



**Scangroup**

## **ANNOUNCEMENT**

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Scangroup Limited (“Scangroup”) is pleased to announce that on Friday 30th April 2010 it entered into two conditional Share Purchase Agreements (“the Agreements”), one for the purchase of a 51% shareholding in O&M Africa BV from Dolphin Square Holding BV and Ogilvy South Africa (Proprietary) Limited and the other for the purchase of a 50% shareholding in Ogilvy East Africa Limited, with 28% to be purchased from Russell Square Holding BV and Ogilvy South Africa (Proprietary) Limited and 22% from Mr. Koome Mwambia, its Chief Executive Officer, upon the terms and conditions in the Agreements.

Both O&M Africa BV and Ogilvy East Africa Limited are indirect subsidiaries of WPP plc, which also ultimately holds 27.5% of the share capital of Scangroup.

Implementation of both the Agreements is subject to the granting of all necessary approvals from the Capital Markets Authority and the shareholders of Scangroup as well as the Reserve Bank of South Africa.

Subject to all the requisite regulatory and shareholder approvals being obtained, it is anticipated that the current issued share capital of Scangroup will be diluted by approximately 5.95% as a result of the share issues anticipated as part of the consideration payable by Scangroup for the purchase of the above shareholdings.

Application is being made by Scangroup to the Capital Markets Authority for its approval, following which a circular will be sent to all shareholders detailing the transactions contemplated under the Agreements. In addition, an application will be made to the Nairobi Stock Exchange for the listing of the new shares in Scangroup that are anticipated to be issued as part of the transactions contemplated by the Agreements.

Until further notice, potential sellers and buyers of Scangroup shares listed on the Nairobi Stock Exchange are advised to exercise caution when dealing in Scangroup shares.

*By order of the Board*

M. M. Kipchumba  
Company Secretary  
30th April 2010