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 INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

The board of directors ("Board") of Sing Tao News Corporation Limited ("Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries ("Group") for the six months ended 30 June 2019 together with the comparative figures for the corresponding period in 2018 as follows:

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2019

		For the six months ended 30 June	
		2019	2018
		(Unaudited)	(Unaudited)
	Notes	**HK$'000**	HK$'000
REVENUE	3	**631,404**	697,273
Cost of sales		**(412,223)**	(447,651)
Gross profit		**219,181**	249,622
Other income and gains/(losses), net		**12,302**	(18)
Distribution expenses		**(103,486)**	(111,872)
Administrative expenses		**(131,752)**	(142,171)
Other expenses		**(2,246)**	(1,029)
Finance costs		**(238)**	(1)
Share of profits and losses of:			
Joint ventures		**43**	3,514
Associates		**2,569**	3,582
PROFIT/(LOSS) BEFORE TAX	4	**(3,627)**	1,627

* *For identification purpose only*

CONSOLIDATED INCOME STATEMENT *(continued)*

For the six months ended 30 June 2019

		For the six months ended 30 June	
		2019	2018
		(Unaudited)	(Unaudited)
	Notes	**HK$’000**	HK$’000
PROFIT/(LOSS) BEFORE TAX	4	**(3,627)**	1,627
Income tax expense	5	**(4,060)**	(1,150)
PROFIT/(LOSS) FOR THE PERIOD		**(7,687)**	477
Earnings/(loss) per share attributable to ordinary equity holders of the Company – (HK cents)	6		
Basic		**(0.89)**	0.06
Diluted		**(0.89)**	0.06

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019

	For the six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Profit/(loss) for the period	**(7,687)**	477
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) for the period, net of tax:		
Items that may be reclassified to profit or loss in subsequent period:		
Exchange differences on translation of foreign operations	**3,745**	(4,765)
Reclassification adjustments for foreign operation deregistered during the period	**(4,591)**	-
Net other comprehensive loss that may be reclassified to profit or loss in subsequent period and total comprehensive loss for the period attributable to the owners of the Company	**(8,533)**	(4,288)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2019

	Notes	**30 June 2019 (Unaudited) HK$'000**	31 December 2018 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**1,230,341**	1,256,862
Investment properties		**66,066**	65,526
Other intangible assets		**100**	100
Investments in joint ventures		**59,375**	57,666
Investments in associates		**19,566**	16,997
Equity investments designated at fair value through other comprehensive income		**47**	47
Financial assets at fair value through profit or loss		**11,249**	11,249
Deferred tax assets		**3,897**	3,900
Other deposits paid		**68,487**	65,953
Total non-current assets		**1,459,128**	1,478,300
CURRENT ASSETS			
Inventories		**39,496**	59,475
Trade receivables	8	**320,579**	363,186
Prepayments, deposits and other receivables		**39,204**	34,306
Financial assets at fair value through profit or loss		**91,223**	85,129
Loan to an associate		**4,543**	4,543
Tax recoverable		**21,335**	2,433
Cash and cash equivalents		**433,156**	527,627
Total current assets		**949,536**	1,076,699
CURRENT LIABILITIES			
Trade and bills payables	9	**53,134**	86,660
Other payables and accruals		**185,643**	201,201
Lease liabilities		**4,289**	-
Tax payable		**17,639**	13,299
Total current liabilities		**260,705**	301,160
NET CURRENT ASSETS		**688,831**	775,539
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,147,959**	2,253,839

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

30 June 2019

	30 June 2019 (Unaudited) HK$'000	31 December 2018 (Audited) HK$'000
TOTAL ASSETS LESS CURRENT LIABILITIES	**2,147,959**	2,253,839
NON-CURRENT LIABILITIES		
Deferred tax liabilities	**116,868**	117,543
Lease liabilities	**6,437**	-
Total non-current liabilities	**123,305**	117,543
Net assets	**2,024,654**	2,136,296
EQUITY		
Equity attributable to owners of the Company		
Issued capital	**173,222**	173,222
Reserves	**1,851,432**	1,963,074
Total equity	**2,024,654**	2,136,296

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Accounting policies

The condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are consistent with those adopted in the preparation of the annual financial statements for the year ended 31 December 2018, except as described below.

