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 2014

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 2014 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2014

	Notes	**2014**	2013
		HK$'000	HK$'000
REVENUE	3	**1,986,679**	2,035,661
Cost of sales		**(1,266,355)**	(1,325,842)
Gross profit		**720,324**	709,819
Other income and gains		**18,036**	23,658
Distribution expenses		**(292,562)**	(296,565)
Administrative expenses		**(319,899)**	(324,669)
Other expenses		**(3,895)**	(3,306)
Finance costs		**(221)**	(309)
Share of profits and losses of:			
Joint ventures		**21,434**	17,329
An associate		**(3,588)**	(573)
Impairment of amounts due from joint ventures		**(755)**	(1,038)
PROFIT BEFORE TAX	4	**138,874**	124,346
Income tax expense	5	**(24,707)**	(18,880)
PROFIT FOR THE YEAR		**114,167**	105,466

** For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

Year ended 31 December 2014

	Note	**2014** **HK$'000**	2013 HK$'000
Attributable to:			
Owners of the Company		**114,167**	105,662
Non-controlling interests		**-**	(196)
		114,167	105,466
Earnings per share attributable to ordinary equity holders of the Company – (HK cents)	7		
Basic		**13.62**	12.61
Diluted		**13.49**	12.49

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2014

	2014 HK$'000	2013 HK$'000
PROFIT FOR THE YEAR	**114,167**	105,466
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Available-for-sale investments:		
Changes in fair value	**250**	540
Income tax effect	**-**	-
	250	540
Exchange differences on translation of foreign operations	**(27,359)**	(27,141)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	**(27,109)**	(26,601)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Gains on property revaluation	**26,170**	23,123
Income tax effect	**(4,869)**	(6,363)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**21,301**	16,760
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	**(5,808)**	(9,841)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**108,359**	95,625
Attributable to:		
Owners of the Company	**108,359**	95,821
Non-controlling interests	**-**	(196)
	108,359	95,625

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2014

	Notes	2014 HK$'000	2013 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**818,514**	805,532
Investment properties		**44,799**	43,228
Goodwill		**857**	857
Other intangible assets		**8,336**	9,461
Investments in joint ventures		**103,137**	123,637
Investments in an associate		**5,729**	9,317
Available-for-sale investments		**8,281**	8,031
Deferred tax assets		**15,013**	14,889
Other deposits paid		**55,237**	33,524
Total non-current assets		**1,059,903**	1,048,476
CURRENT ASSETS			
Inventories		**77,886**	84,547
Trade receivables	8	**492,870**	529,647
Prepayments, deposits and other receivables		**40,149**	55,243
Financial assets at fair value through profit or loss		**5,941**	57,854
Tax recoverable		**1,547**	1,205
Cash and cash equivalents		**826,095**	685,960
Total current assets		**1,444,488**	1,414,456
CURRENT LIABILITIES			
Trade and bills payables	9	**92,641**	101,335
Other payables and accruals		**234,470**	250,115
Tax payable		**56,152**	55,464
Finance lease and hire purchase contract payables		**971**	913
Total current liabilities		**384,234**	407,827
NET CURRENT ASSETS		**1,060,254**	1,006,629
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,120,157**	2,055,105

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2014

	2014	2013
	HK$'000	HK$'000
NON-CURRENT LIABILITIES		
Finance lease and hire purchase contract payables	**2,325**	2,918
Deferred tax liabilities	**61,850**	55,291
Total non-current liabilities	**64,175**	58,209
Net assets	**2,055,982**	1,996,896
EQUITY		
Equity attributable to owners of the Company		
Issued capital	**167,809**	167,546
Reserves	**1,854,611**	1,795,841
Proposed final dividend	**33,562**	33,509
Total equity	**2,055,982**	1,996,896

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 2013.

The consolidated financial statements have been prepared in accordance with 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 and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance relating to the preparation of financial statements, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. The financial statements 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 and all values are rounded to the nearest thousand except when otherwise indicated.

