

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Sing Tao News Corporation Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**SING TAO NEWS CORPORATION LIMITED**

星島新聞集團有限公司\*  
(Incorporated in Bermuda with limited liability)

**(Stock code: 1105)**

**DISCLOSEABLE TRANSACTION**

**ACQUISITION OF ASSETS**

---

5 March 2007

\* For identification purpose only

---

# CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b>	
Introduction .....	2
The Agreement .....	3
Reasons for the Acquisition .....	3
General .....	3
<b>APPENDIX — GENERAL INFORMATION</b> .....	5

---

## DEFINITIONS

---

*In this circular, the following expressions shall have the following meanings unless the context requires otherwise:*

“Acquisition”	the acquisition of production and printing equipment by the Purchaser as contemplated under the Agreement
“Agreement”	The agreement dated 15 February 2007 entered into between the Purchaser and the independent third party in relation to the Acquisition
“Board”	the board of Directors
“Company”	Sing Tao News Corporation Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange
“Consideration”	US\$18,044,141 (equivalent to approximately HK\$140,744,300), being the total price of the production and printing equipment
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	5 March 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers adopted by the Company
“Purchaser”	Global China Properties Holdings Limited, a company incorporated in Hong Kong with limited liability, being a wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.2 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America. For information only, US\$ has been converted to HK\$ as to US\$1 to HK\$7.8. No representation is made that such amounts were or could be exchanged at such rates

---

## LETTER FROM THE BOARD

---



### SING TAO NEWS CORPORATION LIMITED

星島新聞集團有限公司\*  
(Incorporated in Bermuda with limited liability)

(Stock code: 1105)

*Executive Directors:*

Mr. Ho Tsu Kwok, Charles (*Chairman*)  
Mr. Lo Wing Hung (*Chief Executive Officer*)  
Ms. Judy Inn  
Mr. Jia Hongping  
Mr. Lai Ting Yiu  
Mr. Lau Chung Man, Louis  
Mrs. Sy Wong Chor Fong  
Mr. Yang Yiu Chong, Ronald Jeffrey

*Non-Executive Director:*

Mr. Leung Chun Ying

*Independent Non-Executive Directors:*

Mr. Timothy David Dattels  
Ms. Ho Chiu King, Pansy Catilina  
Mr. King Richard Yun Zing  
Mr. Lee Cho Jat  
Mr. Tung Chee Chen

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal Place of Business:*

3/F, Sing Tao News Corporation Building  
3 Tung Wong Road  
Shau Kei Wan  
Hong Kong

5 March 2007

To the Shareholders

## DISCLOSEABLE TRANSACTION

### ACQUISITION OF ASSETS

#### INTRODUCTION

In the announcement of the Company dated 15 February 2007, the Board announced that on 15 February 2007, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with an independent third party, pursuant to which the Company has agreed to purchase from the third party production and printing equipment at a total consideration of US\$18,044,141 (equivalent to approximately HK\$140,744,300).

\* For identification purpose only

---

## LETTER FROM THE BOARD

---

The Acquisition contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with further information relating to the Acquisition and other information as required under the Listing Rules.

### THE AGREEMENT

Date: 15 February 2007

Parties: Global China Properties Holdings Limited, a wholly-owned subsidiary of the Company, and a third party which, is a corporation and the ultimate beneficial owner(s) of which, is independent of the Company and its connected persons (as defined in the Listing Rules)

Asset: New production and printing equipment for producing newspapers

Consideration: US\$18,044,141 (equivalent to approximately HK\$140,744,300)

The Consideration was determined after arm's length negotiations by reference to the current market value of production and printing equipment used by media companies and shall be paid by installments as follows: (1) non-refundable 20% was paid on 15 February 2007; (2) 70% is payable upon the delivery of the production and printing equipment; and (3) the remaining 10% is payable upon the satisfaction of the acceptance tests as defined in the Agreement.

The Consideration will be funded by internal resources within the Group.

### REASONS FOR THE ACQUISITION

In consideration of the Group's expansion of its newspaper business and business strategies and to ensure smooth production of its products, the Directors consider that it is an appropriate time for the Group to expand its production and printing capacity by acquiring the production and printing equipment. The Board confirms that if further expansion of the production and printing capacity is required by the Group, it will ensure that the Company complies with the relevant requirements under the Listing Rules.

The Directors (including the independent non-executive directors of the Company) consider that the terms of the Agreement are arrived at after arm's length negotiations based on normal commercial terms which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### GENERAL

The Group is principally engaged in (i) media ownership and services which comprise newspaper, magazine and book publishing and the provision of media-related services; (ii) human capital management which comprises recruitment and continuing education media and corporate training services; and (iii) broadband technology and services.

The principal business activities of the vendor is manufacturing production and printing equipment.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the vendor of the production and printing equipment and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

---

## LETTER FROM THE BOARD

---

There is no long stop date of the Acquisition and no previous transaction with the same vendor of the production and printing equipment which required aggregation of transactions under Rule 14.22 of the Listing Rules.

