

YELLOW PAGES (SINGAPORE) LIMITED
(Co. Reg. No. 200304719G)

ACQUISITION OF THE ENTIRE SHARE CAPITAL OF GLOBAL MAGAZINES PTE. LTD.

1. THE ACQUISITION

- 1.1 The board of directors ("**Board**") of the Company is pleased to announce that it has completed the acquisition of Global Magazines Pte. Ltd. ("**Global Magazines**") pursuant to a sale and purchase (the "**Acquisition**") agreement dated 25 July 2008 with Global Advisory Group Pte. Ltd. ("**Global Advisory**"), Stanley Tan Poh Leng, Kannan s/o Chandran and Pang Yoke Min (collectively, the "**Vendors**").
- 1.2 In addition, the Company also acquired a shareholders' loan in the aggregate amount of S\$70,000 (the "**Transferred Loan**") from the Vendors.
- 1.3 Pursuant to the completion of the Acquisition, Global Magazines is now a wholly-owned subsidiary of the Company.

2. CONSIDERATION

- 2.1 The aggregate consideration (the "**Consideration**") for the Acquisition was S\$350,000. The aggregate consideration (the "**Transferred Loan Price**") for the Transferred Loan was S\$70,000. The Consideration and Transferred Loan Price were paid in cash.
- 2.2 In arriving at the Consideration, the Company took into account *inter alia*, the following factors (the "**Factors**"):
- (a) the audited net loss of Global Magazines of S\$60,910 for the financial year ended 31 March 2007;
 - (b) the value of the assets owned by Global Magazines;
 - (c) the cost of investment of the Vendors; and
 - (d) the cost that would be incurred by the Company in setting up a similar business.
- 2.3 Based on the Factors considered, the Company entered into arms-length negotiations with the Vendors whereupon the Consideration was agreed upon on a willing-buyer and willing-seller basis.
- 2.4 The Company is of the view that there was no requirement to obtain a valuation report on Global Magazines.

3. FINANCIAL INFORMATION REGARDING GLOBAL MAGAZINES

Based on the audited accounts of Global Magazines as at 31 March 2007, the net tangible asset value of Global Magazines is approximately S\$186,080.

4. RATIONALE FOR THE PROPOSED ACQUISITION

The Company is of the view that the Acquisition is in the best interests of the Group because Global Magazine's business in the area of magazine publishing represents an opportunity for the Company to enter this market, which is in line with the Company's growth strategy to be a leading multi-platform integrated directory search and advertising solutions provider.

5. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 5.1 Mr Stanley Tan Poh Leng, a non-executive director and controlling shareholder of the Company, has a shareholding interest in Global Advisory. Mr Pang Yoke Min, a director and shareholder of the Company, also has a shareholding interest in Global Advisory. They did not take part in the decision-making for the Acquisition.
- 5.2 Global Advisory is a controlling shareholder of the Company.
- 5.3 None of the other Directors and, so far as the Directors are aware, none of the other controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition save in respect of their shareholdings (if any) in the Company.
- 5.4 The latest audited net asset value of the Group was used as a basis for computing the relative size of the Acquisition for the purposes of Rules 905 and 906 of the Listing Manual. The Acquisition is of a value that is less than 3% of the Group's latest audited net asset value.

BY ORDER OF THE BOARD

Yap Lune Teng (Ms) / Jean Wan Yen-Ping (Ms)
Joint Company Secretaries
25 July 2008