

Tiso Blackstar Group SE
(Incorporated in England and Wales)
(Company number SE 110)
(registered as an external company with limited liability in the Republic of South Africa under
registration number 2011/008274/10)
LSE Ticker: TBGR
JSE Share code: TBG
ISIN: GB00BF37LF46

6 July 2017

Tiso Blackstar Group SE (“Tiso Blackstar” or the “Company”)

**Update on Conditional disposal of 22.9% interest in Kagiso Tiso Holdings Proprietary Limited
 (“KTH”)**

Following on from the announcement released on 13 December 2016 and 19 May 2017, the Company is pleased to announce that on 5 July 2017 it signed a share purchase agreement with KTH and Kagiso Trust Strategic Investments Proprietary Limited (“Kagiso”) whereby Kagiso has conditionally agreed to purchase the Company’s entire shareholding of 213,235 ordinary shares in KTH constituting 22.9% of KTH’s issued ordinary share capital (excluding treasury shares), held through its wholly owned subsidiary Tiso Blackstar Holdings SE (previously Tiso Blackstar (Cyprus) Public Limited) (the “KTH Purchase”).

The KTH Purchase price, which is the same as previously announced, is ZAR1.5 billion (approximately £88 million) and will be paid over an 18 month period.

As per the Company’s previous announcement, a portion of the proceeds will be applied to fully repay Tiso Blackstar’s term debt, which at 30 June 2017 was ZAR407 million (£24 million). Tiso Blackstar also remains intent on paying a special dividend of ZAR40 million (£2.3 million). The remaining funds will be held to be reinvested into media-focused investments in accordance with Tiso Blackstar’s stated strategy.

KTH is a leading black owned diversified investment holding company with investments in a broad range of sectors including media, insurance and services. As at 31 December 2016, the KTH investment was carried in Tiso Blackstar’s accounts at its estimated fair value less cost to sell of ZAR1.5 billion (then £78 million) and separately disclosed as a non-current asset held for sale. During the six months then ended, pre-tax dividends amounting to ZAR11 million (£0.6 million) were received from KTH.

The KTH Purchase is subject to the fulfilment of a number of suspensive conditions, including:

- a) Completion of KTH debt restructure;
- b) Approval by the Competition Authorities in terms of the Competition Act.
- c) KTH shareholder waiver of pre-emptive rights; and
- d) KTH shareholder approval in terms of s115(2)(a) of the Companies Act, No71 of 2008.

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This announcement contains inside information for the purposes of article 7 of the Market Abuse Regulation (EU) No. 596/2014.