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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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

The board of directors (“**Board**”) of Sing Tao News Corporation Limited (“**Company**”) announces the unaudited consolidated results of the Company and its subsidiaries (“**Group**”) for the six months ended 30 June 2020 together with the comparative figures for the corresponding period in 2019 as follows:

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2020

	Notes	For the six months ended 30 June	
		2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
REVENUE	3	400,201	631,404
Cost of sales		(274,722)	(412,223)
Gross profit		125,479	219,181
Other income and gains, net		18,625	12,302
Distribution expenses		(80,725)	(103,486)
Administrative expenses		(116,376)	(131,752)
Other expenses		(3,960)	(2,246)
Finance costs		(756)	(238)
Share of profits and losses of:			
Joint ventures		(7,614)	43
Associates		3,575	2,569
LOSS BEFORE TAX	4	(61,752)	(3,627)

* For identification purpose only

CONSOLIDATED INCOME STATEMENT *(continued)*

For the six months ended 30 June 2020

		For the six months ended 30 June	
		2020	2019
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
LOSS BEFORE TAX	4	(61,752)	(3,627)
Income tax credit/(expense)	5	455	(4,060)
LOSS FOR THE PERIOD		<u>(61,297)</u>	<u>(7,687)</u>
Loss per share attributable to ordinary equity holders of the Company – (HK cents)	6		
Basic		<u>(6.98)</u>	<u>(0.89)</u>
Diluted		<u>(6.98)</u>	<u>(0.89)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2020

	For the six months ended 30 June	
	2020	2019
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Loss for the period	(61,297)	(7,687)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(2,955)	3,745
Reclassification adjustment for a foreign operation deregistered during the period	<u>(346)</u>	<u>(4,591)</u>
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods and total comprehensive loss for the period attributable to the owners of the Company	<u>(64,598)</u>	<u>(8,533)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2020

		30 June 2020 (Unaudited) HK\$'000	31 December 2019 (Audited) HK\$'000
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment		1,138,016	1,186,554
Investment properties		118,092	119,122
Other intangible assets		100	100
Investments in joint ventures		46,905	56,661
Investments in associates		24,147	20,572
Equity investments designated at fair value through other comprehensive income		47	47
Financial assets at fair value through profit or loss		10,651	10,651
Deferred tax assets		3,179	3,179
Other deposits paid		72,870	75,903
Total non-current assets		<u>1,414,007</u>	<u>1,472,789</u>
CURRENT ASSETS			
Inventories		35,290	35,574
Trade receivables	8	206,796	285,736
Prepayments, deposits and other assets		31,331	35,335
Financial assets at fair value through profit or loss		99,830	76,439
Tax recoverable		10,249	5,050
Cash and cash equivalents		474,382	479,840
Total current assets		<u>857,878</u>	<u>917,974</u>
CURRENT LIABILITIES			
Trade and bills payables	9	29,568	37,579
Other payables and accruals		152,027	183,028
Lease liabilities		20,432	29,328
Tax payable		649	1,577
Total current liabilities		<u>202,676</u>	<u>251,512</u>
NET CURRENT ASSETS		<u>655,202</u>	<u>666,462</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,069,209</u>	<u>2,139,251</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

30 June 2020

	30 June 2020 (Unaudited) HK\$'000	31 December 2019 (Audited) HK\$'000
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>2,069,209</u>	<u>2,139,251</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	118,377	120,188
Lease liabilities	9,878	15,715
Total non-current liabilities	<u>128,255</u>	<u>135,903</u>
Net assets	<u>1,940,954</u>	<u>2,003,348</u>
EQUITY		
Equity attributable to owners of the Company		
Issued capital	175,706	175,325
Reserves	1,765,248	1,828,023
Total equity	<u>1,940,954</u>	<u>2,003,348</u>

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Accounting policies

The 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 consolidated financial statements for the year ended 31 December 2019, except as described below.

In the current interim period, the Group has applied, for the first time, certain new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA. The application of the new and revised HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these consolidated financial statements.

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 and Europe, 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 2020 (six months ended 30 June 2019: Nil).

