the 2014 EGM, approval of the Shareholders was obtained for the renewal of a Shareholders' Mandate (the "**Shareholders' Mandate**") to enable the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual) to enter into certain interested person transactions ("**Interested Person Transactions**") with the classes of interested persons as set out in the Shareholders' Mandate. Particulars of the Shareholders' Mandate were set out in Appendix 1 to the 2014 Circular to Shareholders.
- 3.2 **Proposed Renewal of the Shareholders' Mandate.** The Shareholders' Mandate was expressed to take effect until the conclusion of the next AGM of the Company, being the Seventeenth AGM which is scheduled to be held on 28 April 2015. Accordingly, the Directors propose that the Shareholders' Mandate be renewed at the EGM, to take effect until the Eighteenth AGM of the Company.
- 3.3 **Appendix 1.** The Shareholders' Mandate, including the rationale for, and the benefits to, the Company, the review procedures for determining transaction prices and other general information relating to Chapter 9 of the Listing Manual, are set out in Appendix 1 to this Circular.
- 3.4 **Audit Committee Statement.** The Audit Committee of the Company, comprising Messrs Kua Hong Pak, Nihal Vijaya Devadas Kaviratne CBE, Lim Ming Seong and Teo Ek Tor, confirms that:
- (a) the methods and procedures for determining the transaction prices under the Shareholders' Mandate have not changed since the 2014 EGM; and
 - (b) the methods and procedures referred to in paragraph 3.4(a) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

LETTER TO SHAREHOLDERS

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 **Directors' Interests.** As at the Latest Practicable Date, the Directors' interests in Shares as recorded in the Register of Directors' Shareholdings are as follows:

Directors	Number of Shares				Number of shares comprised in outstanding Share Awards
	Direct Interest	%	Deemed Interest	%	
Tan Guong Ching	132,241	nm ⁽⁶⁾	–	–	–
Tan Tong Hai	785,730	nm ⁽⁶⁾	–	–	122,000 ⁽¹⁾ 210,000 ⁽²⁾ 278,600 ⁽³⁾ 160,000 ⁽⁴⁾ 195,400 ⁽⁵⁾
Kua Hong Pak	–	–	–	–	–
Peter Seah Lim Huat	267,092	nm ⁽⁶⁾	300,000	nm ⁽⁶⁾	–
Nihal Vijaya Devadas Kaviratne CBE	15,000	nm ⁽⁶⁾	41,000	nm ⁽⁶⁾	–
Sio Tat Hiang	15,100	nm ⁽⁶⁾	–	–	–
Steven Terrell Clontz	51,700	nm ⁽⁶⁾	–	–	–
Lim Ming Seong	210,336	nm ⁽⁶⁾	–	–	–
Teo Ek Tor	142,138	nm ⁽⁶⁾	–	–	–
Liu Chee Ming	170,684 ⁽⁷⁾	nm ⁽⁶⁾	–	–	–
Robert J. Sachs	105,534	nm ⁽⁶⁾	–	–	–
Nasser Marafih	50,230	nm ⁽⁶⁾	–	–	–
Takeshi Kazami	–	–	–	–	–

Notes:

- (1) A conditional Share Award of 122,000 Shares under the StarHub Performance Share Plan 2004 was granted in May 2012. The performance period was from 2012 to 2014. No Shares will be delivered if the threshold performance targets are not achieved while up to twice the number of Shares that are the subject of the Share Award will be delivered if the stretched threshold performance targets are exceeded.
- (2) A conditional Share Award of 210,000 Shares under the StarHub Performance Share Plan 2004 was granted in May 2013. The performance period is from 2013 to 2015. No Shares will be delivered if the threshold performance targets are not achieved while up to twice the number of Shares that are the subject of the Share Award will be delivered if the stretched threshold performance targets are exceeded.
- (3) A conditional Share Award of 278,600 Shares under the StarHub Performance Share Plan 2004 was granted in March 2014. The performance period is from 2014 to 2016. No Shares will be delivered if the threshold performance targets are not achieved while up to 1.825 times the number of Shares that are the subject of the Share Award will be delivered if the stretched threshold performance targets are exceeded.

