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 2017

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 2017 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Year ended 31 December 2017

	Note	**2017** **HK$'000**	2016 HK$'000
REVENUE		**1,511,864**	1,608,966
Cost of sales		**(929,000)**	(1,010,634)
Gross profit		**582,864**	598,332
Other income and gains, net		**35,243**	7,806
Distribution expenses		**(240,240)**	(253,178)
Administrative expenses		**(311,324)**	(307,576)
Other expenses		**(9,468)**	(10,382)
Finance costs		**(11)**	(29)
Share of profits and losses of:			
Joint ventures		**6,663**	5,466
Associates		**1,148**	(225)
Gain on disposal of partial interest in a joint venture		**-**	4,170
PROFIT BEFORE TAX	4	**64,875**	44,384

* *For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

Year ended 31 December 2017

	Notes	**2017** **HK$'000**	2016 HK$'000
Income tax expense	5	**(23,526)**	(10,562)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY		**41,349**	33,822
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY – (HK cents)	7		
Basic		**4.77**	3.91
Diluted		**4.77**	3.91

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2017

	2017	2016
	HK$'000	HK$'000
PROFIT FOR THE YEAR	**41,349**	33,822
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	**816**	(100)
Income tax effect	**-**	-
	816	(100)
Exchange differences on translation of foreign operations	**21,646**	6,057
Release of exchange fluctuation reserve upon disposal of partial interest in a joint venture	**-**	(1,579)
	21,646	4,478
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**22,462**	4,378
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:		
Gains on property revaluation	**79,912**	26,537
Income tax effect	**(16,872)**	(6,652)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**63,040**	19,885
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**85,502**	24,263
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	**126,851**	58,085

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2017

	Notes	**2017**	2016
		HK$'000	HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**1,271,590**	994,103
Investment properties		**49,762**	42,016
Other intangible assets		**100**	109
Investments in joint ventures		**64,706**	61,820
Investments in associates		**14,803**	12,380
Available-for-sale investments		**10,264**	8,147
Financial assets at fair value through profit or loss		**-**	7,800
Deferred tax assets		**13,644**	16,065
Other deposits paid		**55,495**	57,862
Total non-current assets		**1,480,364**	1,200,302
CURRENT ASSETS			
Inventories		**55,660**	44,268
Trade receivables	8	**411,408**	429,884
Prepayments, deposits and other receivables		**44,578**	45,802
Financial assets at fair value through profit or loss		**99,735**	91,573
Tax recoverable		**4,087**	5,854
Cash and cash equivalents		**517,317**	668,835
Total current assets		**1,132,785**	1,286,216
CURRENT LIABILITIES			
Trade and bills payables	9	**66,583**	57,603
Other payables and accruals		**265,941**	240,934
Provision		**5,446**	-
Tax payable		**19,891**	3,082
Finance lease and hire purchase contract payables		**-**	315
Total current liabilities		**357,861**	301,934
NET CURRENT ASSETS		**774,924**	984,282
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,255,288**	2,184,584

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2017

	2017	2016
	HK$'000	HK$'000
NON-CURRENT LIABILITIES		
Provision	**-**	10,800
Finance lease and hire purchase contract payables	**-**	2
Deferred tax liabilities	**113,756**	100,519
Total non-current liabilities	**113,756**	111,321
Net assets	**2,141,532**	2,073,263
EQUITY		
Equity attributable to owners of the Company		
Issued capital	**173,222**	173,222
Reserves	**1,968,310**	1,900,041
Total equity	**2,141,532**	2,073,263

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 2016.

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 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, certain 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.

