

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

**A N N O U N C E M E N T**

**CAPITAL REDUCTION AND CASH DISTRIBUTION**

**1. CONFIRMATION OF THE CAPITAL REDUCTION**

- 1.1 **Confirmation.** As previously announced by the Board of Directors of StarHub Ltd (“**StarHub**” or the “**Company**”), the Capital Reduction was confirmed by the High Court of Singapore on 3 May 2007. The Capital Reduction will become effective when a copy of the Order of Court confirming the Capital Reduction has been lodged with the Registrar of Companies and Businesses of Singapore together with the other documents prescribed under the Companies Act, Chapter 50 of Singapore. The Company intends to lodge the said Order of Court together with such other documents as prescribed on 29 June 2007.
- 1.2 **Definitions.** Unless otherwise defined, terms used in this Announcement shall have the same meanings as defined in the circular (the “**Circular**”) dated 27 March 2007, which was despatched to Shareholders.

**2. NOTICE OF BOOKS CLOSURE**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 29 June 2007 (the “**Books Closure Date**”) for the purpose of determining the entitlements of Shareholders to the Cash Distribution and the number of Shares to be cancelled pursuant to the Capital Reduction.

**3. ADMINISTRATIVE PROCEDURES FOR THE CAPITAL REDUCTION**

- 3.1 **Books Closure Date.** Persons registered in the Register of Members of the Company and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be entitled to receive a Cash Distribution of S\$2.86 for each Share cancelled, based on the Shares held as at the Books Closure Date.

Persons registered in the Register of Members of the Company and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be considered for purposes of the Capital Reduction on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date.

The number of Shares which will be cancelled pursuant to the Capital Reduction will be based on the Reduction Ratio as described in paragraph 2.2.2 of the Circular, subject to the Rounding-Up as described in paragraph 2.2.3 of the Circular.

- 3.2 **Transfer of Shares to CDP by Shareholders holding Scrip Shares.** Shareholders who hold Shares registered in their own names in the Register of Members of the Company and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver their

existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, by 21 June 2007 in order for their Securities Accounts maintained with CDP to be credited with the relevant Shares prior to the Books Closure Date. CDP will not accept any further deposit of share certificates in respect of Shares from 22 June 2007 to the Books Closure Date (both dates inclusive) for the purpose of the Capital Reduction.

3.3 **Issue of New Share Certificates.** The following sets out the administrative procedures which the Company proposes to adopt to facilitate the issue of new share certificates arising from the Capital Reduction:

- (a) The Company will cancel all old share certificates relating to the Shares in issue as at the Books Closure Date. The cancellation of the old share certificates will be made on the date on which the Capital Reduction takes effect.
- (b) Upon the cancellation of the old share certificates as described in sub-paragraph (a) above, the Company will issue to Shareholders with Shares registered in their names in the Register of Members of the Company new share certificates in respect of the number of Shares to be held by such Shareholders consequent upon the Capital Reduction.
- (c) In respect of Shareholders with Shares standing to the credit of their Securities Accounts as at the Books Closure Date, no further action needs to be taken as arrangements will be made by the Company with CDP for all the old share certificates issued in the name of CDP or its nominee as at the Books Closure Date to be cancelled and for the new share certificates in respect of the Shares attributable to such Shareholders consequent upon the Capital Reduction to be issued to CDP or its nominee and deposited with CDP.
- (d) Upon cancellation, the old share certificates shall be void and will cease to have any effect or be valid for any purpose.
- (e) To facilitate the destruction of the old share certificates, Shareholders with Shares registered in their names in the Register of Members of the Company as at the Books Closure Date are encouraged to return to the Company's Share Registrar, M & C Services Private Limited ("**Share Registrar**") their old share certificates in respect of such Shares.

However, whether or not the old share certificates in respect of such Shares are delivered to the Share Registrar, the old share certificates shall be cancelled and new share certificates will be issued to such Shareholders in respect of the Shares attributable to such Shareholders consequent upon the Capital Reduction. The new share certificates will be sent to them at their own risk by ordinary post within 10 Market Days from the Books Closure Date.

- (f) Where the Shares are registered jointly in the names of several persons, the new share certificates in respect of the Shares attributable to such persons consequent upon the Capital Reduction shall be sent to the person whose name stands first in the Register of Members of the Company. Shareholders who wish to record any change in their registered address should notify the Share Registrar of such change before the Books Closure Date.

3.4 **Payment of the Cash Distribution.** Payment of the Cash Distribution pursuant to the Capital Reduction will be made in the following manner:

(a) ***Shareholders holding Scrip Shares***

Shareholders whose Shares are registered in the Register of Members of the Company as at the Books Closure Date will have the cheques for payment of their entitlements to the Cash Distribution under the Capital Reduction despatched to them by ordinary post at their own risk by 12 July 2007.

(b) ***Shareholders holding Scripless Shares***

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date will have the cheques for payment of their respective entitlements to the Cash Distribution under the Capital Reduction despatched to them by CDP by ordinary post at their own risk by 12 July 2007. Alternatively, such Shareholders will have payment of their respective entitlements to the Cash Distribution under the Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions by 12 July 2007.