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- (4) A conditional Share Award of 160,000 Shares under the StarHub Restricted Stock Plan 2004 was granted in May 2013. The performance period was from 2013 to 2014. The actual number of Shares to be delivered can be up to 1.5 times the Shares that are the subject of the Share Award, depending on the level of achievement of the performance targets over the performance period. Shares will be delivered in phases according to the stipulated vesting periods.
- (5) A conditional Share Award of 195,400 Shares under the StarHub Restricted Stock Plan 2004 was granted in March 2014. The performance period is from 2014 to 2015. The actual number of Shares to be delivered can be up to 1.5 times the Shares that are the subject of the Share Award, depending on the level of achievement of the performance targets over the performance period. Shares will be delivered in phases according to the stipulated vesting periods.
- (6) Percentage not meaningful.
- (7) Held partly or wholly by a nominee on behalf of the Director.

4.2 Substantial Shareholders' Interests. As at the Latest Practicable Date, the interests of the substantial Shareholders in Shares as recorded in the Register of Substantial Shareholders are as follows:

Substantial Shareholder	Number of Shares			
	Direct Interest	%	Deemed Interest	%
Asia Mobile Holdings Pte. Ltd. ⁽¹⁾	966,815,290	55.97	–	–
NTT Communications Corporation ⁽²⁾	171,490,520	9.93	–	–

Notes:

- (1) Asia Mobile Holdings Pte. Ltd. (“**AMH**”) is a subsidiary of Asia Mobile Holding Company Pte. Ltd. (“**AMHC**”), whereby (a) AMHC holds approximately 75% of the total issued share capital of AMH; and (b) Qtel Investment Holdings S.P.C. (“**QIH**”) holds approximately 25% of the total issued share capital of AMH. AMHC is a wholly-owned subsidiary of STT Communications Ltd (“**STTC**”), a wholly-owned subsidiary of Singapore Technologies Telemedia Pte Ltd (“**ST Telemedia**”), which in turn is a wholly-owned subsidiary of Temasek. QIH is a wholly-owned subsidiary of Ooredoo Q.S.C. (formerly known as Qatar Telecom (Qtel) Q.S.C.) (“**Ooredoo**”). Accordingly, AMHC, STTC, ST Telemedia, QIH, Ooredoo and Temasek are deemed to be interested in the Shares held by AMH.
- (2) NTT Communications Corporation (“**NTTCom**”) is a wholly-owned subsidiary of Nippon Telegraph and Telephone Corporation. Accordingly, Nippon Telegraph and Telephone Corporation is deemed to be interested in the Shares held by NTTCom.

4.3 Abstention from voting. Messrs Tan Guong Ching, Tan Tong Hai, Kua Hong Pak, Peter Seah Lim Huat, Nihal Vijaya Devadas Kaviratne CBE, Sio Tat Hiang, Steven Terrell Clontz, Lim Ming Seong and Nasser Marafih, who hold directorships and/or executive positions in the Temasek Group (as described in paragraph 3 of Appendix 1 to this Circular), will abstain from voting their shareholdings, if any, in respect of Resolution 2, being the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate at the EGM. Temasek and AMH, being Mandated Interested Persons (as described in paragraph 3 of Appendix 1 to this Circular), will also abstain from voting, whether in person or by representative or proxy, and will procure that their respective associates will abstain from voting, their respective shareholdings, if any, in respect of Resolution 2.

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5. DIRECTORS' RECOMMENDATIONS

5.1 **Proposed Renewal of the Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 1, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate, at the EGM.

5.2 **Proposed Renewal of the Shareholders' Mandate.** The Directors who are considered independent for the purposes of the proposed renewal of the Shareholders' Mandate are Messrs Teo Ek Tor, Liu Chee Ming and Robert J. Sachs (the "**Independent Directors**"). The Independent Directors are of the opinion that the entry into of the Interested Person Transactions between the EAR Group (as described in paragraph 2 of Appendix 1 to this Circular) and the Mandated Interested Persons in the ordinary course of its business will enhance the efficiency of the EAR Group and is in the best interests of the Company.

For the reasons set out in paragraphs 4 and 5 of Appendix 1 to this Circular, the Independent Directors recommend that Shareholders vote in favour of Resolution 2, being the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate, at the EGM.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 36 to 39 of this Circular, will be held at Meeting Room 300, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on 28 April 2015 at 10.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Seventeenth AGM of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the Ordinary Resolutions set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 **Appointment of Proxies.** Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the Share Registrar of the Company, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

7.2 **When Depositor regarded as Shareholder.** A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 48 hours before the time fixed for the EGM, as certified by CDP to the Company.

