

## CHANGE OF INTERESTS IN ASSOCIATED COMPANIES

### 1. INTRODUCTION

Keppel Telecommunications & Transportation Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiaries, Apsilon Ventures Pte Ltd and Keppel Communications Pte Ltd (“**Keppel Communications**”), have on 24 December 2018 entered into separate sale and purchase agreements to divest their entire interest of 45.01% (“**ARG Interest**”) in Advanced Research Group Co., Ltd. (“**ARG**”, and such divestment, the “**ARG Divestment**”), and 40% (“**ANEW Interest**”) in Anew Corporation Limited (“**ANEW**”, and such divestment, the “**ANEW Divestment**”) respectively (collectively, the “**Divestments**”), to Mr Min Intanate for an aggregate cash consideration of THB 211,229,284 (approximately S\$8.8 million), comprising (a) THB 210,229,284 (approximately S\$8.8 million) for the ARG Interest, payable in instalments over 12 months; and (b) THB 1,000,000 (approximately S\$0.04 million) for the ANEW Interest.

As part of the transactions, Keppel Communications has also entered into a sale and purchase agreement to acquire 4% interest (“**BOL Interest**”) in Business Online Public Company Limited (“**BOL**”) from ARG for a cash consideration of THB 66,857,622 (approximately S\$2.8 million), subject to the completion of the ARG Divestment (“**BOL Acquisition**”, and together with the Divestments, the “**Proposed Transactions**”).

The ARG Divestment has completed on 24 December 2018. Accordingly, ARG has ceased to be an associated company of the Company. With the cessation of ARG as an associated company of the Company, on completion of the BOL Acquisition which is expected to take place on or about 26 December 2018, the Company’s effective interest of 29.20% in BOL, being 9.19% held indirectly through ARG and 20.01% held indirectly through Keppel Communications, will decrease to 24.01%, held solely through Keppel Communications. Upon completion of the ANEW Divestment which is expected to take place by January 2019, ANEW will cease to be an associated company of the Company.

### 2. INFORMATION ON THE PROPOSED TRANSACTIONS

#### 2.1 Information on ARG, ANEW and BOL

ARG is an integrated information and technology services holding company in Thailand. ANEW is an associate company of ARG and is engaged in integrated internet content development services.

BOL is a business information service provider which is listed on the Thailand Stock Exchange.

#### 2.2 Consideration

The consideration for each of the Proposed Transactions was arrived at on a willing buyer willing seller basis taking into account:

- (a) the unaudited book value and net tangible asset value (“**NTA**”) of the Group’s interest in ARG, being S\$3.7 million and S\$3.6 million respectively as at 30 September 2018;
- (b) the unaudited book value and NTA of the Group’s interest in ANEW, both being S\$0 as at 30 September 2018; and
- (c) the book value and NTA of the BOL Interest, both being S\$0.8 million as at 30 September 2018, and its latest available open market value was S\$2.8 million on 24 December 2018.

### **3. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL**

Chapter 10 of the listing manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**") governs the continuing listing obligations in respect of acquisitions and realisations. The relative figures of the Proposed Transactions using the applicable bases of comparison set out in Rule 1006 of the Listing Manual, singly or in aggregate, do not exceed 5%. Accordingly, the Proposed Transactions are "non-discloseable" transactions under Chapter 10 of the Listing Manual.

### **4. FINANCIAL EFFECTS**

The Group expects to recognise a net gain of approximately S\$5.2 million in its profit and loss account from the Proposed Transactions.

Based on the latest audited financial statements of the Group for the financial year ended 31 December 2017 and assuming the Proposed Transactions had been completed on 31 December 2017, the NTA per share of the Company as at 31 December 2017 would have increased from S\$1.49 (before the Proposed Transactions) to S\$1.50 (after the Proposed Transactions).

Based on the latest audited financial statements of the Group for the financial year ended 31 December 2017 and assuming the Proposed Transactions had been completed on 1 January 2017, the earnings per share of the Company as at 31 December 2017 would have increased from 9.3 cents (before the Proposed Transactions) to 10.2 cents (after the Proposed Transactions).

### **5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Transactions, other than through their shareholding interests, if any, in the Company.

### **6. GENERAL**

Copies of the sale and purchase agreements for the Proposed Transactions are available for inspection at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 during normal office hours for a period of three months from the date of this Announcement.

26 December 2018