



SINGAPORE PRESS HOLDINGS LIMITED

(Registration No. 198402868E)

Incorporated in the Republic of Singapore

**DIVESTMENT OF STAKES IN MEDIACORP PRESS LTD
AND MEDIACORP TV HOLDINGS PTE. LTD.**

Pursuant to Rule 704(18)(c) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Singapore Press Holdings Limited (“**SPH**”) wishes to announce that it has today entered into a conditional sale and purchase agreement (the “**Agreement**”) with Mediacorp Pte. Ltd. (“**Mediacorp**”) in relation to the proposed divestment (the “**Transaction**”) of SPH’s stakes in Mediacorp Press Ltd (“**MPL**”) and Mediacorp TV Holdings Pte. Ltd. (“**MTV**”).

Under the Agreement, SPH will sell to Mediacorp:

- (1) 19,281,633 ordinary shares (“**MPL Sale Shares**”) in MPL, representing approximately 40% of the total number of ordinary shares in the issued and paid-up capital of MPL, for a consideration of S\$9.4 million (the “**MPL Consideration**”); and
- (2) 18,000,000 ordinary shares (“**MTV Sale Shares**”) in MTV, representing 20% of the total number of ordinary shares in the issued and paid-up capital of MTV, for a consideration of S\$8.6 million (the “**MTV Consideration**” and, together with the MPL Consideration, the “**Consideration**”).

The Consideration will be payable wholly in cash.

The Consideration was arrived at following arm’s length negotiations on a willing-buyer, willing-seller basis and taking into account, *inter alia*, various factors such as the assets, intellectual property rights and business prospects of each of MPL and MTV. The book value of the MPL Sale Shares and the MTV Sale Shares is S\$25.8 million and S\$23.4 million respectively as at 31 July 2017. The net tangible asset value of the MPL Sale Shares and the MTV Sale Shares is S\$10.7 million and S\$23.4 million respectively, based on the respective audited financial statements of MPL and MTV as at 31 March 2017. SPH expects to record a write down of approximately S\$31 million in its books pursuant to the Transaction.

The Transaction is conditional upon the receipt by SPH and Mediacorp of the relevant regulatory approvals for the sale and purchase of the MPL Sale Shares and the MTV Sale Shares. Completion of the sale and purchase of the MPL Sale Shares and the MTV Sale Shares will be simultaneous and neither shall be sold and purchased on a separate basis. MPL and MTV will each cease to be an associated company of SPH, and SPH will cease to have any interest in each of MPL and MTV, upon completion of the Transaction.

MPL owns and publishes the free newspaper, TODAY, and operates the TODAY news brand. MTV owns and operates the local free-to-air television Channels 5, 8 and U.

MPL will (a) cease the printing, publication and circulation of the TODAY newspaper after completion of the Transaction; and (b) for a period of five (5) years after completion of the Transaction, not publish and/or circulate any soft copy or computer readable format of the TODAY newspaper that is capable of being read by a user on electronic devices such as computers, mobile phones and tablets which seeks to maintain the look and feel of a hardcopy version of the TODAY newspaper, regardless of whether the TODAY newspaper is actually printed, published or circulated in hard copy.

Save as disclosed above, the Transaction is not expected to have a material effect on the net tangible assets per share or earnings per share of SPH for the current financial year ending 31 August 2017.

None of the directors of SPH has any interest, direct or indirect, in the Transaction.

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