LETTER TO SHAREHOLDERS

8. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 67 Ubi Avenue 1, #05-01 StarHub Green, Singapore 408942 during normal business hours from the date of this Circular up to the date of the EGM:

8.1 the Annual Report of the Company for the financial year ended 31 December 2014;

8.2 the 2014 Circular to Shareholders; and

8.3 the Memorandum and Articles of Association of the Company.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the proposed renewal of the Shareholders' Mandate and the StarHub Group which are relevant to the renewal of the Share Purchase Mandate and the Shareholders' Mandate and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully
for and on behalf of
the Board of Directors
of StarHub Ltd

Tan Guong Ching
Chairman

APPENDIX 1

THE SHAREHOLDERS' MANDATE

1. Chapter 9 of the Listing Manual

- 1.1 Chapter 9 of the listing manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company's interested persons. When this Chapter applies to a transaction and the value of that transaction alone or on aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds, certain materiality thresholds, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for that transaction.
- 1.2 Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and therefore are excluded from the ambit of Chapter 9 of the Listing Manual, immediate announcement and shareholders' approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company and its subsidiaries' (the "**group's**") latest audited consolidated net tangible assets ("**NTA**")), are reached or exceeded. In particular, shareholders' approval is required for an interested person transaction of a value equal to, or which exceeds:
- (i) 5% of the group's latest audited consolidated NTA; or
 - (ii) 5% of the group's latest audited consolidated NTA, when aggregated with other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.
- 1.3 The SGX-ST had on 16 January 2008, granted its approval to StarHub Ltd ("**StarHub**") for the use of the market capitalisation of StarHub as at the end of the immediately preceding financial year, instead of the audited consolidated NTA of StarHub and its subsidiaries (the "**StarHub Group**"), as the basis for computing the materiality percentage in respect of Rules 905 and 906 of the Listing Manual, provided that this alternative reference point is to be used only until such time as the audited consolidated NTA of the StarHub Group turns positive.
- 1.4 For the avoidance of doubt, in the event the audited consolidated NTA of the StarHub Group turns positive, StarHub will revert to using the audited consolidated NTA of the StarHub Group as the basis for computing the materiality percentage in respect of Rules 905 and 906 of the Listing Manual unless otherwise permitted by SGX-ST.

As at 31 December 2014, StarHub had an issued and paid-up capital of 1,726.3 million ordinary shares (excluding treasury shares) in the capital of StarHub ("**Shares**"). Based on the last trading price of the Shares at the close of trading on the SGX-ST on 31 December 2014, the market capitalisation of StarHub was S\$7,164.2 million. In relation to StarHub, for the purposes of Chapter 9 of the Listing Manual, in the current financial year i.e. until 31 December 2015, 5% of the market capitalisation of StarHub would be S\$358.2 million.

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1.5 Chapter 9 of the Listing Manual permits a listed company (for example, StarHub), however, to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses which are not part of its day-to-day operations) which may be carried out with the listed company's interested persons.

1.6 Under the Listing Manual:

- (i) an “**entity at risk**” means:
 - (a) the listed company;
 - (b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company;
- (ii) an “**interested person**” means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder;
- (iii) an “**associate**” in relation to an interested person who is a director, chief executive officer or controlling shareholder (being an individual) includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an aggregate interest of 30% or more;
- (iv) an “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual; and
- (v) an “**interested person transaction**” means a transaction between an entity at risk and an interested person.

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2. Entities At Risk

For the purposes of the Shareholders' Mandate, an "entity at risk" means:

- StarHub;
- a subsidiary of StarHub that is not listed on the SGX-ST or an approved exchange; or
- an associated company of StarHub that is not listed on the SGX-ST or an approved exchange, provided that the StarHub Group and its interested person(s) have control over the associated company. (Currently, StarHub does not have any such associated companies),

(together, the "EAR Group").

3. Classes of Mandated Interested Persons

The Shareholders' Mandate will apply to the EAR Group's transactions with Temasek Holdings (Private) Limited ("**Temasek**") and its associates (the "**Mandated Interested Persons**" or the "**Temasek Group**" and each, a "**Mandated Interested Person**").