3. Revenue

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2020	2019
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<i>Revenue from contracts with customers</i>	396,707	628,305
<i>Revenue from other sources</i>		
Gross rental income from operating leases	3,494	3,099
	400,201	631,404

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2020	2019
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Type of goods or services		
Advertising income	277,493	486,716
Circulation income	71,718	90,007
Content sales and news service income	14,583	14,233
Radio broadcasting advertising income	12,433	12,191
Project management service income	15,292	14,977
Service income	2,423	5,035
Others	2,765	5,146
Total revenue from contracts with customers, transferred at a point in time	396,707	628,305

4. Loss before tax

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

	For the six months ended 30 June	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Depreciation of property, plant and equipment (other than right-of-use assets)	41,413	43,403
Depreciation of right-of-use assets	15,487	2,796
Investment income	(1,652)	(2,093)
Dividend income	(59)	-
Fair value losses/(gains), net on:		
Financial assets at fair value through profit or loss	968	(1,354)
Derivative financial instruments – transactions not qualifying as hedges	209	88
Impairment of trade receivables *	<u>3,960</u>	<u>2,246</u>

* The impairment of trade receivables is included in “Other expenses” in the consolidated income statement.

5. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2019: 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	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Current:		
Charge for the period:		
The People's Republic of China:		
Hong Kong	369	3,627
Elsewhere	-	433
Overprovision in prior periods	(21)	-
Deferred	<u>(803)</u>	<u>-</u>
Total tax charge/(credit) for the period	<u>(455)</u>	<u>4,060</u>

6. Loss per share attributable to ordinary equity holders of the Company

The calculation of the basic loss per share amount is based on the loss for the period attributable to owners of the Company and the weighted average number of ordinary shares in issue during the period.

The calculation of the diluted loss per share amount is based on the loss for the period attributable to owners of the Company, as used in the basic loss per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic 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 loss per share are based on:

	For the six months ended 30 June	
	2020	2019
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<u>Loss</u>		
Loss attributable to ordinary equity holders of the Company	<u>(61,297)</u>	<u>(7,687)</u>
	Number of shares	
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	<u>878,178,395</u>	<u>866,106,337</u>

No adjustment has been made to the basic loss per share presented for the six months ended 30 June 2020 and 2019 in respect of any dilution as the impact of the share options has an anti-dilution effect in the basic loss per share amounts presented.

7. Dividend

At a meeting of the Board held on 27 August 2020, the Board has resolved not to declare any interim dividend for the six months ended 30 June 2020. In the prior period, the Board resolved the payment of an interim dividend of HK\$3.5 cents per share.

8. Trade receivables

	30 June 2020 (Unaudited) HK\$'000	31 December 2019 (Audited) HK\$'000
Trade receivables	222,952	298,403
Impairment	(16,156)	(12,667)
	<u>206,796</u>	<u>285,736</u>

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 and net of loss allowance, is as follows:

	30 June 2020 (Unaudited) HK\$'000	31 December 2019 (Audited) HK\$'000
Current to 30 days	136,198	172,900
31 to 60 days	15,474	41,703
61 to 90 days	17,789	30,100
91 to 120 days	11,186	15,053
Over 120 days	26,149	25,980
	<u>206,796</u>	<u>285,736</u>

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 2020 (Unaudited) HK\$'000	31 December 2019 (Audited) HK\$'000
Current to 30 days	15,760	21,814
31 to 60 days	6,882	8,666
61 to 90 days	3,175	5,368
91 to 120 days	2,472	419
Over 120 days	1,279	1,312
	<u>29,568</u>	<u>37,579</u>

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

10. Event after the reporting period

On 16 July 2020, a placing agreement between Luckman Trading Limited, a company wholly-owned by Mr. Ho Tsu Kwok, Charles, an executive director of the Company, the Chairman of the Board and a controlling shareholder of the Company, and an independent placing agent was completed. Upon completion of placing, Mr. Ho's total indirect shareholding in the Company held through Luckman Trading Limited reduced from 426,197,500 shares to 279,196,500 shares or from approximately 48.50% to 31.43% of the entire issued share capital of the Company as at 16 July 2020. Details of the placing of shares by Luckman Trading Limited was set out in the Company's announcement dated 16 July 2020.

