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SCMP Group Limited

南華早報集團有限公司 *

(Incorporated in Bermuda with limited liability) (Stock Code: 583)

ANNOUNCEMENT

UPDATE ON STEPS TAKEN TO ADDRESS PUBLIC FLOAT

This announcement is made on a voluntary basis to update shareholders relating to the public float issue.

Reference is made to the Company's announcements dated 17 January 2013, 7 February 2013, 25 February 2013, 6 March 2013, 10 May 2013, 17 June 2013, 12 July 2013, 13 August 2013 and 17 September 2013 regarding the status of the Company's public float and trading suspension (the "**Announcements**"). Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings as adopted in the Announcements.

The Board wishes to update shareholders on the latest development and progress on the steps taken to address the public float. The Company has formally written to the substantial shareholders to explain the current situation and asked them to re-consider the Proposals and indicate their support for the Proposals for addressing the public float. From the replies received from the substantial shareholders, no support has been given for the Proposals. The Board will continue to discuss and consider any further possible appropriate steps which can be taken to address the public float.

The Board shall continue to actively monitor and conduct constant discussions on the public float issue and the challenges involved. In considering and studying the feasibility and merits of each of the Proposals, the Board has taken and will continue to take into account the following factors:-

- (a) the Company's capital needs;
- (b) the potential dilutive effect of equity issuance(s) on shareholders;
- (c) the negative impact on share price;
- (d) the potential discount to the offer price in corporate action(s) involving equity issuance(s);

- (e) the ease and effectiveness of the Proposals in restoring public float;
- (f) the transaction timeframe and costs of implementation; and
- (g) the views of the Company's substantial shareholders and the chances of securing support from them.

The process of identifying the most appropriate course of action through studying various methods commonly adopted in the market for addressing the Company's public float is still ongoing. The Board is mindful that any effective course of action to restore the public float would be contingent upon the support of the shareholders, including the substantial shareholders. The Board will continue to take such action and step as may be appropriate in the circumstances with a view to restoring the public float in compliance with the Listing Rules.

Shareholders of the Company and potential investors should take note that the various Proposals so far presented to the Board for consideration are only at a preliminary and initial stage of exploration and no decision has been made as to which proposal or option the Company may pursue. There is no assurance that the Company may finally pursue any one or more of such Proposals.

Further announcement(s) will be made by the Company to update shareholders as and when appropriate pursuant to the Listing Rules and/or the SFO.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

On behalf of the Board
SCMP Group Limited
David J. Pang
Chairman

Hong Kong, 25 October 2013

As at the date hereof, the Board comprises:

Non-executive Directors

Dr. David J. Pang (Chairman), Mr. Roberto V. Ongpin (Deputy Chairman)
and Tan Sri Dr. Khoo Kay Peng

Independent Non-executive Directors

Mr. Ronald J. Arculli, Dr. Fred Hu Zu Liu, Dr. the Hon. Sir David Li Kwok Po
and Mr. Wong Kai Man

Executive Director

Ms. Kuok Hui Kwong

* *For identification purpose only*