Transactions with Mandated Interested Persons which do not fall within the ambit of the Shareholders' Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

4. Categories of Interested Person Transactions

The transactions with the Mandated Interested Persons which will be covered by the Shareholders' Mandate and the benefits to be derived therefrom are as follows:

(a) General Transactions

This category relates to general transactions ("**General Transactions**") by the EAR Group relating to the provision to, or obtaining from, Mandated Interested Persons of products and services in the normal course of business of the EAR Group or which are necessary for the day-to-day operations of the EAR Group (but not in respect of the purchase or sale of assets, undertakings or businesses which are not part of the EAR Group's day-to-day operations) comprising the following:

- (1) provision and obtaining of info-communications, broadcasting and fixed network services (including mobile, pay TV and broadband Internet), equipment, infrastructure, network, applications, products and content;
- (2) sale and procurement of info-communications and broadcasting devices, accessories and pre-paid cards for distribution and trade;
- (3) provision and obtaining of professional, consultancy, sub-contracting or outsourcing services;

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- (4) provision and obtaining of after-sales services;
- (5) provision and obtaining of warehousing, logistics, packing, handling, transportation and freight services;
- (6) obtaining licences to provide or resell info-communications and broadcasting services;
- (7) provision, obtaining, repair, maintenance and operation of info-communications and broadcasting equipment, infrastructure, network and applications;
- (8) provision and obtaining of bill collection services;
- (9) engaging dealers to sell info-communications and broadcasting products (including pre-paid cards, SIM cards, calling cards and mobile handsets) and services;
- (10) provision and obtaining of printing, advertisement and marketing related services;
- (11) provision and obtaining of lease and/or rental of properties and equipment;
- (12) obtaining of utilities services;
- (13) obtaining of insurance and insurance related services;
- (14) obtaining of professional, administrative and support services including finance and treasury, business development, management information systems, human resource, corporate communications (including investor relations), taxation, internal audit, legal, corporate secretarial services and any other professional services; and
- (15) provision or the obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (1) to (14) above.

The transactions set out in sub-paragraphs (1) to (14) arise in the normal course of business of the EAR Group, while the transactions set out in sub-paragraph (15) will be those which are necessary for the day-to-day operations of the EAR Group.

The EAR Group will benefit from having access to competitive quotes from the different companies in the different industries within the Temasek Group in addition to obtaining quotes from, or transacting with, non-interested persons.

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(b) Treasury Transactions

Treasury transactions (“**Treasury Transactions**”) comprise:

- (1) the placement of funds with any Mandated Interested Person;
- (2) the borrowing of funds from any Mandated Interested Person;
- (3) the entry into with any Mandated Interested Person of forex, swaps and options transactions for hedging purposes; and
- (4) the subscription of debt securities and/or preference shares issued by any Mandated Interested Person and the issue of debt securities and/or preference shares to any Mandated Interested Person and the buying from, or the selling to, any Mandated Interested Person of debt securities and/or preference shares.

The EAR Group can benefit from obtaining competitive rates or quotes from Mandated Interested Persons in an expedient manner in addition to third party financial institutions. By transacting directly with a Mandated Interested Person, the EAR Group may also eliminate margins which third party intermediaries might ordinarily be expected to earn.

5. Rationale for and Benefits of the Shareholders’ Mandate

- 5.1 The transactions with Mandated Interested Persons are entered into or are to be entered into by the EAR Group in its ordinary course of business. They are recurring transactions which are likely to occur with some degree of frequency and arise at any time and from time to time. The Directors of the Company (“**Directors**”) are of the view that it will be beneficial to the EAR Group to transact or continue to transact with the Mandated Interested Persons.
- 5.2 The Directors believe that the EAR Group will be able to benefit from its transactions with the Temasek Group. The Shareholders’ Mandate and the renewal of the Shareholders’ Mandate on an annual basis will eliminate the need to convene separate general meetings from time to time to seek shareholders’ approval as and when potential interested person transactions with the Mandated Interested Persons arise, thereby reducing substantially the administrative time and expenses incurred in convening such meetings, without compromising the corporate objectives or adversely affecting the business opportunities available to the EAR Group.
- 5.3 The Shareholders’ Mandate is intended to facilitate transactions in the EAR Group’s normal course of business which are transacted from time to time with the Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the interests of StarHub and its minority shareholders.
- 5.4 Disclosure will be made, in the format required by the Listing Manual, of the aggregate value of interested person transactions conducted pursuant to the Shareholders’ Mandate during the current financial year, and in the annual reports for the subsequent financial years during which a Shareholders’ Mandate is in force.