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 2017. 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 including (i) the contractual arrangement with the other vote holders of the investee; (ii) rights arising from other contractual arrangements; and (iii) the Group's voting rights and potential voting rights. 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 new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKAS 7	*Disclosure Initiative*
Amendments to HKAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses*
Amendments to HKFRS 12 included in *Annual Improvements to HKFRSs 2014-2016 Cycle*	*Disclosure of Interests in Other Entities: Clarification of the scope of HKFRS 12*

None of the above amendments to HKFRSs has had a significant financial effect on these financial statements. The nature and the impact of the amendments are described below:

(a) Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

(b) Amendments to HKAS 12 clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The amendments have had no impact on the financial position or performance of the Group as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

(c) Amendments to HKFRS 12 clarify that the disclosure requirements in HKFRS 12, other than those disclosure requirements in paragraphs B10 to B16 of HKFRS 12, apply to an entity's interest in a subsidiary, a joint venture or an associate, or a portion of its interest in a joint venture or an associate that is classified as held for sale or included in a disposal group classified as held for sale. The amendments have had no impact on the Group's financial statements.

3. Operating segment information

The Group is principally engaged in the business of publishing and distribution of newspapers, magazines and books to readers in Hong Kong, Canada, the United States of America, Europe, Australia and New Zealand, and sales of respective content of such publications in Hong Kong and Mainland China.

The Group operates as a single operating segment. The single operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segment, have been identified as the executive directors that make strategic decisions.

None of the revenue derived from any single external customer accounted for more than 10% of the Group's revenue during the year (2016: Nil).

4. Profit before tax

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

	2017 **HK$'000**	2016 HK$'000
Investment income	**(4,261)**	(3,150)
Dividend income from equity investments	**(2,028)**	(247)
Fair value losses/(gains), net on:		
Financial assets at fair value through profit or loss	**(6,967)**	873
Derivative financial instruments – transactions not qualifying as hedges	**(867)**	(277)
Investment properties	**(5,951)**	(45)
Cost of inventories sold	**283,012**	311,285
Depreciation	**77,369**	75,238
Impairment of intangible assets	**-**	1,000
Amortisation of intangible assets	**9**	11

5. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 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.

	2017	2016
	HK$'000	HK$'000
Current:		
Charge for the year:		
The People's Republic of China:		
Hong Kong	**16,793**	12,322
Elsewhere	**155**	4
Elsewhere	**496**	-
Under/(over)provision in prior years	**1,569**	(2,786)
Deferred	**4,513**	1,022
Total tax charge for the year	**23,526**	10,562

6. Dividends

	2017	2016
	HK$'000	HK$'000
Interim – HK2 cents (2016: HK2 cents) per ordinary share	**17,322**	17,322
Proposed:		
Final – HK4 cents (2016: HK4 cents) per ordinary share	34,644	34,644
Special – HK4 cents (2016: HK2 cents) per ordinary share	34,644	17,322
	86,610	69,288

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:

	2017	2016
	HK$'000	HK$'000
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**41,349**	33,822

	Number of shares	
	2017	2016
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**866,106,337**	866,098,140
Effect of dilution – weighted average number of ordinary shares:		
Share options	**-**	1,814
	866,106,337	866,099,954

8. Trade receivables

	2017	2016
	HK$'000	HK$'000
Trade receivables	**426,424**	445,834
Impairment	**(15,016)**	(15,950)
	411,408	429,884

8. Trade receivables (continued)

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:

	2017	2016
	HK$'000	HK$'000
Current to 30 days	**246,074**	249,273
31 to 60 days	**50,887**	59,022
61 to 90 days	**36,762**	42,796
91 to 120 days	**21,822**	25,756
Over 120 days	**70,879**	68,987
	426,424	445,834

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

	2017	2016
	HK$'000	HK$'000
At 1 January	**15,950**	11,145
Impairment losses recognised	**984**	7,430
Amounts written off as uncollectible	**(1,962)**	(2,567)
Exchange realignment	**44**	(58)
At 31 December	**15,016**	15,950

The individually impaired trade receivables with an aggregate carrying amount before provision of HK$15,016,000 (2016: HK$15,950,000) 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:

	2017	2016
	HK$'000	HK$'000
Neither past due nor impaired	**246,074**	195,468
Less than 30 days past due	**50,877**	53,805
31 to 90 days past due	**36,206**	101,317
Over 91 days past due	**78,251**	79,294
	411,408	429,884

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:

	2017	2016
	HK$'000	HK$'000
Current to 30 days	**52,107**	42,052
31 to 60 days	**7,954**	12,154
61 to 90 days	**3,453**	1,891
91 to 120 days	**665**	499
Over 120 days	**2,404**	1,007
	66,583	57,603

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

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

According to admanGo, Hong Kong's advertising market recovered from its previous downward trend and recorded a year-on-year increase of 4% in 2017. Yet not all media sectors saw growth, and print media continued to experience a decline in advertising revenue given advertisers' cautious spending in certain sectors and the shift of advertising dollars to new media channels. In view of the soft business conditions, the Group reported a decrease in consolidated revenue from approximately HK$1,609.0 million in 2016 to approximately HK$1,511.9 million in 2017. However, the decline in revenue has slowed down compared with the previous year; and as a result of effective cost optimisation and efficiency gains, profit attributable to owners of the Company increased by 22% from approximately HK$33.8 million in 2016 to approximately HK$41.3 million in 2017.

Newspapers

In 2017, the total newspaper advertising market saw a 6% year-on-year drop, a lessening from the 10% decline recorded in 2016. Paid newspapers' advertising revenue has seen a downtrend for four consecutive years but the drop in 2017 was smaller than that in the previous year. Free newspapers' advertising revenue also recorded a decline in 2017.

Despite the unfavourable market trend, Headline Daily continued to be the number 1 free newspaper in Hong Kong. With an average weekday circulation of over 820,000 copies (according to Hong Kong Audit Bureau of Circulations July - September 2017 report), Headline Daily was the newspaper in Hong Kong with the highest circulation. Its average readership grew to 1,257,000 which was the largest among all newspapers in Hong Kong, and also 19% more than the net total of the other three Chinese free newspapers combined (according to Ipsos Media Atlas 2017 report). Headline Daily recorded the largest increase (on a year-on-year basis) in the number of readers among free newspapers in 2017, and was the only local print media with daily readership of over one million. In terms of advertising revenue, Headline Daily remained the market leader in Hong Kong in 2017, according to admanGo. It commanded a diversified base of advertisements and attained growth in a range of categories such as Pharmaceuticals, Property, Restaurants and Telecommunications. Headline Daily not only provided a cost-effective marketing medium for advertisers but also a high-quality information source to its readers. During the year, Headline Daily was the only free newspaper to publish a number of special editions, and with three prizes it was the most awarded free newspaper at the news awards organised by The Newspaper Society of Hong Kong. Headline Finance paper, the most widely-read finance newspaper, increased its readership by 28% (on a year-on-year basis) to 271,000 (according to Ipsos Media Atlas 2017 report), exceeding the readership of paid finance newspapers in the market by over 100%.

Although paid newspapers in Hong Kong faced a challenging industry environment in 2017, Sing Tao Daily managed to buck the trend and achieved stable revenue, thanks to its commitment on providing a high-quality newspaper to serve both readers and advertisers. Furthermore, Sing Tao Daily enhanced its profitability in 2017 through efforts on work process restructuring and optimising operational efficiency which brought cost savings. In 2017, Sing Tao Daily focused on strengthening its content in Finance and Property, Education, Art & Culture, Travel and Racing. According to admanGo, Sing Tao Daily continued to be the market leader in Property advertisements in 2017, and was also the paid newspaper with the largest amount of advertising revenue in Retail and Luxury Products. It continued to grow its advertising revenue in other categories including Travel and Banking. According to Ipsos Media Atlas 2017 report, Sing Tao Daily's readership growth of 16% (on a year-on-year basis) was one of the highest amongst all newspapers, and Sing Tao Daily had a strong appeal to readers with a high-quality lifestyle as well as families with young children. Smart Parents, again voted as the number 1 parenting magazine in Hong Kong by Marketing Magazine, recorded a 49% growth in readership (on a year-on-year basis, according to Ipsos Media Atlas 2017 report).

