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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 INTEREST IN A COMPANY

The Board is pleased to announce that on 14 September 2007, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with the Seller, pursuant to which the Purchaser agreed to acquire 50% of the entire issued share capital of the Target Company for a cash consideration of HK\$30,000,000. The Purchaser currently holds 50% of the entire issued share capital of the Target Company.

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further details of the Acquisition will be despatched to the Shareholders as soon as practicable.

THE ACQUISITION

On 14 September 2007, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with the Seller, pursuant to which the Purchaser agreed to acquire 50% of the entire issued share capital of the Target Company for a cash consideration of HK\$30,000,000. The Purchaser currently holds 50% of the entire issued share capital of the Target Company. Prior to the Acquisition, the Target Company has been treated as a jointly-controlled entity in the books of the Company. Upon completion of the Acquisition, the Target Company will become a wholly-owned subsidiary of the Company and its results will be consolidated into the accounts of the Group.

CONSIDERATION

The consideration, being HK\$30,000,000 was determined after arm's length negotiations between the parties having regard to the need for coping with the Group's business strategy and the estimated net asset value of the Target Company at HK\$45,000,000 after making accounting adjustments prior to the completion date, and shall be payable in cash by the Purchaser to the Seller upon completion of the Acquisition. The consideration will be funded by internal resources within the Group. The estimated net asset value of the Target Company does not constitute a profit forecast under Rule 14.61 of the Listing Rules.

COMPLETION

Completion of the Acquisition shall take place on or before 31 October 2007.

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 in addition to the existing production capacity, it is anticipated that the Acquisition will increase the printing capacity of the Group.

The Directors (including the independent non-executive directors of the Company) consider that the terms of the Agreement including the consideration are arrived at after arm's length negotiations based on normal commercial terms and 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 activity of the Seller is investment holding.

The Target Company is engaged in printing business. The major assets held by the Target Company are printing machinery.

Save as disclosed above and to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiry by the Directors, the Seller and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

There is no previous transaction between the Company and the Seller which required aggregation of transactions under Rule 14.22 of the Listing Rules.

The audited net liabilities value of the Target Company for the financial year ended 31 December 2005 was HK\$55,273,428. The audited net liabilities value of the Target Company for the financial year ended 31 December 2006 was HK\$43,541,617. The audited net profits (before and after taxation and extraordinary items) of the Target Company for the financial year ended 31 December 2005 was HK\$4,713,614 and HK\$3,847,656 respectively. The audited net profits (before and after taxation and extraordinary items) of the Target Company for the financial year ended 31 December 2006 was HK\$14,034,630 and HK\$11,731,811 respectively.

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further details of the Acquisition will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Acquisition” the acquisition of 50% of the issued share capital of the Target Company by the Purchaser as contemplated under the Agreement

“Agreement” the term sheet dated 14 September 2007 entered into between the Purchaser and the Seller 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

“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Cross Board Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Seller”	PPG Investment Limited, a company incorporated in the British Virgin Islands with limited liability
“Shareholder(s)”	holder(s) of the ordinary shares of HK\$0.2 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Premier Printing Group Limited, a company incorporated in Hong Kong with limited liability

By Order of the Board
Sing Tao News Corporation Limited
Ho Tsu Kwok, Charles
Chairman

Hong Kong, 14 September 2007

As at the date of this announcement, the board of directors comprises: (1) 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; (2) non-executive director: Mr. LEUNG Chun Ying; and (3) independent non-executive directors: Mr. Timothy David DATTELS, Ms. HO Chiu King, Pansy Catilina, Mr. KING Richard Yun Zing, Mr. LEE Cho Jat and Mr. TUNG Chee Chen.

** For identification purpose only*