In the current interim period, the Group has applied, for the first time, certain new and amended Hong Kong Financial Reporting Standards ("HKFRSs") and Interpretations issued by the HKICPA that are mandatorily effective for the Group's financial years beginning on or after 1 January 2019. Other than explained below regarding the impact of HKFRS 16, the application of the amendments to HKFRSs and Interpretations in the current interim period has had no material effect on the amounts reported and/or disclosure set out in these condensed consolidated financial statements.

Adoption of HKFRS 16 *Leases*

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases - Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under HKAS 17.

1. Accounting policies *(continued)*

Adoption of HKFRS 16 *Leases* *(continued)*

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standard-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of property, and vehicle. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019. The Group elected to present the lease liabilities separately in the statement of financial position. The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019. All these assets were assessed for any impairment based on HKAS 36 on that date and included in the balance of property, plant and equipment.

1. Accounting policies *(continued)*

Adoption of HKFRS 16 *Leases* *(continued)*

As a lessee – Leases previously classified as operating leases *(continued)*

Impacts on transition (continued)

For the leasehold land and buildings that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at fair value applying HKAS 40.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months

- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The impacts arising from the adoption of HKFRS 16 as at 1 January 2019 are as follows:

	Increase/(decrease) HK$'000 (unaudited)
Assets	
Increase in property, plant and equipment	13,326
Increase in total assets	13,326
Liabilities	
Increase in lease liabilities	13,326
Increase in total liabilities	13,326

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 is as follows:

	(unaudited) HK$'000
Operating lease commitments disclosed as at 31 December 2018	14,425
Less:	
Exemption for short-term leases	(174)
	14,251
Discounted using the Group's incremental borrowing rate	3.88%
Lease liabilities as at 1 January 2019	13,326

1. Accounting policies *(continued)*

Adoption of HKFRS 16 *Leases* *(continued)*

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 January 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "investment properties".

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

1. Accounting policies *(continued)*

Adoption of HKFRS 16 *Leases* *(continued)*

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has the option, under some of its leases, to lease equipment for additional terms of three years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew. The Group included the renewal period as part of the lease term for leases of machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

2. 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 which is 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 amounted for more than 10% of the Group's revenue during the period ended 30 June 2019 (2018: Nil).

3. Revenue

Disaggregated revenue information

	For the six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Revenue from contracts with customers		
Advertising income	**486,716**	549,755
Circulation income	**90,007**	94,182
Content sales and news service income	**14,233**	14,113
Radio broadcasting advertising income	**12,191**	11,965
Project management service income	**14,977**	12,052
Service income	**5,035**	7,355
Others	**5,146**	3,245
Revenue from other sources		
Gross rental income	**3,099**	4,606
	631,404	697,273

4. Profit/(loss) before tax

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

	For the six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Depreciation of property, plant and equipment	**43,403**	44,060
Depreciation of right-of-use assets	**2,796**	-
Investment income	**(2,093)**	(1,994)
Dividend income	**-**	(1,372)
Fair value losses/(gains), net on:		
Financial assets at fair value through profit or loss	**(1,354)**	6,937
Derivative financial instruments – transactions not qualifying as hedges	**88**	(65)

5. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	For the six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Current:		
Charge for the period:		
The People's Republic of China:		
Hong Kong	**3,627**	3,876
Elsewhere	**433**	-
Overprovision in prior periods	**-**	(2,584)
Deferred	**-**	(142)
Total tax expense for the period	**4,060**	1,150

6. Earnings/(loss) per share attributable to ordinary equity holders of the Company

The calculation of the basic earnings/(loss) per share amounts is based on the earnings/(loss) for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the current period in respect of a dilution as the impact of the share options had an anti-dilutive effect in the basic earnings/(loss) per share amount presented.