APPENDIX 1

6. Review Procedures for Transactions with the Mandated Interested Persons

The EAR Group has established the following procedures to ensure that the interested person transactions are undertaken on an arm's length basis and on normal commercial terms.

General Transactions

Review Procedures

In general, there are procedures established by the EAR Group to ensure that the General Transactions with Mandated Interested Persons are undertaken on an arm's length basis and on normal commercial terms consistent with the EAR Group's usual business practices and policies, which are generally no more favourable to the Mandated Interested Persons than those extended to unrelated third parties.

In particular, the following review procedures have been implemented:

(i) *Provision of services or the sale of products*

The review procedures are:

- (1) all contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market rates or prices of the services or products to be provided, on terms which are no more favourable to the Mandated Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates/process/discounts accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms; and
- (2) where the prevailing market rates or prices are not available due to the nature of services to be provided or the products to be sold, the EAR Group's pricing for such services to be provided or products to be sold to Mandated Interested Persons will be determined in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the EAR Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by Mandated Interested Persons for such services or products, factors such as, but not limited to, quantity, volume, consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction will be taken into account. A senior officer authorised by the EAR Group's management who does not have any conflict of interests, whether direct or indirect, in relation to the transaction, will determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable.

APPENDIX 1

(ii) *Obtaining of services or purchasing of products*

The review procedures are:

- (1) all purchases made by the EAR Group, including purchases from Mandated Interested Persons, will be governed by internal control procedures which detail matters such as the constitution of internal approving authorities, their approval limits, the number of vendors from whom bids are to be obtained and the review procedures. The guiding principle is to objectively obtain the best goods and/or services on the best terms through competitive quotations, if appropriate. In determining whether the price and terms offered by the Mandated Interested Persons are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts accorded for bulk purchases, will also be taken into account. A senior officer authorised by the EAR Group's management who does not have any conflict of interests, whether direct or indirect, in relation to the transaction, will determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable; and
- (2) in the event that such competitive quotations cannot be obtained (for instance, if there are no unrelated third party vendors of similar products or services, or if the product is a proprietary item), a senior officer authorised by the EAR Group's management who does not have any conflict of interests, whether direct or indirect, in relation to the transaction, will determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable.

Threshold limits

In addition to the review procedures, General Transactions entered into by the EAR Group are monitored, as individual transactions equal to or exceeding S\$100,000 in value will require the prior approval of the relevant approving authority in the EAR Group which does not have any conflict of interests, whether direct or indirect, in relation to the transaction to be approved. In particular:

- (i) in the event StarHub Group's consolidated NTA is positive:
 - (a) individual transactions equal to or exceeding 3% but less than 5% of the StarHub Group's consolidated NTA in value (based on the latest audited consolidated accounts of the StarHub Group) will be reviewed and approved by any two of the Directors; and
 - (b) individual transactions equal to or exceeding 5% of the StarHub Group's consolidated NTA in value (based on the latest audited consolidated accounts of the StarHub Group) will be reviewed and approved by StarHub's audit committee (the "**Audit Committee**"), or

APPENDIX 1

- (ii) in the event StarHub Group's consolidated NTA is negative:
 - (a) individual transactions equal to or exceeding S\$100,000 but less than S\$300,000 in value will be reviewed and approved by a Head of Department and a Senior Finance Officer of StarHub;
 - (b) individual transactions equal to or exceeding S\$300,000 but less than S\$1 million in value will be reviewed and approved by a Head of Division and a Senior Finance Officer of StarHub;
 - (c) individual transactions equal to or exceeding S\$1 million but less than S\$5 million in value will be reviewed and approved by either the Chief Executive Officer or the Chief Financial Officer of StarHub;
 - (d) individual transactions equal to or exceeding S\$5 million but less than S\$10 million in value will be reviewed and approved jointly by the Chief Executive Officer and the Chief Financial Officer of StarHub;
 - (e) individual transactions equal to or exceeding S\$10 million but less than 1% of the market capitalisation of StarHub (based on the total number of issued shares (excluding treasury shares) in the capital of StarHub as at the last day of the immediately preceding financial year and using the last trading price of the Shares on the close of trading on that same day), be reviewed and approved by any two Directors; and
 - (f) individual transactions equal to or exceeding 1% of the market capitalisation of StarHub (based on the total number of issued shares (excluding treasury shares) in the capital of StarHub as at the last day of the immediately preceding financial year and using the last trading price of the Shares on the close of trading on that same day), be reviewed and approved by the Audit Committee.

