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TRADER MEDIA EAST LTD.

(the "Company", together with its subsidiaries, the "Group")

Intention of Cancellation of listing of GDRs on the Official List

TRADER MEDIA EAST LTD (LSE: TME), announces its intention to seek a cancellation of the listing of its GDRs on the standard segment of the Official List and to trading on the London Stock Exchange's Main Market. Subject to the completion of all formalities with the UK Financial Conduct Authority and the London Stock Exchange, it is anticipated that the effective date of the Cancellation, and the termination of the depositary agreement constituting the GDRs, will be on or around 2 January 2020.

Terms not otherwise defined herein shall have the meaning given to them in the schedule to this announcement.

The purpose of this announcement is to: (i) explain the background to, and reasons, for the De-listing; (ii) explain why the Directors consider the De-listing to be in the best interests of the Company and its shareholders (including the holders of GDRs) as a whole; and (iii) provide you with the relevant details of the De-listing. This announcement also fulfils the requirements of UK Listing Rule 5.2.8.

1 Background to and reasons for the De-listing

- 1.1 In 2006, the GDRs, each representing one ordinary share in the capital of the Company of par value US\$0.16 each, were admitted to the standard listing segment of the Official List (the "Listing") and to trading on the Main Market (the "IPO") and offered to institutional investors at an initial offer price of US\$13 per GDR. This implied a market capitalisation, as at such date, of the share capital of the Group of approximately US\$ 650 million. As at the Latest Practicable Date, the closing trading price of the GDRs was US\$0.10, implying a market capitalisation of the share capital of the Group of approximately US\$ 48 million, a decrease of 92,6% from the offer price at IPO. In the 12 months ended on the Latest Practicable Date, there has been 1 trade in the GDRs.
- 1.2 In 2015, the Group finalised a restructuring process and transformed the Group into a predominantly online business while reducing dependency on the offline business and bundled (online & offline) sales. During 2017, the Group took the decision to cease its digital operations, based on the competitiveness of its Russian operations and the poor performance of its main operating business in the Russian Federation. This shifted the focus of the Group from investing to cost control. In addition, during 2017 management closed its business in Kazakhstan in line with the ongoing transition from online to offline. As a result, the Group now only has continuing operations in the Russian Federation (with respect to its event organisation business) and in Belarus.
- 1.3 As commented by the Chairman in the Annual Report for the year ended 31 December 2018, management still continues negotiations for the remaining digital assets within the Group.

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- 1.4 As also commented in the Annual Report by the Chairman, management in 2019 remains committed to minimising costs. In this respect, the Board met in June to discuss possible structuring opportunities which resulted in the announcement of 6 August 2019. Since then, the Board has given serious consideration to the poor GDR trading performance, low liquidity and low market capitalisation of the GDRs and has been committed to evaluate the benefits, if any, that are achieved by virtue of having the Listing.
- 1.5 The Board has carefully evaluated the benefit of the Listing balanced against the cost and regulatory burden associated with it and, in summary, believes that the De-listing is in the best interests of the Company. The volume of GDRs being traded is almost non-existent and, in the opinion of the Board, no longer justifies the costs and management time required to maintain the Depositary Programme and the Company's status as a listed company. In the 12 months ended on the Latest Practicable Date, only 1 trade was made in the GDRs and in the same period there were 11 months with no trades. The costs associated with the Company's listing on a regulated market and maintenance of the Depositary Programme exceed the benefits of maintaining the listing and such funds could be better utilised within the business of the Company. The Directors estimate that direct and indirect costs associated with the listing of the GDRs on the standard listing segment of the Official List and to trading on the Main Market is US\$220,000 to US\$250,000 annually, taking into account the recurring costs of listing, maintaining the Depositary Programme and costs associated with the listing including, *inter alia*, advisory, legal and audit fees. The Directors consider that these costs are disproportionately high compared to the benefits for the Company of a listing and that these funds could be better utilised within the business of the Company. On implementation of the De-listing a substantial proportion of these costs will be eliminated due to reduced board and management costs, the elimination of fees directly related to the listing, fees from external advisers being reduced substantially and the reduction of general and administrative expenses associated with the requirements of a company listed on a regulated market. In addition, substantive management time spent on maintaining the listing will be eliminated. These financial and management resources can be more effectively utilised in the development and management of the business as an unlisted company.

2 Effect of the Proposals

- 2.1 The principal effects of the Proposals include the following:

Cancellation

- 2.2 As a result of the intention of the Company to terminate the Depositary Programme at the same time as the Cancellation, the Company expects to notify the FCA, pursuant to Listing Rule 5.3.5 of its request to cancel the listing on or about 30 December 2019 with the Cancellation becoming effective on or about 2 January 2020.

