SING TAO NEWS CORPORATION LIMITED
星島新聞集團有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1105)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

The Board of Directors (the "Board") of Sing Tao News Corporation Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2012 (the "Year") together with the comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT
Year ended 31 December 2012

	Notes	**2012**	2011
		HK$'000	HK$'000
REVENUE	3	**2,210,908**	2,390,903
Cost of sales		**(1,506,170)**	(1,644,501)
Gross profit		**704,738**	746,402
Other income and gains		**35,862**	13,717
Distribution costs		**(297,888)**	(281,517)
Administrative expenses		**(321,866)**	(319,044)
Other expenses		**(14,388)**	(14,120)
Finance costs		**(598)**	(537)
Share of profits and losses of:			
Jointly-controlled entities		**44,914**	25,814
An associate		**(5,792)**	(24,801)
Impairment of amounts due from jointly-controlled entities		**(2,767)**	(7,440)
Loss on disposal of an investment in an associate		**(6,433)**	-
PROFIT BEFORE TAX	4	**135,782**	138,474
Income tax credit/(expense)	5	**(15,667)**	153
PROFIT FOR THE YEAR		**120,115**	138,627

** For identification purpose only*

CONSOLIDATED INCOME STATEMENT (continued)
Year ended 31 December 2012

	Note	**2012** **HK$'000**	2011 HK$'000
Attributable to:			
Owners of the Company		**120,229**	138,668
Non-controlling interests		**(114)**	(41)
		120,115	138,627
Earnings per share attributable to ordinary equity holders of the Company – (HK cents)	7		
Basic		**14.31**	15.94
Diluted		**14.17**	15.60

Details of the dividends payable and proposed for the year are disclosed in note 6.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

	2012	2011
	HK$'000	HK$'000
PROFIT FOR THE YEAR	**120,115**	138,627
OTHER COMPREHENSIVE INCOME		
Gains on property revaluation	**29,302**	11,944
Income tax effect	**(7,654)**	(2,880)
	21,648	9,064
Available-for-sale investments:		
Changes in fair value	**110**	1,017
Income tax effect	**-**	-
	110	1,017
Exchange differences on translation of foreign operations	**6,545**	(4,005)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**28,303**	6,076
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**148,418**	144,703
Attributable to:		
Owners of the Company	**148,532**	144,744
Non-controlling interests	**(114)**	(41)
	148,418	144,703

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2012

	Notes	**2012**	2011
		HK$'000	HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**760,946**	760,839
Investment properties		**44,180**	38,304
Goodwill		**857**	857
Other intangible assets		**10,586**	11,712
Investments in jointly-controlled entities		**142,766**	138,202
Investment in an associate		**-**	42,267
Available-for-sale investments		**30,047**	44,559
Deposit for an investment		**27,443**	27,443
Deferred tax assets		**11,494**	13,027
Other deposits paid		**31,829**	21,847
Total non-current assets		**1,060,148**	1,099,057
CURRENT ASSETS			
Inventories		**95,039**	97,995
Trade receivables	8	**531,014**	561,531
Prepayments, deposits and other receivables		**46,156**	47,865
Financial assets at fair value through profit or loss		**68,423**	48,314
Tax recoverable		**11,628**	5,902
Cash and cash equivalents		**611,783**	540,008
Total current assets		**1,364,043**	1,301,615
CURRENT LIABILITIES			
Trade and bills payables	9	**112,794**	134,920
Other payables and accruals		**252,413**	250,057
Tax payable		**55,617**	62,471
Finance lease and hire purchase contract payables		**862**	1,121
Total current liabilities		**421,686**	448,569
NET CURRENT ASSETS		**942,357**	853,046
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,002,505**	1,952,103

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 December 2012

	2012	2011
	HK$'000	HK$'000
NON-CURRENT LIABILITIES		
Finance lease and hire purchase contract payables	**3,130**	2,683
Deferred tax liabilities	**48,302**	40,885
Total non-current liabilities	**51,432**	43,568
Net assets	**1,951,073**	1,908,535
EQUITY		
Equity attributable to owners of the Company		
Issued capital	**167,466**	173,806
Reserves	**1,749,902**	1,692,555
Proposed final dividend	**33,509**	41,864
	1,950,877	1,908,225
Non-controlling interests	**196**	310
Total equity	**1,951,073**	1,908,535

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The accounting policies and methods of computation used in the preparation of these consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2011.

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, leasehold land and buildings, derivative financial instruments and certain investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2012. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

2. Changes in accounting policy and disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Transfers of Financial Assets*
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes – Deferred Tax: Recovery of Underlying Assets*

Other than as further explained below regarding the impact of amendments to HKAS 12, the adoption of the revised HKFRSs has had no significant financial effect on these financial statements.