Treasury Transactions

Review Procedures

Placements. Prior to the placement with any Mandated Interested Person by the EAR Group of its funds, StarHub will require that quotations be obtained from such Mandated Interested Person and at least two of the principal bankers of the EAR Group for rates for deposits with such bankers of an equivalent amount, and for the equivalent period, of the funds to be placed by the EAR Group. The EAR Group will only place its funds with such Mandated Interested Person, provided that the interest rate quoted is not less than the highest of the rates quoted by such principal bankers.

Borrowings. Prior to borrowing funds from any Mandated Interested Person by the EAR Group, StarHub will require that quotations be obtained from such Mandated Interested Person and at least two of the principal bankers of the EAR Group for rates of loans from such bankers of an equivalent amount, and for the equivalent period, of the funds to be

APPENDIX 1

borrowed. The EAR Group will borrow funds from such Mandated Interested Person, provided that the interest rate quoted is not more than the lowest of the rates quoted by such principal bankers.

Forex, Swaps and Options. Prior to entering into forex, swaps and options transactions with any Mandated Interested Person by the EAR Group, StarHub will require that rate quotations be obtained from such Mandated Interested Person and at least two of the principal bankers of the EAR Group. The EAR Group will only enter into such forex, swaps and options transactions with such Mandated Interested Person, provided that such rates quoted are no less favourable than the rates quoted by such bankers.

Debt Securities and Preference Shares. Prior to the subscription of debt securities and preference shares issued by, or purchase of debt securities or preference shares from, Mandated Interested Persons, the EAR Group will only enter into the subscription or purchase of such debt securities or preference shares, provided that the price(s) at which the EAR Group subscribes for or purchases such debt securities or preference shares will not be higher than the price(s) at which such debt securities or preference shares are subscribed for or purchased by third parties.

Prior to the issue or sale to Mandated Interested Persons of debt securities or preference shares, the EAR Group will only issue or sell such debt securities or preference shares to Mandated Interested Persons provided that the price(s) at which the EAR Group issues or sells such debt securities or preference shares will not be lower than the price(s) at which such debt securities or preference shares are issued or sold to third parties. The EAR Group will also comply with all applicable laws and regulations in connection with the issue or sale of such debt securities or preference shares to Mandated Interested Persons.

For the purpose of the Shareholders' Mandate, any preference shares to be subscribed or purchased from Mandated Interested Persons, or to be issued or sold to Mandated Interested Persons, will not carry any voting rights, except in the circumstances set out in Sections 180(2)(a), (b) and (c) of the Companies Act, Chapter 50 of Singapore.

Threshold limits

In addition to the review procedures, the EAR Group will monitor the Treasury Transactions entered into by the EAR Group as follows:

Placement and Debt Securities and Preference Shares. Where the aggregate value of funds placed with, and debt securities or preference shares subscribed which are issued by, or purchased from, the same Mandated Interested Person shall at any time exceed an amount equivalent to 25% of the consolidated shareholders' funds of the StarHub Group (based on the StarHub Group's latest audited accounts), each subsequent placement of funds with, or subscription or purchase of debt securities or preference shares issued by, the same Mandated Interested Person shall require the prior approval of the Audit Committee.

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Placements of funds with, and subscription of debt securities issued by, or purchased from, the same Mandated Interested Person which do not in the aggregate exceed the respective limits set out above will not require the prior approval of the Audit Committee and shall be reviewed on a quarterly basis by the Audit Committee.

Borrowings and Debt Securities and Preference Shares. Where the aggregate value of funds borrowed from, and debt securities or preference shares issued or sold to, the same Mandated Interested Person shall at any time exceed an amount equivalent to 25% of the consolidated shareholders' funds of the StarHub Group (based on the StarHub Group's latest audited accounts), each subsequent borrowing of funds from and debt securities or preference shares issued or sold to, the same Mandated Interested Person shall require the prior approval of the Audit Committee.