<u>Basis of consolidation</u>
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 2014. 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 on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. 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, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. Changes in accounting policies and disclosures

The Group has adopted the following revised standards and new interpretation for the first time for the current year's financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	*Investment Entities*
Amendments to HKAS 32	*Offsetting Financial Assets and Financial Liabilities*
Amendments to HKAS 39	*Novation of Derivatives and Continuation of Hedge Accounting*
HK(IFRIC)-Int 21	*Levies*
Amendment to HKFRS 2 included in *Annual Improvements 2010-2012 Cycle*	*Definition of Vesting Condition*[1]
Amendment to HKFRS 3 included in *Annual Improvements 2010-2012 Cycle*	*Accounting for Contingent Consideration in a Business Combination*[1]
Amendment to HKFRS 13 included in *Annual Improvements 2010-2012 Cycle*	*Short-term Receivables and Payables*
Amendment to HKFRS 1 included in *Annual Improvements 2011-2013 Cycle*	*Meaning of Effective HKFRSs*

[1] Effective from 1 July 2014

Except for the amendment to HKFRS 1 which is only relevant to an entity's first HKFRS financial statements, the nature and the impact of each amendment and interpretation is described below:

(a) Amendments to HKFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities. The amendments have had no impact on the Group as the Company does not qualify as an investment entity as defined in HKFRS 10.

(b) The HKAS 32 Amendments clarify the meaning of "currently has a legally enforceable right to set off" for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in HKAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments have had no impact on the Group as the Group does not have any offsetting arrangement.

2. Changes in accounting policies and disclosures (continued)

(c) The HKAS 39 Amendments provide an exception to the requirement of discontinuing hedge accounting in situations where over-the-counter derivatives designated in hedging relationships are directly or indirectly, novated to a central counterparty as a consequence of laws or regulations, or the introduction of laws or regulations. For continuance of hedge accounting under this exception, all of the following criteria must be met: (i) the novations must arise as a consequence of laws or regulations, or the introduction of laws or regulations; (ii) the parties to the hedging instrument agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties; and (iii) the novations do not result in changes to the terms of the original derivative other than changes directly attributable to the change in counterparty to achieve clearing. The amendments have had no impact on the Group as the Group has not novated any derivatives during the current and prior years.

(d) HK(IFRIC)-Int 21 clarifies that an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognised before the specified minimum threshold is reached. The interpretation has had no impact on the Group as the Group applied, in prior years, the recognition principles under HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* which for the levies incurred by the Group are consistent with the requirements of HK(IFRIC)-Int 21.

(e) The HKFRS 2 Amendment clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including (i) a performance condition must contain a service condition; (ii) a performance target must be met while the counterparty is rendering service; (iii) a performance target may relate to the operations or activities of an entity, or to those of another entity in the same group; (iv) a performance condition may be a market or non-market condition; and (v) if the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied. The amendment has had no impact on the Group.

(f) The HKFRS 3 Amendment clarifies that contingent consideration arrangements arising from a business combination that are not classified as equity should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of HKFRS 9 or HKAS 39. The amendment has had no impact on the Group.

(g) The HKFRS 13 Amendment clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has had no impact on 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 consumer products and licenses a distribution right; 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 2014				
Segment revenue:				
Sales to external customers	1,973,681	4,498	8,500	1,986,679
Intersegment sales	460	-	186,053	186,513
	1,974,141	4,498	194,553	2,173,192
Reconciliation:				
Elimination of intersegment sales				(186,513)
Revenue				1,986,679
Segment results	138,509	(1,046)	1,632	139,095
Reconciliation:				
Finance costs				(221)
Profit before tax				138,874
Segment assets	1,710,024	142,621	635,186	2,487,831
Reconciliation:				
Corporate and unallocated assets				16,560
Total assets				2,504,391
Segment liabilities	275,237	164	51,710	327,111
Reconciliation:				
Corporate and unallocated liabilities				121,298
Total liabilities				448,409
Other segment information:				
Share of profits and losses of:				
Joint ventures	19,303	-	2,131	21,434
An associate	(3,588)	-	-	(3,588)
Impairment losses recognised in the statement of profit or loss	3,010	-	-	3,010
Depreciation and amortisation	71,208	383	7,488	79,079
Bank interest income	2,223	496	903	3,622
Investments in joint ventures	87,100	-	16,037	103,137
Investments in an associate	5,729	-	-	5,729
Capital expenditure*	68,020	48	19,349	87,417