The HKAS 12 Amendments clarify the determination of deferred tax for investment property measured at fair value and introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, the amendments incorporate the requirement previously in HK(SIC)-Int 21 *Income Taxes – Recovery of Revalued Non-Depreciable Assets* that deferred tax on non-depreciable assets, measured using the revaluation model in HKAS 16, should always be measured on a sale basis. Prior to the adoption of the amendments, deferred tax with respect to the Group's investment properties was provided on the basis that the carrying amount will be recovered through use, and accordingly the profits tax rate had been applied to the calculation of deferred tax arising on the revaluation of the Group's investment properties. Upon the adoption of HKAS 12 Amendments, deferred tax in respect of the Group's investment properties is provided on the presumption that the carrying amount will be recovered through sale. The adoption of the amendments did not have any significant impact on the financial position or performance of the Group.

3. Operating segment information

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the media segment publishes and distributes newspapers, magazines and books to readers in Hong Kong, Canada, the United States of America, Europe and Australia, and sells the respective content of such publications in Hong Kong and Mainland China;

(b) the trading segment trades photographic products; and

(c) the others segment comprises the Group's Internet and information consultancy services, investment and property holding business together with corporate expense items.

3. Operating segment information (continued)

	Media HK$'000	Trading HK$'000	Others HK$'000	Total HK$'000
Year ended 31 December 2012				
Segment revenue:				
Sales to external customers	2,023,959	179,821	7,128	2,210,908
Intersegment sales	827	-	177,022	177,849
	2,024,786	179,821	184,150	2,388,757
Reconciliation:				
Elimination of intersegment sales				(177,849)
Revenue				2,210,908
Segment results	145,505	8,197	(17,322)	136,380
Reconciliation:				
Finance costs				(598)
Profit before tax				135,782
Segment assets	1,714,999	137,916	548,154	2,401,069
Reconciliation:				
Corporate and unallocated assets				23,122
Total assets				2,424,191
Segment liabilities	293,611	2,862	68,734	365,207
Reconciliation:				
Corporate and unallocated liabilities				107,911
Total liabilities				473,118
Other segment information:				
Share of profits and losses of:				
Jointly-controlled entities	46,875	-	(1,961)	44,914
An associate	-	-	(5,792)	(5,792)
Impairment losses recognised in the income statement	5,362	-	10,668	16,030
Depreciation and amortisation	73,092	388	9,770	83,250
Bank interest income	3,006	513	1,543	5,062
Investments in jointly-controlled entities	123,479	-	19,287	142,766
Capital expenditure*	81,374	12	6,065	87,451

* Capital expenditure consists of additions to property, plant and equipment, intangible assets and investment properties.

3. Operating segment information (continued)

	Media HK$'000	Trading HK$'000	Others HK$'000	Total HK$'000
Year ended 31 December 2011				
Segment revenue:				
Sales to external customers	2,053,778	330,296	6,829	2,390,903
Intersegment sales	2,135	-	164,042	166,177
	2,055,913	330,296	170,871	2,557,080
Reconciliation:				
Elimination of intersegment sales				(166,177)
Revenue				2,390,903
Segment results	181,296	10,222	(52,507)	139,011
Reconciliation:				
Finance costs				(537)
Profit before tax				138,474
Segment assets	1,786,776	130,558	464,409	2,381,743
Reconciliation:				
Corporate and unallocated assets				18,929
Total assets				2,400,672
Segment liabilities	316,453	7,362	61,162	384,977
Reconciliation:				
Corporate and unallocated liabilities				107,160
Total liabilities				492,137
Other segment information:				
Share of profits and losses of:				
Jointly-controlled entities	27,033	-	(1,219)	25,814
An associate	-	-	(24,801)	(24,801)
Impairment losses recognised in the income statement	12,268	-	9,666	21,934
Depreciation and amortisation	68,122	406	12,967	81,495
Bank interest income	3,468	283	675	4,426
Investments in jointly-controlled entities	120,537	-	17,665	138,202
Investment in an associate	-	-	42,267	42,267
Capital expenditure	170,559	75	6,216	176,850

4. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	2012 HK$'000	2011 HK$'000
Investment income	**(3,105)**	(631)
Dividend income from listed equity investments	**(1,988)**	(1,859)
Dividend income from an unlisted available-for-sale investment	**(78)**	(2,893)
Fair value losses/(gains), net on:		
Financial assets at fair value through profit or loss	**(2,565)**	17,684
Derivative financial instruments – transactions not qualifying as hedges	**(1,274)**	1,320
Investment properties	**(5,170)**	(1,643)
Impairment losses on available-for-sale investments	**10,668**	9,000
Cost of inventories sold	**700,821**	831,140
Depreciation	**82,124**	80,370
Amortisation of intangible assets	**1,126**	1,125

5. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2012 HK$'000	2011 HK$'000
Current:		
Charge for the year:		
The People's Republic of China:		
Hong Kong	**18,949**	6,278
Elsewhere	**217**	6
Elsewhere	**3,845**	7,493
Overprovision in prior years	**(8,720)**	(13,115)
Deferred	**1,376**	(815)
Total tax expense/(credit) for the year	**15,667**	(153)

6. Dividends

	2012	2011
	HK$'000	HK$'000
Interim – HK3.5 cents (2011: HK4.5 cents) per ordinary share	**29,307**	39,118
Proposed final – HK4.0 cents (2011: HK5.0 cents) per ordinary share	**33,509**	41,864
	62,816	80,982

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

7. Earnings per share attributable to ordinary equity holders of the Company

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the year.

The calculation of diluted earnings per share for the year is based on the profit for the year attributable to ordinary equity holders of the Company, as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2012	2011
	HK$'000	HK$'000
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**120,229**	138,668

	Number of shares	
	2012	2011
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**840,169,588**	869,859,034
Effect of dilution – weighted average number of ordinary shares: Share options	**8,347,424**	19,140,081
	848,517,012	888,999,115

8. Trade receivables

	2012	2011
	HK$'000	HK$'000
Trade receivables	**544,397**	574,435
Impairment	**(13,383)**	(12,904)
	531,014	561,531

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of trade receivables as at the end of the reporting period, based on the payment due date, is as follows:

	2012	2011
	HK$'000	HK$'000
Current to 30 days	**376,204**	392,366
31 to 60 days	**66,859**	75,336
61 to 90 days	**41,016**	37,196
91 to 120 days	**19,224**	25,626
Over 120 days	**41,094**	43,911
	544,397	574,435

The movements in the provision for impairment of trade receivables are as follows:

	2012	2011
	HK$'000	HK$'000
At 1 January	**12,904**	16,087
Impairment losses recognised	**2,595**	4,828
Amounts written off as uncollectible	**(2,174)**	(8,017)
Exchange realignment	**58**	6
At 31 December	**13,383**	12,904

The individually impaired trade receivables with an aggregate carrying amount before provision of HK$13,383,000 (2011: HK$12,904,000) relate to customers that were in financial difficulties or were in default of payments and the receivables are not expected to be recoverable.

8. Trade receivables (continued)

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	2012	2011
	HK$'000	HK$'000
Current to 30 days	**376,204**	392,366
31 to 60 days	**66,859**	75,048
61 to 90 days	**40,844**	36,376
91 to 120 days	**17,324**	23,948
Over 120 days	**29,783**	33,793
	531,014	561,531

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

As at 31 December 2011, included in the Group's trade receivables was an amount due from an associate of HK$11,193,000, which was repayable on similar credit terms to those offered to the major customers of the Group.

9. Trade and bills payables

An aged analysis of trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	2012	2011
	HK$'000	HK$'000
Current to 30 days	**99,588**	105,597
31 to 60 days	**5,041**	18,304
61 to 90 days	**1,893**	1,580
91 to 120 days	**2,456**	2,904
Over 120 days	**3,816**	6,535
	112,794	134,920

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Media and Media-related Operations

The local media industry was in a phase of transformation in 2012, with intense competition in the free newspaper market setting off a chain of repercussions which affected not only the incumbent free newspapers but also paid newspapers and other media segments. New players have entered the free newspaper market since the second half of 2011, leading to a doubling in volume of free newspapers and a 50% surge in the total amount of newspapers in circulation. Faced with this cut-throat competitive environment, the Group's Media operations held up rather well and recorded only a slight drop in revenue, from approximately HK$2,053.8 million in 2011 to approximately HK$2,024.0 million in 2012, mainly due to reduced revenue from overseas and Mainland China. At the same time, the Group maintained a higher circulation volume of Headline Daily and invested in other improvements as part of its competition strategy, which temporarily resulted in lower profit margins; accordingly, segment profit of the Media operations registered a decrease to approximately HK$145.5 million in 2012, from approximately HK$181.3 million in 2011.

Newspapers

According to admanGo, Hong Kong's total newspaper advertising revenue went up by 9% in 2012 on a year-on-year basis. However, the increase was almost entirely accounted for by free newspapers, and paid newspapers in fact saw a decline of 1%. This indicates that the intensified competition among free newspapers has led to an expansion in their overall market share, at the expense of paid newspapers and especially the mass-market ones. The development of free newspapers into a mainstream media, sped up by the heightened competition, has caused readers as well as advertisers to switch from some traditional paid newspapers.