**4. TRADING, LISTING AND QUOTATION OF SHARES**

4.1 **Trading of Shares.** The last date and time of “cum” trading of the Shares is 26 June 2007 (Tuesday) at 5.00 p.m. Shareholders should note that Shares traded from 9.00 a.m. on 27 June 2007 (Wednesday) will not be entitled to the Cash Distribution pursuant to the Capital Reduction.

**With effect from 9.00 a.m. on 27 June 2007 (Wednesday), Shareholders can only sell up to a maximum number of Shares attributable to them consequent upon the Capital Reduction taking effect, based on the number of Shares held by them as at the close of trading on 26 June 2007 (Tuesday).** Purchasers of such Shares from these Shareholders will not be entitled to the Cash Distribution pursuant to the Capital Reduction nor will such Shares purchased be subject to the Capital Reduction. Any sale of Shares by Shareholders at or after 9.00 a.m. on 27 June 2007 (Wednesday) of an aggregate number which is in excess of the Shares attributable to them consequent upon the Capital Reduction taking effect, based on the number of Shares held by them as at the close of trading on 26 June 2007 (Tuesday), will constitute short selling, for which the usual buying-in procedures will be applied by the SGX-ST.

4.2 **Illustration.** As an illustration, Shareholder X who holds 1,000 Shares as at the close of trading on 26 June 2007 (Tuesday) will only be allowed to sell up to a maximum of 920 Shares at or after 9.00 a.m. on 27 June 2007 (Wednesday). Shareholder X will be entitled to receive a Cash Distribution of S\$2.86 for each Share cancelled, but the purchaser of Shares from Shareholder X at or after 9.00 a.m. on 27 June 2007 (Wednesday) will not receive any Cash Distribution nor will such Shares purchased be subject to the Capital Reduction. If Shareholder X sells 1,000 Shares at or after 9.00 a.m. on 27 June 2007 (Wednesday), he will be short of 80 Shares in his Securities Account on the settlement date and he will be subject to the usual buying-in procedures applied by the SGX-ST.

- 4.3 **Board Lots of 10 Shares.** The SGX-ST has approved the listing and quotation for the Shares in board lots of 10 Shares for a period of one month starting from 9.00 a.m. on 27 June 2007 (Wednesday) and ending on 26 July 2007 (Thursday) at 5.00 p.m. (the “**Trading Period**”). Thereafter, the Shares will trade in board lots of 1,000 Shares only.

StarHub has made special arrangements with CIMB-GK Securities Pte. Ltd., DBS Vickers Securities (Singapore) Pte Ltd, OCBC Securities Private Limited and UOB Kay Hian Pte Ltd (together, the “**Brokers**”) to reduce their minimum brokerage fee to not more than \$20 (excluding goods and services tax and other regular trading fees imposed by the SGX-ST) for each contract of less than 1,000 Shares during the Trading Period. Shareholders who trade odd lots on the SGX-ST arising from the cancellation of their Shares pursuant to the Capital Reduction will be able to utilize these special arrangements with a view to either rounding up or down their shareholdings to multiples of 1,000 Shares.

Shareholders who intend to use any of the Brokers to facilitate the trading of odd lots should note that if they do not have an existing account with the relevant Broker, they must apply to open such an account by visiting in person the relevant Broker’s office, details of which are set out below. The approval for all account opening applications will be subject to the Broker’s standard approval criteria and procedures, and the Brokers have the discretion to reject any such application without providing reasons.

CIMB-GK Securities Pte. Ltd.  
50 Raffles Place  
#01-01 Singapore Land Tower  
Singapore 048623  
Tel. No.: 1800 538 9889

DBS Vickers Securities (Singapore) Pte Ltd  
8 Cross Street  
#02-01 PWC Building  
Singapore 048424  
Tel. No.: 6533 9688

OCBC Securities Private Limited  
Customer Service Department  
18 Church Street  
#01-00 OCBC Centre South  
Singapore 049479  
Tel. No.: 1800-338-8688

UOB Kay Hian Pte Ltd  
80 Raffles Place  
#30-01 UOB Plaza 1  
Singapore 048624  
Tel. No.: 6536 9338

## 5. IMPORTANT EVENTS AND DATES

Shareholders should note the following events and dates

<u>Event</u>	<u>Date</u>
Last day to deposit old share certificates with CDP	21 June 2007
Last date and time of “cum” trading of the Shares	26 June 2007, 5.00 p.m.
Commencement of “ex” trading of the Shares	27 June 2007, 9.00 a.m.
First day for the Shares to trade in board lots of 10 Shares	27 June 2007, 9.00 a.m.
Books Closure Date	29 June 2007, 5.00 p.m.
Expected Payment Date for the Cash Distribution	12 July 2007
Last day for the Shares to trade in board lots of 10 Shares	26 July 2007, 5.00 p.m.

By Order of the Board

Veronica Lai / Kong Pooi Foong  
Company Secretaries

Singapore  
14 June 2007