Borrowing of funds from and debt securities or preference shares issued or sold to, the same Mandated Interested Person which do not in the aggregate exceed the respective limits set out above will not require the prior approval of the Audit Committee and shall be reviewed on a quarterly basis by the Audit Committee.

Forex, Swaps and Options. Where the aggregate of the principal amount of all forex, swaps and options transactions entered into with the same Mandated Interested Person exceeds at any one time the equivalent of 25% of the consolidated shareholders' funds of the StarHub Group (based on the StarHub Group's latest audited accounts), each subsequent forex, swap and options transaction entered into with the same Mandated Interested Person shall require the prior approval of the Audit Committee.

Entry into of forex, swaps and options transactions with the same Mandated Interested Person where the principal amounts thereof do not in the aggregate exceed the limit set out above will not require the prior approval of the Audit Committee and shall be reviewed on a quarterly basis by the Audit Committee.

Transactions falling within the above categories, if any, will be reviewed at least quarterly by the Audit Committee to ensure that they are carried out on normal commercial terms and in accordance with the procedures outlined above. All relevant non-quantitative factors will also be taken into account.

Other Review Procedures

The EAR Group has also implemented the following procedures for the identification of Mandated Interested Persons and the recording of all the EAR Group's interested person transactions:

- (i) StarHub will maintain a register of all transactions carried out with Mandated Interested Persons, whether mandated or non-mandated. StarHub's internal audit plan will incorporate a review of all interested person transactions whether mandated or non-mandated; and

APPENDIX 1

- (ii) on a quarterly basis, StarHub's internal auditors will submit a report to the Audit Committee of all recorded interested person transactions, and the basis of such transactions, entered into by the EAR Group.

In addition, the Audit Committee will include the review of the EAR Group's interested person transactions as part of its standard procedures while examining the adequacy of the EAR Group's internal controls.

In the event that a member of StarHub's Board of Directors, a member of the Audit Committee or an authorised reviewing officer (where applicable) has a conflict of interests in relation to any interested person transaction, he will abstain from reviewing that particular transaction. In such instances, an alternative approving authority will be responsible for reviewing the transaction. StarHub's Board of Directors will also ensure that all disclosure requirements on interested person transactions, including those required by prevailing legislation, the Listing Manual and accounting standards, are complied with. The annual internal audit plan shall incorporate a review of all interested person transactions entered into pursuant to the Shareholders' Mandate.

The Audit Committee shall review the internal audit reports to ascertain whether the guidelines and procedures established to monitor interested person transactions have been complied with. In addition, the Audit Committee shall also review from time to time such guidelines and procedures to determine if they are adequate and/or commercially practicable in ensuring that transactions between the EAR Group and the Mandated Interested Persons are conducted on normal commercial terms. Further, if during these periodic reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and procedures as stated above are not sufficient to ensure that these interested person transactions will be on normal commercial terms and will not be prejudicial to StarHub and its minority shareholders, StarHub will (pursuant to Rule 920(1)(b)(iv) and (vii) of the Listing Manual) revert to shareholders for a fresh mandate based on new guidelines and procedures for transactions with Mandated Interested Persons.

StarHub's Board of Directors shall have overall responsibility for the determination of the review procedures with the authority to sub-delegate to individuals or committees within StarHub as they deem appropriate.

7. Audit Committee's Statements

The Audit Committee (currently comprising Messrs Kua Hong Pak, Nihal Vijaya Devadas Kaviratne CBE, Lim Ming Seong and Teo Ek Tor) has reviewed the terms of the Shareholders' Mandate and is satisfied that the review procedures for interested person transactions with the EAR Group, as well as the reviews to be made periodically by the Audit Committee (with internal audit assistance) in relation thereto, are sufficient to ensure that such interested person transactions will be made with the relevant class of Mandated Interested Persons in accordance with normal commercial terms, and are hence not prejudicial to StarHub and its minority shareholders.

