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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)

CONNECTED TRANSACTION EXTENSION OF LOAN AGREEMENT

Reference is made to the Company's announcement dated 1 November 2013 in respect of the connected transaction in relation to the establishment of a joint venture, BPCL between the Group and Mr. LO, and the provision of a shareholder's loan in the principal amount of HK\$5,600,000 to BPCL from STHL (an indirect wholly-owned subsidiary of the Company).

As the term of the Loan will expire on 2 December 2016, STHL and BPCL entered into the Extension Agreement on 1 December 2016 to extend the term for three years to 2 December 2019.

As BPCL is owned by BPHL and STHL as to 70% and 30% respectively, and BPHL is wholly owned by Mr. LO, an Executive Director of the Company, BPCL and BPHL are associates of Mr. LO and are connected persons of the Company as defined under Chapter 14A of the Listing Rules. The Extension constitutes a connected transaction for the Company and is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Reference is made to the Company's announcement dated 1 November 2013 in respect of the connected transaction in relation to the establishment of a joint venture, BPCL between STHL and BPHL, and the provision of a shareholder's loan in the principal amount of HK\$5,600,000 to BPCL from STHL.

As the term of the Loan will expire on 2 December 2016 (three years from 3 December 2013, the date of drawdown), STHL and BPCL entered into the Extension Agreement on 1 December 2016 to extend the term for three years to 2 December 2019.

EXTENSION AGREEMENT

On 1 December 2016, STHL and BPCL entered into the Extension Agreement. The principal terms of the Extension Agreement are set out below:

** For identification purpose only*

Date

1 December 2016

Parties

- (1) STHL as the lender
- (2) BPCL as the borrower

Principal amount and nature of the shareholder's loan

HK\$5,600,000; unsecured

Interest rate

1% per annum and STHL has the right to increase the rate at any time during the Extension.

Extension

STHL and BPCL agreed to extend the term of the Loan for three years to 2 December 2019.

Repayment

BPCL shall on demand repay the principal amount of the shareholder's loan, together with all interest accrued upon the expiration of the Extension subject to STHL's right to demand repayment (in full or in part) together with all interest accrued by giving at least seven Business Days' notice to BPCL.

REASONS FOR AND BENEFITS OF THE EXTENSION

The terms of the Extension Agreement, including the continued applicable interest rate of 1% per annum and STHL's right to increase the rate at any time, were determined after arm's length negotiations between the parties by reference to the working capital needs of BPCL, prevailing market interest rates and practices. The Directors consider that the Extension would be beneficial to the Group.

The Directors (including independent non-executive Directors) are of the opinion that the terms of the Extension Agreement 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.

INFORMATION ON THE GROUP, BPHL AND BPCL

The principal business activities of the Group comprise media operations including newspapers, magazines and other media-related businesses.

BPHL is a company which is wholly owned by Mr. LO and is principally engaged in investment holding.

BPCL is principally engaged in an internet and mobile media business. BPCL is owned by BPHL and STHL as to 70% and 30% respectively.

IMPLICATIONS UNDER THE LISTING RULES

As BPCL is owned by BPHL and STHL as to 70% and 30% respectively, and BPHL is wholly owned by Mr. LO, an Executive Director of the Company, BPCL and BPHL are associates of Mr. LO and are connected persons of the Company as defined under Chapter 14A of the Listing Rules. The Extension constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios (as defined under the Listing Rules) is more than 0.1% but less than 5%, the transaction is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Mr. LO has abstained from voting on the Board resolutions approving the Extension as he indirectly holds 70% of the entire issued share capital of BPCL and thus has a material interest in the transaction.

DEFINITIONS

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

- “Board” the board of Directors
- “BPCL” Bastille Post Company Limited, a company incorporated in Hong Kong with limited liability, owned by BPHL and STHL as to 70% and 30% respectively
- “BPHL” Bastille Post Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
- “Business Day” a day (other than a Saturday and a Sunday) on which licensed banks in Hong Kong are generally open for business
- “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

“Extension”	the extension of the term of the Loan pursuant to the Extension Agreement
“Extension Agreement”	the shareholder loan extension agreement dated 1 December 2016 entered into between STHL and BPCL to extend the term of the Loan for three years to 2 December 2019
“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
“Loan”	the shareholder’s loan in the principal amount of HK\$5,600,000 made pursuant to the shareholder loan agreement dated 1 November 2013 entered into between STHL and BPCL
“Mr. LO”	Mr. LO Wing Hung, an Executive Director of the Company
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.2 each in the capital of the Company
“STHL”	Sing Tao Holdings (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability, being an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Sing Tao News Corporation Limited
Siu Sai Wo
Chief Executive Officer

Hong Kong, 1 December 2016

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 and Mr. LO Wing Hung; 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.