* 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 2013				
Segment revenue:				
Sales to external customers	1,984,233	40,209	11,219	2,035,661
Intersegment sales	578	-	181,525	182,103
	1,984,811	40,209	192,744	2,217,764
Reconciliation:				
Elimination of intersegment sales				(182,103)
Revenue				2,035,661
Segment results	119,990	4,074	591	124,655
Reconciliation:				
Finance costs				(309)
Profit before tax				124,346
Segment assets	1,685,639	150,274	610,925	2,446,838
Reconciliation:				
Corporate and unallocated assets				16,094
Total assets				2,462,932
Segment liabilities	286,755	856	63,839	351,450
Reconciliation:				
Corporate and unallocated liabilities				114,586
Total liabilities				466,036
Other segment information:				
Share of profits and losses of:				
Joint ventures	17,112	-	217	17,329
An associate	(573)	-	-	(573)
Impairment losses recognised in the statement of profit or loss	2,355	-	814	3,169
Depreciation and amortisation	72,537	405	6,091	79,033
Bank interest income	2,904	431	1,402	4,737
Investments in joint ventures	109,184	-	14,453	123,637
Investments in an associate	9,317	-	-	9,317
Capital expenditure*	126,671	249	4,692	131,612

4. Profit before tax

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

	2014	2013
	HK$'000	HK$'000
Investment income	**(3,182)**	(4,152)
Dividend income from listed equity investments	**(484)**	(1,885)
Dividend income from unlisted available-for-sale investments	**(2,853)**	(1,315)
Fair value losses/(gains), net on:		
Financial assets at fair value through profit or loss	**3,107**	7,879
Derivative financial instruments – transactions not qualifying as hedges	**(3,278)**	(1,685)
Investment properties	**(4,020)**	(1,113)
Impairment loss on an available-for-sale investment	**-**	814
Cost of inventories sold	**458,889**	518,533
Depreciation	**77,954**	77,908
Amortisation of intangible assets	**1,125**	1,125

5. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2013: 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.

	2014	2013
	HK$'000	HK$'000
Current:		
Charge for the year:		
The People's Republic of China:		
Hong Kong	**20,132**	19,446
Elsewhere	**7**	13
Elsewhere	**2,980**	5,837
Under/(over)provision in prior years	**168**	(3,350)
Deferred	**1,420**	(3,066)
Total tax expense for the year	**24,707**	18,880

6. Dividends

	2014 **HK$'000**	2013 HK$'000
Interim – HK2 cents (2013: HK2 cents) per ordinary share	**16,781**	16,755
Proposed final – HK4 cents (2013: HK4 cents) per ordinary share	**33,562**	33,509
	50,343	50,264

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 the basic earnings per share amounts 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 the diluted earnings per share amounts 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 the basic and diluted earnings per share are based on:

	2014 **HK$'000**	2013 HK$'000
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**114,167**	105,662

	Number of shares	
	2014	2013
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**838,146,591**	837,681,914
Effect of dilution – weighted average number of ordinary shares: Share options	**8,172,102**	8,617,340
	846,318,693	846,299,254

8. Trade receivables

	2014	2013
	HK$'000	HK$'000
Trade receivables	**504,272**	540,723
Impairment	**(11,402)**	(11,076)
	492,870	529,647

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:

	2014	2013
	HK$'000	HK$'000
Current to 30 days	**337,156**	366,906
31 to 60 days	**67,045**	61,807
61 to 90 days	**41,701**	37,053
91 to 120 days	**18,436**	19,430
Over 120 days	**39,934**	55,527
	504,272	540,723

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

	2014	2013
	HK$'000	HK$'000
At 1 January	**11,076**	13,383
Impairment losses recognised	**2,255**	1,317
Amounts written off as uncollectible	**(1,846)**	(3,583)
Exchange realignment	**(83)**	(41)
At 31 December	**11,402**	11,076

The individually impaired trade receivables with an aggregate carrying amount before provision of HK$11,402,000 (2013: HK$11,076,000) relate to customers that were in financial difficulties or were in default of payments and the receivables are not expected to be recovered.

8. Trade receivables (continued)

The aged analysis of the trade receivables that are not individually or collectively considered to be impaired is as follows:

	2014	2013
	HK$'000	HK$'000
Current to 30 days	**336,951**	366,906
31 to 60 days	**66,889**	61,335
61 to 90 days	**40,965**	36,401
91 to 120 days	**16,888**	18,660
Over 120 days	**31,177**	46,345
	492,870	529,647

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.