In the prior period, the calculation of the diluted earnings/(loss) per share amounts was based on the profit/(loss) for the period attributable to ordinary equity holders of the Company, as used in the basic earnings/(loss) per share calculation. The weighted average number of ordinary shares used in the calculation was the number of ordinary shares in issue during the period, as used in the basic earnings/(loss) 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/(loss) per share are based on:

	For the six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Earnings		
Profit/(loss) attributable to ordinary equity holders of the Company	**(7,687)**	477
	Number of shares	
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings/(loss) per share calculation	**866,106,337**	866,106,337
Effect of dilution – weighted average number of ordinary shares: Share options	**-**	123
	866,106,337	866,106,460

7. Dividend

At a meeting of the Board held on 29 August 2019, an interim dividend of HK3.5 cents per share was declared for the year ending 31 December 2019. This proposed dividend is not reflected as a dividend payable in these condensed financial statements, but will be reflected as an appropriation of retained profits for the year ending 31 December 2019.

8. Trade receivables

	30 June 2019 (Unaudited) HK$'000	31 December 2018 (Audited) HK$'000
Trade receivables	**332,947**	383,896
Impairment	**(12,368)**	(20,710)
	320,579	363,186

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

	30 June 2019 (Unaudited) HK$'000	31 December 2018 (Audited) HK$'000
Current to 30 days	**211,015**	216,941
31 – 60 days	**26,175**	47,456
61 – 90 days	**23,952**	29,299
91 – 120 days	**13,660**	21,123
Over 120 days	**45,777**	48,367
	320,579	363,186

9. Trade and bills payables

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

	30 June 2019 (Unaudited) HK$'000	31 December 2018 (Audited) HK$'000
Current to 30 days	**32,363**	38,056
31 – 60 days	**10,780**	20,635
61 – 90 days	**4,242**	9,524
91 – 120 days	**2,874**	2,501
Over 120 days	**2,875**	15,944
	53,134	86,660

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

MANAGEMENT DISCUSSION AND ANALYSIS

Results

The principal activities of the Group comprise Media operations including Newspapers, Magazines, Recruitment Media, New Media and other media-related businesses.

For the six months ended 30 June 2019 ("Period"), the Group reported consolidated revenue of approximately HK$631.4 million, as compared with approximately HK$697.3 million for the six months ended 30 June 2018 ("Previous Period"), and consolidated loss for the Period of approximately HK$7.7 million, as compared with approximately HK$0.5 million consolidated profit for the Previous Period.

Review of Media Operations

The Group's Media operations faced an unfavourable business environment during the Period. The Hong Kong economy softened in the second quarter, with the Mainland-US trade tensions and the global economic slowdown weakening confidence in the export, retail and investment markets and putting a drag on local economic growth. This has been exacerbated by the political protests that started in June, further hitting business and consumer sentiment. According to admanGo, Hong Kong's total advertising market increased by less than 1% in the first half of 2019 compared to the first half of 2018, with only the mobile and social media segments reporting positive growth whilst other segments including newspapers, magazines and even online media experiencing a drop in advertising revenue.

Newspapers

The Group's newspaper operations comprise Headline Daily, Sing Tao Daily, The Standard and the overseas business of Sing Tao Daily. Together, these account for the largest percentage of the Media operations' revenue and profit.

Headline Daily continued to be Hong Kong's number 1 free newspaper, widely-recognised as the industry leader in terms of circulation, readership and advertising. According to Ipsos Media Atlas 2019Q1 report, Headline Daily's average daily readership of 1,075,000 was the highest amongst all newspapers in Hong Kong. Read by 75% of total Chinese free newspaper readers, Headline Daily commanded a readership that was 18% more than the net total of the other three Chinese free newspapers combined, and remained as the only newspaper in Hong Kong with a readership of over one million. Having maintained a large circulation and readership base, Headline Daily represented the most effective print marketing medium for advertisers seeking to reach a mass audience. Although the overall free newspaper advertising market underwent a 5% drop in the first half of 2019, according to admanGo, Headline Daily continued to occupy the largest portion of the market and maintained its market share. This has been achieved by its unswerving commitment and efforts on providing high value-added services to advertisers as well as high-quality editorial content to readers. In addition, Headline Finance paper recorded a 4% growth in readership (according to Ipsos Media Atlas 2019Q1 report) and continued to be the most widely-read finance newspaper in Hong Kong.