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 2020 (“**Period**”), the Group reported consolidated revenue of approximately HK\$400.2 million, as compared with approximately HK\$631.4 million for the six months ended 30 June 2019 (“**Previous Period**”), and consolidated loss of approximately HK\$61.3 million for the Period, as compared with consolidated loss of approximately HK\$7.7 million for the Previous Period.

Review of Media Operations

Already battered by the impact of the social unrest and Mainland-US trade tensions, Hong Kong’s economy was brought to its knees by the COVID-19 pandemic which since January 2020 has caused serious disruptions to business and consumption activities. The advertising market suffered a severe setback and, according to admanGo, total advertising spending in Hong Kong fell by an unprecedented 31% in the first half of 2020 compared to the first half of 2019, with all media segments reporting significant declines and only the mobile segment showing growth. In addition, all but two of the top 20 advertising categories contracted during the Period. The entire media industry was dragged into an “ice age” by the COVID-19 crisis; amidst such an austere business environment, the operating results of the Group’s media operations deteriorated for the Period under review.

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.

As the COVID-19 pandemic took its toll on the Hong Kong economy and brought advertising activities to a near standstill, total advertising spending for newspapers recorded a 48% plunge for the first half of 2020, the worst seen in the records of admanGo. Both the paid newspaper and free newspaper markets were gravely affected.

Although *Headline Daily* recorded a decrease in advertising spending for the Period which was in line with the market (according to admanGo), it remained the number 1 free newspaper in Hong Kong with a strong foothold. According to Ipsos Media Atlas 2020Q2 report, *Headline Daily* commanded the highest average daily readership amongst all newspapers in Hong Kong, which was 37% more than the net total of the other two Chinese free newspapers combined. *Headline Daily*’s circulation also exceeded that of competitors by a large margin, given its extensive distribution network covering 100% of Hong Kong’s residential estates with Chinese-language free newspaper distribution. In addition, *Headline Daily* continued to dominate the newspaper advertising market; according to admanGo, for the first half of 2020 *Headline Daily* increased its share of free newspapers’ advertising spending as well as maintained the top position in the majority of the top 10 advertising categories for free newspapers. Despite the harsh operating environment, *Headline Daily* stayed committed to providing high added value to readers and advertisers; for example, the features section “*Headlife*” was enriched to offer diverse information on living and trends delivered both offline

and online. To mitigate the impact of the advertising revenue decline on its profitability, Headline Daily exercised prudent control over its costs of production, while also benefiting from the lower newsprint prices during the Period.

The COVID-19 pandemic and the ensuing halt on business and social activities inflicted a detrimental hit on advertising revenue in the paid newspaper market in Hong Kong for the first half of 2020, and Sing Tao Daily was not immune to the damage. However, as a newspaper dedicated to providing objective reporting and comprehensive high-quality content, Sing Tao Daily continued to lead in readership among niche paid newspapers (according to Ipsos Media Atlas 2020Q2 report). COVID-19 disrupted everyday life in Hong Kong and Sing Tao Daily has placed additional focus on the changed needs of the market to better serve readers in adapting to the “new normal” and form ever-closer bonds with them. Apart from providing factual news to help readers stay abreast of happenings in the world, Sing Tao Daily also offered pertinent content for the stay home anti-epidemic fight such as the free Sunday cookbooks, as well as free trial promotions for the Sing Tao Daily electronic paper. Sing Tao Daily’s Education webpage supported students’ online learning by offering exercise sheets in different academic subjects for free download; also worth mentioning is the innovative format incorporating face-to-face and virtual debate matches adopted for the “35th Sing Tao Inter-School Debating Competition”.

The English-language newspaper market suffered like the rest of the industry during the Period. According to admanGo, The Standard recorded a drop in advertising spending that was less than that of its competitor, and at the same time gained a larger market share. Its decrease in readership was also milder compared with that of its competitor, according to Ipsos Media Atlas 2020Q2 report. Given a relatively agile cost structure, The Standard was able to minimise the hit of its revenue reduction on profitability through further savings on costs of production and other expenses. In addition, The Standard enhanced its website to provide more breaking news, and achieved significant growth in traffic for the first half of 2020, namely 137% year-on-year increase in monthly browsers and 89% increase in monthly pageviews.