Headline Daily is well positioned to benefit from this development. In the midst of the severe competition, Headline Daily continued its lead and remained firmly as the number 1 free newspaper in Hong Kong. Its average daily circulation was raised to over 880,000 copies in 2012 in response to the competition, and its current circulation volume exceeds that of its closest rival by more than 50%. As the most widely-read newspaper in Hong Kong, Headline Daily's average readership of 1,513,000 in 2012 (according to the latest survey by Ipsos Media Atlas) also surpassed other newspapers by over 40%. In addition, the same survey ranked the stand-alone Headline Finance paper as the most popular financial newspaper in Hong Kong with the largest readership. During the year, Headline Daily continued to enhance its content to further gain readers' loyalty, such as the launch of an all-new Saturday features section named "V · A Valuable Weekend". Headline Daily reinforced itself as the free newspaper preferred not just by readers but also advertisers, and became more and more recognized as a cost-effective mass-market advertising medium. Consequently, the advertising revenue of Headline Daily was untouched by the new market entrants and continued to rise in 2012, albeit at a slower rate given that the presence of more competitors has put a cap on growth in advertising page rates.

Although paid newspapers in general were confronted with the challenge from free newspapers, Sing Tao Daily was largely unaffected and delivered satisfactory results in 2012. As a middle-class newspaper, Sing Tao Daily differentiated itself from mass-market newspapers by focusing on high value-add content. Renowned for its education and lifestyle sections, Sing Tao Daily continued to offer high quality content in these areas. In addition to making available a range of Liberal Studies guidebooks and learning references tailored for the new DSE examination system, it pioneered the free “Smart Guide” series, a handy booklet bundled with the newspaper which carried the newest tips on “Eat and Play” and “Mobile Phone and Tablet PC”. These and other specialized content carved out a niche in the market for Sing Tao Daily and allowed it to maintain a relatively stable readership. Advertising revenue was also stable thanks to good growth in high-yield categories such as automobiles, watches and other luxury goods.

The Standard performed in line with expectations in 2012. The competition in the free newspaper market had some slight impact in general, but The Standard remained resilient in terms of its advertising. It continued to gain market share in new advertising categories, such as overseas properties, and supplemented its revenue with special projects. In order to further refine its circulation network, two new distribution channels were initiated in 2012 – The Standard is now available at all MTR Airport Express stations, and may be redeemed at Circle-K convenience stores with coupons or redemption cards. These schemes allowed The Standard to reach its targeted readers more effectively and also improved the cost efficiency of distributing the newspaper.

The overseas operations of Sing Tao Daily were adversely affected by the weak global economy in 2012, characterized by a recession in Europe and tepid recovery in the US. In addition, traditional newspapers in overseas markets faced challenges from other media including free newspapers and the internet. Given these, Sing Tao Daily’s overseas operations were diligent in improving their editorial quality, directing their sales efforts at the new immigrant Chinese communities and streamlining their business organizations to control costs. As a result, the overseas operations only suffered a minor setback in profitability, with the key markets in the US and Canada proving to be the most resistant to the testing conditions.

Magazines

The Group’s Magazine unit continued to deliver respectable growth in advertising revenue and profit in 2012. In particular, the flagship magazine East Week recorded the most notable progress in financial results, thanks to its professional and exclusive news reporting which gave it rising recognition as an influential current affairs magazine. PC Market also saw significant improvement in performance, as the advertising market for digital and computer products took a positive turn in 2012 while at the same time the magazine undertook measures to save editorial and printing costs. The other titles including East Touch, JET, Spiral and Caz Buyer maintained a steady trend.

The magazine sector in Hong Kong was to some extent afflicted by the free newspapers' competition which, coupled with the growing prevalence of new forms of media, caused a general decline in magazine circulation sales and readership. To counter against this as well as to broaden its advertising revenue sources, the Group's Magazine unit committed additional resources during the year to build up its multi-media business. The magazines' websites were continuously being upgraded, and a range of iPhone, iPad and Android applications were introduced for all the titles. East Week's website, combining content both from the magazine and specially made for online viewing, gathered increasing traffic. The full contents of PC Market, East Touch and JET have been made available via tablet and smart phone devices on a paid subscription basis, giving readers a novel experience which meets with their latest buying and reading habits. These efforts have helped to sustain the readership of the Group's magazines and provide a platform for capturing new cross-media advertising revenue.