Paid newspapers in Hong Kong continued to face a tough advertising market environment in the first half of 2019, which affected the performance of Sing Tao Daily. However, with its dedication as a high-quality newspaper offering authoritative, objective and interesting content, Sing Tao Daily has been able to retain the loyalty of its readers and achieved a 4% growth in readership (according to Ipsos Media Atlas 2019Q1 report), with increases especially among the high-income and shopping decision-maker reader groups. Sing Tao Daily continued to develop content in print and online format to satisfy readers' needs, including a range of Features and Education content that has been well-received in the market. To provide the best value to its readers, Sing Tao Daily has maintained its cover price at HK$8 when all other paid newspapers have raised their prices this year. In terms of advertising revenue, Hong Kong's paid newspapers as a whole suffered a 9% drop in the first half of 2019, according to admanGo. Sing Tao Daily was not immune from the market's weakness especially in the Banking and Retail categories. Nevertheless, it continued to be the market leader in Property advertisements and was able to grow its advertising revenue in categories such as Non-profit Organisations, Electrical Appliances and Automobiles.

Thanks to consistent efforts on diversifying revenue, maximising operational efficiency and controlling expenses, The Standard managed to improve its financial performance during the Period. According to Ipsos Media Atlas 2019Q1 report, The Standard achieved a 9% increase in readership, one of the highest among all newspapers in that survey. It also out-performed its English-language newspaper competitor in terms of advertising, having recorded a 6% growth in advertising revenue according to admanGo, with increases in a range of advertising categories including Property, Government, Travel and Hotels. Together with an optimal cost structure, The Standard improved its profitability for the Period.

During the Period, the overseas operations of Sing Tao Daily continued to come under pressure from the global economic slowdown and the industry's shift to digital media, which adversely affected advertising and circulation revenue. To mitigate against the negative impact on financial performance, the overseas operations remained diligent in reforming their cost structure while developing new income sources which leveraged on the established market presence and reputation of the Sing Tao brand.

Magazines

Although the magazine advertising market in Hong Kong continued to weaken in the first half of 2019 (according to admanGo), the Group's magazine unit maintained a stable top line and an improved bottom line, reaping the benefits of its committed efforts on managing costs and developing new revenue models. East Week recorded a 9% increase in readership (according to Ipsos Media Atlas 2019Q1 report), one of the highest among all weekly magazines in that survey, while Caz Buyer's readership also went up by 11%. The monthly titles JET and Spiral saw a recovery in revenue and exercised effective expenditure control to deliver an improvement in financial performance.

Recruitment Media

During the Period, the Group remained as the market leader in Hong Kong's recruitment print media industry. In terms of readership, JobMarket continued to be the top recruitment publication with a 3% increase in readership (according to Ipsos Media Atlas 2019Q1 report); it was also the weekly publication with the largest readership in Hong Kong. In terms of advertising revenue, JobMarket was also the top recruitment publication during the Period, according to admanGo. However, the recruitment advertising market in Hong Kong generally underwent a decline in the first half of 2019 and put a negative impact on the Group's recruitment media business.

New Media Business Development

During the Period, the Group's new media business continued to grow and increased its contribution to the Group's revenue and profit.

The revamped Headline Daily "Jetso" app continued to expand its market presence and launched a "Prizes for Everyone" mobile campaign in April, partnering with well-known local brands to attract extensive response among users. With the addition of a "Classified Jetso" section, the app has provided a self-service advertising platform for SMEs to promote their products and services to the app's substantial user base. Renowned for its creativity and popularity, the app won the silver prize in "Best App - News" presented by "Mob-Ex Awards 2019" as well as two gold awards in "The Spark Awards 2019". Up to the end of June 2019, the app has accumulated over 450,000 of downloads, with over 2.2 million participations in over 100 campaigns during the Period.

