

## DiGi.Com Berhad ("DiGi" or "Company")

- **Proposed subdivision of shares by DiGi**
- **Proposed amendment to the Memorandum and Articles of Association of DiGi**

### 1. INTRODUCTION

On behalf of the Board of Directors of DiGi, Hong Leong Investment Bank Berhad ("HLIB") is pleased to announce the following:

- (a) proposed subdivision of every 1 existing ordinary share of RM0.10 each in DiGi into 10 ordinary shares of RM0.01 each in DiGi ("**Subdivided Shares**") ("**Proposed Subdivision**"); and
- (b) proposed amendment to the Memorandum and Articles of Association of DiGi ("**M&A**") to facilitate the Proposed Subdivision ("**Proposed Amendment**")

collectively referred to as "**Proposals**".

### 2. THE PROPOSALS

The Proposed Subdivision entails the subdivision of every 1 existing ordinary share of RM0.10 each in DiGi into 10 ordinary shares of RM0.01 each in DiGi held by the shareholders of DiGi whose names appear in the Record of Depositors of the Company on an entitlement date to be determined and announced later.

As at 5 September 2011, the issued and paid-up share capital of DiGi is RM77,750,000 comprising 777,500,000 ordinary shares of RM0.10 each.

The Subdivided Shares shall, pursuant to the Proposed Subdivision, rank pari passu in all respects with each other.

There will not be any suspension on the trading of shares in DiGi for the purpose of implementing the Proposed Subdivision.

The Company proposes to amend the M&A to facilitate the Proposed Subdivision, where the authorised share capital of RM1,000,000,000 comprising 10,000,000,000 ordinary shares of RM0.10 each will be amended to RM1,000,000,000 comprising 100,000,000,000 ordinary shares of RM0.01 each.

### 3. RATIONALE FOR THE PROPOSALS

The Proposed Subdivision is intended to adjust the market price of shares in DiGi, resulting in the Subdivided Shares being more affordable to a wider reach of investors. Further, the Proposed Subdivision will increase the number of shares in issue and this is expected to improve the liquidity of the shares of DiGi traded on the Main Market of Bursa Malaysia Securities Berhad.

The Proposed Amendment is to facilitate the Proposed Subdivision.

#### 4. EFFECTS OF THE PROPOSALS

The Proposed Amendment will not have any effect on the share capital, substantial shareholders' shareholdings, net assets ("NA") and earnings of DiGi.

The Proposed Subdivision will not have any effect on the percentage shareholdings of the substantial shareholders' in DiGi but will result in a proportionate increase in the number of shares held.

##### 4.1 Share capital

For illustrative purposes, the proforma effect of the Proposed Subdivision on the issued and paid-up share capital of DiGi is set out below:

	No. of shares '000	Par value	RM'000
Issued and paid-up share capital as at 5 September 2011	777,500	0.10	77,750
Resultant share capital after the Proposed Subdivision	7,775,000	0.01	77,750

##### 4.1 NA

The Proposed Subdivision is not expected to have any material impact on the consolidated NA of DiGi for the financial year ending 31 December 2011. However, the Proposed Subdivision will result in a corresponding dilution of the NA per share of DiGi due to the increase in the number of shares pursuant to the Proposed Subdivision.

##### 4.3 Earnings and earnings per share

The Proposed Subdivision is not expected to have any material impact on the consolidated earnings of DiGi for the financial year ending 31 December 2011. However, the Proposed Subdivision will result in a corresponding dilution of the earnings per share of DiGi due to the increase in the number of shares pursuant to the Proposed Subdivision.

##### 4.4 Convertible securities

As at 5 September 2011, DiGi does not have any outstanding convertible securities.

#### 5. APPROVALS REQUIRED

The Proposals are subject to approvals to be obtained from the following:

- (a) Bursa Malaysia Securities Berhad for the listing of and quotation for the Subdivided Shares;
- (b) shareholders of DiGi at an extraordinary general meeting to be convened; and
- (c) any other relevant authorities/parties, if required.

The Proposed Subdivision and Proposed Amendment are conditional upon each other. The completion of the Proposals is not conditional upon any other corporate proposals of the Company.

**6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDER(S) AND/OR PERSONS CONNECTED TO THEM**

Save for their respective entitlements under the Proposed Subdivision which are also available to the other shareholders of the Company, none of the Directors, major shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposals.

The Board, having considered and deliberated on the Proposals, is of the opinion that the Proposals are in the best interest of the Company.

**7. ADVISER**

HLIB has been appointed as the Adviser to DiGi for the Proposals.

**8. APPLICATION TO THE RELEVANT AUTHORITIES AND EXPECTED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances, the submission to the relevant authorities will be made within 1 month from the date of this announcement.

Subject to the relevant approvals, the Proposals are expected to be completed by the fourth quarter of 2011.

This announcement is dated 8 September 2011.