Depositary Programme Termination

- 2.3 The Company has today notified the Depositary of its intention to terminate the Depositary Agreement subject to the Cancellation becoming effective. On Cancellation, the Depositary Agreement relating to the GDRs shall terminate. In 30 days following the date hereof, it is expected that the Depositary will give notice to the holders of GDRs that cancellation of the facility will occur. If a holder of GDRs does not request delivery to it of the Shares underlying its GDRs within the time specified by the Depositary Agreement, such Shares may be sold on NKC/NKC/099206.00002/67264159.1

behalf of the GDR holder by the Depositary and the net proceeds of sale returned to the relevant GDR holder upon surrender of its GDRs. Pursuant to the terms of the Depositary Agreement, the Depositary is entitled to levy a fee against the withdrawal of Shares and the corresponding cancellation of the GDR.

Trading and liquidity

- 2.4 Following publication of this announcement, the liquidity and marketability of the GDRs may be significantly reduced and the trading price of GDRs may be adversely affected as a consequence.

Withdrawal from the Depositary Programme prior to Depositary Programme Termination

- 2.5 Prior to Depositary Programme Termination, a withdrawal of Shares from the Depositary Programme requires a stock transfer form signed by the Depositary's nominee, which is currently the registered holder of all shares held as part of the Depositary Programme. A holder of GDRs intending to withdraw from the Depositary Programme will incur likely fees for the preparation and execution of that stock transfer form.

Disclosure and reporting

- 2.6 Following the Cancellation the Company will no longer be subject to the regulatory and statutory regime which applies to Jersey companies with GDRs admitted to the Official List and trading on the Main Market. As a result:
- (a) holders of GDRs will no longer be afforded the protection given by the Listing Rules, such as the Company will not be required to:
- publish its annual financial report within four months of the Company's financial year end;
 - publish all circulars, notices, reports or other documents to which the Listing Rules apply or any resolutions passed by the Company other than in the ordinary course; and
 - publish information relating to any proposed change in the Company's capital structure other than the required filings and publication thereof upon the increase or decrease of the share capital of the Company in general;
- (b) the Company will no longer be subject to the Market Abuse Regulation, such as:
- the Company will not be required to notify the public of inside information which concerns the Company;
 - persons discharging managerial responsibilities within the Company (including members of the administrative, management or supervisory board of the Company) (the "**PDMRs**") will not be required to notify the Company and the public of every transaction on their own account in the GDRs; and

TRADER MEDIA EAST LIMITED

- PDMRs will not be required to refrain from dealing (directly or indirectly) in the GDRs during the period 30 days before announcement of the Company's annual financial statements; and
- (c) the Company will no longer be subject to the City Code, and therefore transactions in the Shares will no longer be subject to the terms of the City Code.

This announcement contains inside information.

SCHEDULE

The following definitions apply throughout this announcement unless the context requires otherwise.

"Board"	the board of directors of the Company;
"Cancellation"	the cancellation of the listing of the GDRs on the standard segment of the Official List and trading on the Main Market;
"City Code"	The City Code on Takeovers and Mergers;
"Company"	Trader Media East Ltd and, where the context demands, including the Group;
"Depository Agreement"	the depository agreement dated on or around 13 February 2006 between the Company and the Depository;
"Depository"	Bank of New York Mellon;
"Depository Programme"	the depository programme in place for the Company in accordance with the Depository Agreement;
"Depository Programme Termination"	the termination, at the direction of the Company, of the Depository Agreement, the consequences of which are further summarised at paragraph 2.3 of this announcement;
"Directors"	the members of the Board;
"FCA"	the Financial Conduct Authority of the United Kingdom;
"Group"	the Company together with its subsidiary undertakings;
"GDRs"	global depository receipts representing Shares (with one GDR representing one Share);
"IPO"	the Company's admission of GDRs to the standard listing segment of the Official List and to trading on the Main Market in 2006;
"Latest Practicable Date"	26 September 2019;
"Listing Rules"	the rules published by the FCA and contained in the Listing Rules Sourcebook;
"LSE"	London Stock Exchange plc;

"Market Abuse Regulation"	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;
"Main Market"	the main market of the LSE;
"Proposals"	Cancellation and Depositary Programme Termination;
"Shareholders"	holders of Shares, including, where the context so requires, holders of GDRs;
"Shares"	ordinary shares, in the capital of the Company, of par value US\$0.16 each;
"United States of America", "United States" or "US"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all areas subject to its jurisdiction; and
"US\$"	the currency of the United States of America.

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