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:

	2014	2013
	HK$'000	HK$'000
Current to 30 days	**71,616**	88,854
31 to 60 days	**12,895**	8,786
61 to 90 days	**5,867**	1,541
91 to 120 days	**1,527**	1,296
Over 120 days	**736**	858
	92,641	101,335

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

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Hong Kong's overall advertising market recorded a year-on-year growth rate of 5% in 2014, which was even lower than the growth rate in 2009, the year of the financial tsunami. The slowdown in China's economy and in spending by mainland tourists dampened the local retail market and caused advertisers to be more cautious with their spending. The Occupy Incident also had a negative impact, albeit transitory, on advertising spending in the last quarter as advertisers postponed or cancelled their promotional activities. Despite these factors, the Group's Media operations remained solid, reporting a consolidated revenue of approximately HK$1,973.7 million in 2014 which represented a decrease of 0.5% from 2013. Segment profit of the Media operations increased by 15.4% from approximately HK$120.0 million in 2013 to approximately HK$138.5 million in 2014, due to the Group's efforts on restructuring less profitable businesses and to a drop in the cost of newsprint consumed by the Group.

Newspapers

The newspaper market in Hong Kong was relatively stagnant in 2014. According to admanGo, advertising revenue of paid newspapers went down by 1% while that of free newspapers grew by 3% year-on-year. Competition among free newspapers had stabilized, and free newspapers continued to gain market share from paid newspapers, especially the mass-market ones. The Group's core Media products, with a robust market position, enjoyed competitive strengths that allowed them to out-perform their peers in this market environment.

Headline Daily maintained its number 1 position in the free newspaper market. With an average weekday circulation of over 854,000 copies and an average readership of 1,341,000 in 2014 (according to the latest reports of, respectively, Hong Kong Audit Bureau of Circulations and Ipsos Media Atlas), it is the only free newspaper that recorded an increase in readership for the year, and continued to be the most widely-circulated as well as widely-read newspaper in Hong Kong. This advantage made Headline Daily one of the most effective media for advertisers to reach their target audience. As a result, Headline Daily not only achieved advertising growth in 2014 which was better than the market average in terms of both volume and revenue, but also continued to dominate all newspapers' advertising in Hong Kong (according to admanGo). With a printing capacity that is unrivalled in the industry, Headline Daily increased its circulation to 1 million copies on two occasions in December to cater to the needs of advertisers during the consumption peak period. In addition, the editorial team continued to produce high quality content to make Headline Daily a newspaper preferred and valued by readers, in particular content pertinent to daily living such as retail, travel, food and drink. During the year, Headline Daily launched a new product, "Headline POPNews", offering readers a new format of viewing news and information online and via mobile apps, in the form of video and motion images. Thanks to its strong market presence, recognition by readers and advertisers and lower newsprint prices, Headline Daily's profit further improved in 2014. To commemorate its 10th anniversary this year, Headline Daily will increase its promotional activities so as to enhance its brand awareness.

Although paid newspapers continued to be challenged by free newspapers in terms of readership and advertising, Sing Tao Daily maintained a stable performance in 2014 and was one of the few paid newspapers which recorded an increase in advertising revenue for the year (according to admanGo). Increased activity in first-hand property sales was a major factor that contributed to its advertising revenue growth, while a better penetration of retailers targeting the local consumption market also helped to boost its revenue performance. Aimed at quality middle-class readers, Sing Tao Daily kept its focus on delivering high value-add content, especially in Education, Finance and Lifestyle Features, to provide the market with a more premium product. The newspaper's neutral, objective and factual reporting also increased its popularity among readers. As a result, Sing Tao Daily's readership in 2014 saw another increase and reached a record high since 2006 (according to Ipsos Media Atlas). At the same time, Smart Parents also achieved readership growth in 2014, and was ranked as the number 1 Parenting Magazine of the Year in 2014 (by Marketing Magazine), a title it has held for two consecutive years.

The Standard further improved its financial performance for the year. In February it launched "Weekend Glitz", an 8-page art-paper feature published every Friday covering a variety of luxury lifestyle topics, which helped to tap into advertising from premium products and services. Following on the success of this initiative, "Money Glitz", also an 8-page art-paper section featuring every Monday, was launched in August which focused on finance and investment. The Standard's school papers significantly increased its subscription volume and revenue; together with effective cost management, the newspaper was able to achieve further improvement in bottom line.

Although the economic recovery in the US and Europe fell short of the levels required to stimulate significant growth, the overseas operations of Sing Tao Daily remained steady with the operations in US east coast and Canada delivering the most encouraging results. The relatively weak Australian currency partly offset the growth in the Australian operations when results were translated into HK dollars. Faced with continual challenges from new media and changes in reading habits, the overseas operations vigilantly exercised financial and operating discipline, rationalized their resources deployment and increased their collaboration to bring about enhanced efficiencies and synergies.