NOTICE OF EXTRAORDINARY GENERAL MEETING

STARHUB LTD

(Incorporated in the Republic of Singapore)
Co. Reg. No. 199802208C

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of StarHub Ltd (the “**Company**”) will be held at Meeting Room 300, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on 28 April 2015 at 10.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Seventeenth Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the following Resolutions, which will be proposed as Ordinary Resolutions:

Resolution 1: Ordinary Resolution

The Proposed Renewal of the Share Purchase Mandate

That:

- (1) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), the exercise by the directors of the Company (the “**Directors**”) of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (a) on-market purchase(s) (“**Market Purchase**”), transacted on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) through the SGX-ST’s trading system, through one or more duly licensed dealers appointed by the Company for such purpose; and/or
 - (b) off-market purchase(s) (“**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
 - (a) the date on which the next Annual General Meeting of the Company is held; and
 - (b) the date by which the next Annual General Meeting of the Company is required by law to be held;

NOTICE OF EXTRAORDINARY GENERAL MEETING

(3) in this Resolution:

“Average Closing Price” means the average of the closing market prices of a Share over the last five Market Days, on which the Shares are transacted on the SGX-ST, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the rules of the SGX-ST for any corporate action which occurs after the relevant five-Market Day period;

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“Market Day” means a day on which the SGX-ST is open for trading in securities;

“Maximum Limit” means that number of issued Shares representing 10% of the issued ordinary shares of the Company as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date); and

“Maximum Price”, in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price; and

(b) in the case of an Off-Market Purchase, 110% of the Average Closing Price; and

(4) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

Resolution 2: Ordinary Resolution

The Proposed Renewal of the Shareholders’ Mandate for Interested Person Transactions

That:

(1) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (**“Chapter 9”**) of the SGX-ST, for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in Appendix 1 to the Circular to the shareholders of the Company dated 6 April 2015 (the **“Circular”**) with any party who is of the class of interested persons described in Appendix 1 to the Circular, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (2) the approval given in paragraph (1) above (the “**Shareholders’ Mandate**”) shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (3) the Directors be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders’ Mandate and/or this Resolution.

By Order of the Board

Veronica Lai
Company Secretary

Singapore, 6 April 2015

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time of the Extraordinary General Meeting.
- (3) The Company may use its internal sources of funds of the Group or external borrowings or a combination of both to finance the purchase or acquisition of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of Shares purchased or acquired and the price at which such Shares were purchased or acquired and whether the Shares purchased or acquired are held in treasury or cancelled.

Based on the existing issued Shares (excluding treasury shares) as at 9 March 2015 (the "**Latest Practicable Date**"), the purchase by the Company of 10% of its issued Shares (excluding treasury shares) will result in the purchase or acquisition of 172.75 million Shares.

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 172.75 million Shares at the Maximum Price of S\$4.465 for one Share (being the price equivalent to 105% of the average of the closing market prices of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 172.75 million Shares is S\$771.3 million.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 172.75 million Shares at the Maximum Price of S\$4.677 for one Share (being the price equivalent to 110% of the average of the closing market prices of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 172.75 million Shares is S\$808.0 million.

The illustrative financial effects of the purchase or acquisition of Shares by the Company pursuant to the proposed renewal of the Share Purchase Mandate on the audited financial statements of the Company for the financial year ended 31 December 2014 are set out in paragraph 2.7.4 of the Circular.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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STARHUB LTD

(Incorporated in the Republic of Singapore)
Co. Reg. No. 199802208C

PROXY FORM

Extraordinary General Meeting

IMPORTANT

1. For investors who have used their CPF moneys to buy shares in the capital of StarHub Ltd, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
2. This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 6 April 2015.

I/We, _____ NRIC/Passport/Co. Reg. No. _____

of _____ (Address)

being a member/members of StarHub Ltd (the "**Company**") hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting ("**EGM**") of the Company to be held at Meeting Room 300, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on 28 April 2015 at 10.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Seventeenth Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the EGM as indicated hereunder. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the EGM and at any adjournment thereof.

	For*	Against*
<u>Resolution 1: Ordinary Resolution</u> To approve the proposed renewal of the Share Purchase Mandate.		
<u>Resolution 2: Ordinary Resolution</u> To approve the proposed renewal of the Shareholders' Mandate for Interested Person Transactions.		

* If you wish to exercise all your votes "For" or "Against" the relevant Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the Resolution, please indicate the number of Shares in the boxes provided.

Dated this _____ day of _____ 2015.

Total Number of Shares held

Signature(s) or Common Seal of member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

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Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time appointed for the Extraordinary General Meeting.
4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
5. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
6. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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Affix
Postage
Stamp

STARHUB LTD
112 Robinson Road
#05-01
Singapore 068902
Attn: The Share Registrar

Seal here
