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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)**

### **FURTHER ANNOUNCEMENT ON RENEWAL OF CONTINUING CONNECTED TRANSACTIONS WITH THE BP GROUP**

Reference is made to the announcement (the “Announcement”) of Sing Tao News Corporation Limited (the “Company”) dated 11 December 2017 in relation to the renewal of continuing connected transactions with the BP Group (the “Transactions”). Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Company would like to provide further information on the Transactions set out below :-

#### **INTERNAL CONTROL AND PRICING POLICY**

In order to ensure that the transactions contemplated under the Renewed Group Master Services Agreement and Renewed BP Group Master Services Agreement (collectively the “Agreements”) will be based on the general principles stated under the sections headed “Fees and payment terms” in the Announcement, the Group will adopt the following measures :-

1. The transactions contemplated under the Agreements will be conducted on a non-exclusive basis, unless the circumstances otherwise require;
2. Relating to the transactions on provision of office space by the Group to the BP Group, the Group will have regard to the then prevailing market licence fee for similar type and size of space in the nearby locations, and/or consult reputable agents for benchmarks of assessment for at least two comparables. The Group’s Accounts Department and Corporate Finance Department will review these transactions annually;

*\* For identification purpose only*

3. Relating to the transactions on provision of advertising spaces by the Group to the BP Group and by the BP Group to the Group for its own use by way of booking, the price will be determined by the business team of the Group based on the then prevailing market conditions, industry practices and rate offered to independent third parties subject to a monthly review and approval by the sales manager of the Group;
4. Relating to the other transactions, the Group will from time to time obtain quotations from suppliers and/or make price enquiries for the same or similar type of service for at least two comparables so as to offer the same or more favourable terms in the Group's perspective, to the BP Group. In addition to the aforesaid, the Group will consider other factors while determining or accessing the terms, including the Group's or BP Group's specific requirements in a transaction; the corporate background of the counterparty; its reputation and reliability; its ability to conduct the transaction and to provide follow-up services after completion of the transaction; its understanding of the Group's needs; the comparable advantages of the expertise of counterparty, in order to maximize the Group's interest in such transaction and at the same time reduce the Group's time and costs of transaction;
5. The Group will supervise all transactions contemplated under the Agreements through relevant personnel from the applicable business department of the Group (including Accounts Department, Internal Audit Department and Corporate Finance Department), and conduct regular checks, at least half-yearly, to review and assess whether the transactions are conducted in accordance with the terms thereof, and the measures herein;
6. The Group's Accounts Department will have an internal system to trace, monitor and evaluate the transactions amounts under the Agreements on a quarterly basis to ensure that the proposed annual caps stated in the Announcement will not be exceeded; and
7. The Company will comply with the annual review requirements in respect of the transactions contemplated under the Agreements in accordance with Chapter 14A of the Listing Rules.

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

Hong Kong, 22 December 2017

*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.*