Non-Media Operations

Trading

Revenue of the Group's Trading unit further decreased in 2012 from approximately HK$330.3 million in 2011 to approximately HK$179.8 million, as the Group continued to rationalize the non-core Trading business. The camera distribution market in the PRC remained competitive and the Trading unit consciously focused on selling higher-margin products to maximize its profit. This also allowed the unit to further reshape its operational structure and cut costs; although profit margins thus improved, the contraction in business volume still resulted in a decline in segment profit from approximately HK$10.2 million in 2011 to approximately HK$8.2 million in 2012.

Prospects

2013 may have begun on a more positive note across the globe with financial and fiscal conditions having somewhat stabilized, but economic confidence remains fragile and a full-fledged recovery in the advanced economies is yet to be seen. As such, the overall outlook for 2013 is dotted with uncertainty.

In Hong Kong, the newspaper industry saw unprecedented competition in 2012. Although the Group may claim initial victory, given that Headline Daily has successfully defended its number 1 position in the free newspaper market, the curtains have not yet come down and we must remain vigilant and keep delivering our best to readers and advertisers to ensure our long term success. As the free newspaper market increasingly expands its sphere, there is ample room for growth open to Headline Daily as its market leader. While Management notes that the competitive conditions may continue to affect our current profit margins, we view the prospects of our free newspapers positively and are committed to a further year of progress in 2013.

Employees

As at 31 December 2012, the Group had approximately 2,356 employees.

The Group remunerates its employees based on individual and business performance. Competitive salaries and benefits are paid to attract and retain quality staff. Other employee benefits include medical insurance, discretionary bonus, share options and provident fund schemes.

DIVIDEND

The Board recommends a final dividend of HK4.0 cents per ordinary share for the Year. Together with the interim dividend of HK3.5 cents per ordinary share paid to shareholders on 20 September 2012, the total annual dividend will amount to HK7.5 cents per ordinary share for the financial year (2011: HK9.5 cents). The proposed final dividend, if approved at the forthcoming annual general meeting of the Company to be held on Wednesday, 8 May 2013 (the "AGM"), will be payable on 23 May 2013.

RECORD DATE FOR THE AGM

The record date for determining the shareholders of the Company entitled to receive notice of and to attend and vote at the AGM will be fixed on Monday, 6 May 2013. In order to be eligible to attend and vote at the AGM, all share transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited of 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 6 May 2013.

CLOSURE OF REGISTER OF MEMBERS FOR PROPOSED FINAL DIVIDEND

The register of members of the Company will be closed on Tuesday, 14 May 2013 and Wednesday, 15 May 2013, on which dates no transfer of shares will be effected. In order to qualify for the final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited of 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 13 May 2013.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company has repurchased a total of 32,000,000 shares at a price of HK$1.1 per share on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the Year. All these repurchased shares were subsequently cancelled by the Company during the Year. Apart from this, the Company had not redeemed, and neither had the Company nor any of its subsidiaries purchased or sold, any of the Company's listed securities during the Year.

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Former Code") and the Corporate Governance Code, which is applicable to financial reports covering a period after 1 April 2012 (the "New Code"), contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange. The Company has complied with the applicable code provisions set out in the Former Code during the period from 1 January 2012 to 31 March 2012 as well as the New Code during the period from 1 April 2012 to 31 December 2012 with deviations from certain code provisions specified and explained below.

The Board held three regular meetings instead of four as required by the code provision A.1.1 for efficiency consideration during the Year. The regular meetings were held to consider and approve, among other things, the annual results, interim results and annual budget of the Group.

According to the code provision A.6.7 and E.1.2, the Chairman of the Board and all non-executive directors of the Company shall attend the annual general meeting of the Company. The Chairman of the Board and all non-executive directors except Mr. TUNG Chee Chen were unable to attend the annual general meeting of the Company held in 2012 due to unexpected business engagement.

COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has made specific enquiries to all directors of the Company who have confirmed that they have complied with the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules throughout the Year.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the consolidated financial statements of the Group for the Year, including the accounting principles and accounting standards adopted by the Company, and discussed matters relating to auditing, internal controls and financial reporting.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.singtaonewscorp.com. The 2012 annual report will also be published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.singtaonewscorp.com and will be despatched to the shareholders of the Company.

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

Hong Kong, 26 March 2013

As at the date of this announcement, the Board 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 and Mr. YANG Yiu Chong, Ronald Jeffrey; (2) non-executive director: Mr. HO Kent Ching Tak; and (3) independent non-executive directors: Ms. HO Chiu King, Pansy Catilina, Mr. KING Richard Yun Zing, Mr. LEE Cho Jat and Mr. TUNG Chee Chen.