Upon completion of the Acquisition, the fixed assets of the Group will be increased by the amount of the Consideration. It is expected that the Consideration will be funded by internal cash of the Group. The Board is of the view that the Acquisition will not have any material effect on the liabilities and earnings of the Group.

Your attention is drawn to the general information set out in the Appendix to this circular which contains certain additional information relating to the Company.

Yours faithfully,  
On behalf of the Board of  
**Sing Tao News Corporation Limited**  
**Ho Tsu Kwok, Charles**  
*Chairman*

**RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

**DISCLOSURE OF INTERESTS****Directors' interests**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares and underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), which are required to be entered in the register required to be kept under Section 352 of the SFO and the Model Code were as follows:

**(i) Long positions**

Name of director	Notes	Number of Shares held, capacity and nature of interest			Percentage of the Company's issued share capital
		Personal interests	Corporate interests	Total	
Mr. Ho Tsu Kwok, Charles	(1)	–	426,197,500	426,197,500	48.412%
Mrs. Sy Wong Chor Fong	(2)	625,000	81,959,500	82,584,500	9.380%
Ms. Judy Inn		50,000	–	50,000	0.005%

Notes:

- (1) Of these Shares, 424,948,000 and 1,249,500 Shares were held by Luckman Trading Limited ("Luckman") and Yosham Limited, respectively, which were beneficially owned by Mr. Ho Tsu Kwok, Charles.
- (2) The corporate interests of 81,959,500 Shares were held by Stagelight Group Limited ("Stagelight"), which was beneficially wholly-owned by Mrs. Sy Wong Chor Fong.

## (ii) interests in underlying Shares – options under share option schemes

Name	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	Number of options outstanding	Total issued Shares	Percentage to issued Shares (%)
Judy Inn	10.07.06	27.06.07–26.06.16	0.9200	2,250,000	2,250,000	0.255
Jia Hongping	28.10.05	28.10.06–27.10.15	0.7300	2,000,000	2,000,000	0.227
Lai Ting Yiu	28.10.05	28.10.06–27.10.15	0.7300	2,000,000	2,000,000	0.227
Lau Chung Man, Louis	23.05.05	23.05.06–22.05.15	0.7760	3,000,000	3,000,000	0.340
Lo Wing Hung	04.05.05	04.05.06–03.05.15	0.7700	18,000,000	18,000,000	2.044
Sy Wong Chor Fong	31.08.01 28.10.05	20.09.02–19.09.11 28.10.06–27.10.15	0.7056 0.7300	200,000 377,000	577,000	0.065
Yang Yiu Chong, Ronald Jeffrey	31.08.01 28.10.05	20.09.02–19.09.11 28.10.06–27.10.15	0.7056 0.7300	1,350,000 1,180,000	2,530,000	0.287

Note: As dates are shown day/month/year

**Substantial shareholders' interests**

Save as disclosed below, so far as was known to the Directors, those persons, other than the Directors or chief executive of the Company or his/her respective associate(s), who, as at the Latest Practicable Date, had an interest or short position in the Shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

Name	Notes	Capacity and nature of interest	Number of Shares held	Percentage of the Company's issued share capital
Luckman	(1)	Beneficial owner	424,948,000	48.27%
Hong Kong Tobacco Company Limited ("HK Tobacco")	(2)	Deemed interest	424,948,000	48.27%
Stagelight	(3)	Beneficial owner	81,959,500	9.30%
Great Diamond Developments Limited		Beneficial owner	68,959,500	7.83%

Notes:

- (1) The interests of Mr. Ho Tsu Kwok, Charles, held through a controlled corporation, duplicates to those disclosed in the section "Directors' interests" above.
- (2) Pursuant to an option agreement dated 20 June 2001 and three supplemental agreements entered into between Luckman and HK Tobacco on 19 July 2002, 19 July 2003 and 19 July 2006, respectively, HK Tobacco was granted an option to purchase from Luckman 33,000,000 Shares. Under Sections 317 and 318 of the SFO, HK Tobacco is deemed to be interested in all the 424,948,000 Shares held by Luckman.
- (3) The interests of Mrs. Sy Wong Chor Fong, held through a controlled corporation, duplicates to those disclosed in the section "Directors' interests" above.



**LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

**MISCELLANEOUS**

- (i) The company secretary of the Company is Ms. Cheng Lai Chu, a qualified solicitor in Hong Kong.
- (ii) The qualified accountant of the Company is Mr. Lau Chung Man, Louis. He is a member of the New Zealand Society of Accountants and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.
- (iii) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office of the Company is situated at 3/F, Sing Tao News Corporation Building, 3 Tung Wong Road, Shau Kei Wan, Hong Kong.
- (iv) The Company's branch share registrars and transfer office, Tengis Limited, is situated at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (v) As at the Latest Practicable Date, none of the Directors had any service contract with the Company or any of its subsidiaries which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).
- (vi) The English text of this circular shall prevail over the Chinese text.