Magazines

Hong Kong's magazine advertising declined by 7% in 2014 (according to admanGo) and total magazines' readership recorded a drop of 6% (according to Ipsos Media Atlas). The magazine market continued to come under the pressure of competition from free newspapers and digital media, as well as the slowdown in the retail sector. This unfavourable industry trend had an adverse effect on the Group's Magazine unit which reported lower revenue in 2014. However, we have implemented a number of measures to restructure the magazine business and streamline its operations, which mitigated the negative impact and increased the business' resilience, allowing the unit to achieve some improvement in profit in 2014.

As part of its restructuring exercise, the Magazine unit redeployed its resources to further build up its digital and social media business. Responsive web design technology was used to enhance the magazines' digital versions, to provide readers with an optimal viewing experience across a wide range of devices, from desktop computers to mobile phones. The magazines' apps, websites and social media platforms enjoyed increasing popularity among targeted readers and revenue from the digital business saw substantial growth in 2014.

Recruitment Media

In 2014, the Group became the number 1 recruitment print media in Hong Kong with the largest share of advertising spending (according to admanGo). Starting from January, JobMarket has been distributed on an exclusive basis in MTR main line stations; its circulation has increased by 140% and its revenue has almost doubled in 2014 compared with 2013. In June, "The StandardJobs" was launched to offer a new English-language advertising medium for recruiters in The Standard every Thursday. "Headline Hot Jobs", published in Headline Daily every Wednesday and Saturday, extended its coverage to Monday as well in January 2015. The Group's print recruitment products (comprising JobMarket, Headline Hot Jobs and The StandardJobs) together reached a working population of close to 1.2 million per week (according to Ipsos Media Atlas 2014) and, combined with its range of online recruitment channels, formed a comprehensive, powerful and effective media platform to serve the needs of employers and jobseekers.

Prospects

Global economic growth is likely to stay mediocre in 2015, and the outlook is subject to considerable uncertainties. Locally, the economy is projected to grow at a lower rate than in previous years. Advertisers are expected to be more cautious with their spending, and the rapidly evolving media industry will continue to see challenges and opportunities.

With our core Media operations in a relatively strong and healthy state, the Group is well positioned to meet the ups or downs in the industry in 2015. We are also well positioned, financially and operationally, to further develop the Group's digital media business to capture additional revenue and profit prospects. Management will devote more resources, time and energy to explore opportunities in new media. With a prudent approach, we have started to invest, by organic growth and acquisitions, in digital media areas that are complementary to our traditional core business.

Employees

As at 31 December 2014, the Group had approximately 2,443 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 cents per ordinary share for the year. Together with the interim dividend of HK2 cents per ordinary share paid to shareholders on 23 September 2014, the total annual dividend will amount to HK6 cents per ordinary share for the financial year (2013: HK6 cents). The proposed final dividend, if approved at the forthcoming annual general meeting of the Company to be held on Thursday, 7 May 2015 (the "AGM"), will be payable on 22 May 2015.

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 Tuesday, 5 May 2015. 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 Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 5 May 2015.

CLOSURE OF REGISTER OF MEMBERS FOR PROPOSED FINAL DIVIDEND

The register of members of the Company will be closed on Wednesday, 13 May 2015 and Thursday, 14 May 2015, 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 Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 12 May 2015.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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 and complied with the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the review period with deviations from certain code provisions of the CG Code 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 independent non-executive directors of the Company shall attend the annual general meeting of the Company. The Chairman of the Board and all independent non-executive directors except Ms. HO Chiu King, Pansy Catilina were unable to attend the annual general meeting of the Company held in 2014 due to prior or unexpected business engagements.

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 2014 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, 25 March 2015

As at the date of this announcement, the Board comprises: (1) executive directors: Mr. HO Tsu Kwok, Charles (Chairman), Mr. SIU Sai Wo (Chief Executive Officer), Mr. HO Kent Ching Tak, Mr. JIA Hongping, Mr. LAU Chung Man, Louis, Mr. LO Wing Hung and Mrs. SY WONG Chor Fong; and (2) independent non-executive directors: Ms. Judy CHAN, Ms. HO Chiu King, Pansy Catilina, Mr. KING Richard Yun Zing and Mr. LEE Cho Jat.