The Standard maintained steady performance in 2017. In terms of revenue, it managed to achieve growth in a range of advertising categories including Property, Media, Travel, Hotels and Government (according to admanGo). According to Ipsos Media Atlas 2017 report, The Standard recorded a 13% increase in readership (on a year-on-year basis). In terms of profitability, The Standard also achieved an improvement due to effective measures on cost control and productivity improvements.

The overseas operations of Sing Tao Daily were under pressure from the trend towards new media, which had a negative impact on advertising and circulation revenue. During the year, the US operations were restructured which resulted in a more streamlined management structure and integrated operations for realising synergies, enhancing efficiency and rationalising expenses. Where appropriate, work processes were transferred to lower-cost locations for maximising cost effectiveness. Accordingly, the overseas operations delivered relatively stable bottom line results in 2017.

Magazines

The magazine market in Hong Kong continued to weaken in 2017, recording a 33% drop in advertising revenue (according to admanGo). Notwithstanding this industry trend, the Group's flagship magazine East Week and other titles performed stably and sustained slighter or no decline in revenue. East TOUCH made a transformation into a one-stop multimedia content platform spanning website, apps and social media, with a focus on video and other new formats of delivering information to interact with their readers. East Week remained committed to its positioning of a high-quality infotainment magazine and continued to strive to gain market share in terms of both readers and advertisers. The Magazine unit has consistently realigned its business model, work flow and cost structure to stay competitive in meeting the industry changes and challenges, and thereby achieved improved operating results in 2017.

Recruitment Media

The Group continued to take up the number 1 position in Hong Kong's recruitment print media market in 2017. According to Ipsos Media Atlas 2017 report, JobMarket's readership increased by 46% (on a year-on-year basis), the highest in the industry, and further surpassed its competitors as the recruitment publication with the largest readership. At the same time, it was also the recruitment publication with the largest share of advertising spending (according to admanGo). It has been active in organising a number of recruitment and continuing education seminars and exhibitions to expand revenue opportunities. "Headline Hot Jobs" benefited from the mass reach of Headline Daily and further grew in revenue and profit. At the same time, the unit has continued to develop its online recruitment platform which has seen steady rise in traffic.

New Media Business Development

The Group's new media business continued its development in 2017, under an "offline to online" strategy integrating the digital business initiatives with existing media products to provide a one-stop diversified platform of content and advertising solutions and services. Combining print advertising with digital online and mobile advertising channels, the Group's traditional and new media businesses complement each other in expanding their revenue potential and brand value.

The Headline Daily "Jetso" app, originally launched in 2016 to bring special privileges to Headline Daily's readers in celebrating the newspaper's anniversary, has further developed as an effective platform for advertisers to promote their products and for consumers to access information. With its functions expanded, the app has accumulated over 330,000 of downloads up to the end of 2017, with over 2,000,000 participations in over 70 campaigns organised for over 50 partnered merchants during the year.

"Headline POPNews", positioned as a video site for young affluent readers, further enhanced its content to focus on vertical features that are topical, light-hearted and relevant to its target audience' daily living. Such content also has a longer shelf life which helps to generate additional traffic to the site. Sing Tao Daily's website std.stheadline.com targets a more mature affluent audience and its objective and reliable content has helped to generate a steady increase in browsers and pageviews, along with its enhanced content in lifestyle features such as motor. Headline Daily's website hd.stheadline.com, with a mass appeal, also saw a steady increase in traffic. It was one of the first local publishers in Hong Kong to adopt AMP (a publishing technology to improve the performance of web content and advertisements) in 2017.