Ohpama.com, the one-stop education and parenting media platform, continued to grow its business during the Period, focusing on expanding its revenue and profit and achieved notable results. Following the launch of new sections "Product Safety Testing Centre" and "Pretty Mama" in late 2018, web traffic maintained a stable uptrend and social media followers continued to increase solidly, with total Facebook fans (Ohpama.com and 24parent.com) exceeding 509,000 as of June 2019. Ohpama.com also launched its mobile app in late 2018, offering location-specific information and personalised calendars for parenting activities; the app has accumulated downloads of over 24,000 up to June 2019. As the number 1 parenting digital media in Hong Kong, Ohpama.com has continued to receive acclaim in the market and won a number of awards in "The Spark Awards 2019" including "Best Media Campaign - Social", "Best Fast-Growing Media" and "Best Influential Media".

The video site "Headline POPNews" saw considerable growth in traffic during the Period, as did Headline Daily's website (hd.stheadline.com) as well as Sing Tao Daily's website (std.stheadline.com). This can be attributed to the emergence of a number of prominent happenings during the Period which attracted readers' attention, in addition to the teams' active efforts made to enrich the content and improve the sites' user experience, interest and engagement. The digital marketing company, Shimba Digital Limited, continued to achieve revenue growth by effectively bringing together the sales and marketing of the Group's cross-media platforms, offering advertisers a total reach in excess of 109 million monthly pageviews and 1.8 million Facebook fans. It has also started to extend its network to provide advertising sales services to third-party digital platforms. As a recognition by the industry for its achievement in combining offline and online businesses, Shimba Digital Limited won the "O2O Award" from the Hong Kong O2O E-Commerce Federation in March 2019.

Prospects

Hong Kong's economic conditions in the first half of 2019 were the weakest since the recession in 2009, and the second half of the year is fraught with uncertainty. The negative impact of the escalated Mainland-US trade tensions and ongoing Brexit negotiations look set to drag on the economy at least until year-end. At the time of this report, the civil protests in Hong Kong are continuing and we are concerned about their implications on the local economy. We shall continue to monitor the situation closely.

Despite the economic and political uncertainty that we face, our long term strategies and values remain steadfast. During challenging times such as the present, the Group will remain focused on its core media products while seeking growth opportunities in new media segments. The provision of high quality editorial content to its readers and cost-effective advertising services to its advertisers is central to the Group's strategy. At the same time, the realignment of its resources and optimisation of its operational efficiency is all the more important for a long term sustainable business.

Employees

As at 30 June 2019, the Group had approximately 1,480 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.

Interim Dividend

Given that the Group has a stable cash reserve and there is no major capital investment plan in the foreseeable future, the management has proposed an increased interim dividend for shareholders to capture their other investment opportunities in the market. Accordingly, the Board has resolved to declare an interim dividend of HK3.5 cents (Previous Period: HK2 cents) per share for the Period ("Interim Dividend") payable on Tuesday, 24 September 2019 to shareholders whose names appear on the register of members of the Company on Monday, 16 September 2019.

Closure of Register of Members

The register of members of the Company will be closed on Friday, 13 September 2019 to Monday, 16 September 2019, on which dates no transfer of shares will be registered. In order to qualify for the Interim Dividend, all share transfers accompanied by the relevant share certificates must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, namely Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 12 September 2019.

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 Period.

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and complied with the said Corporate Governance Code throughout the Period with deviations from the code provisions A.6.7 and E.1.2. 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 on 9 May 2019 due to prior or unexpected business or overseas engagement.

COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules ("Model Code") as the code for dealings in securities of the Company by the directors. The Company has made specific enquiries to all directors of the Company who confirmed that they had complied with the required standard set out in the Model Code throughout the Period.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the Period, including the accounting principles and accounting standards adopted by the Company, and discussed matters relating to risk management, internal control systems and financial reporting.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the website of The Stock Exchange of Hong Kong Limited ("Stock Exchange") at www.hkexnews.hk and the website of the Company at www.singtaonewscorp.com. The 2019 interim 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, 29 August 2019

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.