Ohpama.com, the one-stop education and parenting portal, continued to show significant progress in 2017, having achieved a doubling in its revenue as well as a 77% increase in monthly browsers and 45% increase in monthly pageviews. Its Facebook page likes also increased by 40% in 2017. As the top parenting social media in Hong Kong, currently attracting total fans of over 427,000 through its Facebook page and that of 24parent.com (a section of Ohpama.com), Ohpama.com has gained a strong recognition among readers and advertisers for its reliable content as well as its interactive events on parenting, education and study.

The new digital marketing company, Shimba Digital Limited, formed in 2017 in response to the increasing demand from advertisers for cross-media marketing services, brought together the sales and marketing of the Group's diverse media platforms and achieved a significant increase in revenue that exceeded expectations. Shimba Digital Limited aims to provide one-stop offline-to-online integrated marketing solutions delivered across different media platforms of the Group, with a focus on content marketing.

Prospects

The market conditions underlying the Group's core business are anticipated to remain challenging in 2018. Growth in advertising spending may stay modest and will be mixed across different media categories, with a shift towards digital platforms to be expected. Competition will likely be keen in both the traditional and new media segments, with rapidly changing technologies and market rules especially affecting the latter. In addition, newsprint prices are projected to surge in the coming quarters which will raise the cost of sales of print media.

Despite the uncertainties and challenges, there is a silver lining to the clouds that overhang the media market. According to Ipsos Media Atlas, newspaper (print) readership in Hong Kong has stabilised in 2017 after the adjustments in the past few years, and moderate readership increases in 2017 were registered by several paid newspapers that target the middle class. This is notwithstanding their cover price increases effected in late 2016 and 2017, and proves that newspapers still appeal to and serve readers looking for high-quality content. In addition, admanGo's data shows that the advertising revenue of certain paid newspapers remained steady in 2017, indicating that the consolidation in the industry has alleviated or even bottomed out.

In this environment of "survival of the fittest", the Group will continue to focus on creating premium content, providing high added-value advertising services and increasing operational efficiency to remain competitive in its core media businesses. While our print media market share continues to strengthen, we shall redeploy resources and equip our staff in order to further build our presence and competence in the new digital domain. At the end of 2017, the Group relocated its headquarters and workplace to its expanded Tseung Kwan O premises, and the resultant cost savings and synergies are expected to materialise starting in 2018. We believe that the Group is well-prepared to embrace the challenges and seize the opportunities to emerge a winner in this ever-changing media market landscape.

Employees

As at 31 December 2017, the Group had approximately 1,623 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.

DIVIDENDS

The Board recommends a final dividend of HK4 cents (2016: HK4 cents) per ordinary share and a special dividend of HK4 cents (2016: HK2 cents) per ordinary share for the year. Together with the interim dividend of HK2 cents per ordinary share paid to shareholders on 22 September 2017, the total annual dividend will amount to HK10 cents per ordinary share for the financial year (2016: HK8 cents). The proposed final dividend and special dividend, if approved at the forthcoming annual general meeting of the Company to be held on Thursday, 3 May 2018 (the "AGM"), will be payable on 18 May 2018.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining members who are qualified for attending and voting at the AGM, the register of members of the Company will be closed from Wednesday, 25 April 2018 to Thursday, 3 May 2018, both days inclusive, during which no transfer of shares will be registered. 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, 24 April 2018.

For the purpose of determining members who are entitled to the final dividend and special dividend, the register of members of the Company will be closed on Thursday, 10 May 2018 and Friday, 11 May 2018, on which dates no transfer of shares will be registered. In order to qualify for the final dividend and special 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 Wednesday, 9 May 2018.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed 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 to 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 provisions 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 and Mr. Lee Cho Jat, were unable to attend the annual general meeting of the Company held in 2017 due to prior or unexpected business or oversea 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 to the Listing Rules throughout the year.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2017 as set out in the preliminary announcement have been agreed by the Company's auditor, Ernst & Young ("EY"), to the amounts set out in the Group's consolidated financial statements for the year. The work performed by EY in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by EY on the preliminary announcement.

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, risk management and internal control systems, 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 2017 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, 28 March 2018

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.