The overseas operations of Sing Tao Daily got off to a promising start of the year riding on the economic growth in the US, but COVID-19 caught up and the extensive lockdown in the overseas markets starting in March dealt a severe blow to economic activities and thereby the business and financial performance of the overseas operations. Sing Tao Daily’s Chinese radio operations in San Francisco, US turned out to be relatively resilient in such market environment. In reaction to the immense difficulty posed by the COVID-19 pandemic, the overseas operations implemented cost saving measures as well as introduced initiatives including a new mobile application (Sing Tao US App) and the Sing Tao Daily US electronic newspaper. Both were launched in March and aimed at offering an alternative platform for readers to access news and information while serving the new needs of advertisers under the pandemic.

Magazines

The magazine market recorded a 38% drop in advertising spending in the first half of 2020 compared to the first half of 2019, according to admanGo. East Week was one of the more robust titles within the infotainment magazine segment, with advertising reduction that was less than market. To cope with the tough business conditions and in response to the social distancing requirements under the COVID-19 pandemic, East Week adopted new ways of conducting its business activities, such as videoed presentation of its “Hong Kong Service Awards 2020” to winning enterprises, and the special book project “Guarding our City” which attracted popular response.

Recruitment Media

With Hong Kong's unemployment rate hitting a 15-year high, the volume of job advertisements saw a major across-the-board dip in the first half of 2020 for all recruitment publications, according to admanGo. Nevertheless, the Group remained as the market leader in Hong Kong's recruitment print media industry, with JobMarket holding the largest share of job advertisements in volume terms. In view of the social distancing measures necessitated by COVID-19, JobMarket has turned to organising virtual recruitment and education fairs as well as strengthening its digital content and advertising efforts to satisfy the market's demands.

New Media Business Development

With the measures for the anti-epidemic fight and new modes of communication brought about by COVID-19 resulting in increased use of online media, the Group's newspaper websites saw substantial growth in traffic for the first half of 2020. Sing Tao Daily's website (std.stheadline.com) recorded year-on-year increases of 37% and 76%, respectively, in monthly browsers and monthly pageviews. The website was revamped in May 2020 to present an up-to-date interface design as well as enhanced content and functions, with highlights on political news, exclusive news, KOL and education information. In addition, the revamp provided a more diverse advertising platform adding value for advertisers as well as extra revenue opportunities. As a more mass-market news site, Headline Daily's website (hd.stheadline.com) almost doubled its traffic, having achieved year-on-year increases of 100% and 97%, respectively, in monthly browsers and monthly pageviews for the first half of 2020. "Headline POPNews" also proved to be a popular channel for advertisers to reach their target audience via video.

Ohpama.com, the one-stop education and parenting media platform, has held up its business performance relatively well for the Period, having continued to expand its client base and increased its advertising revenue from industry categories ranging from hygiene products to overseas education. Its website was revamped in May 2020, and monthly browsers and monthly pageviews recorded year-on-year increases of 86% and 57%, respectively, for the Period. Social media followers also increased, with total Facebook fans (Ohpama.com and 24parent.com) exceeding 579,000 as of June 2020. In addition, the Ohpama mobile app has almost doubled its downloads since June 2019, to reach 45,000 as of June 2020. As the number 1 parenting digital media in Hong Kong, Ohpama.com reacted swiftly to the changes in the market brought about by the COVID-19 pandemic; apart from launching a series of educational and practical live video programmes to support "Learning from Home", it also shifted its client events to online formats and developed an online fair platform to help clients promote their products and services.

During the Period, the Headline Daily "Jetso" app continued its growth momentum. Cumulative downloads reached 510,470 at the end of June 2020, while total members increased to nearly 100,000. Responding to the changed consumer spending pattern brought about by the online shopping trend and the COVID-19 pandemic, "Jetso" app launched the marketing campaign "New Era of Online Shopping @Jetso App" in May, aimed at promoting local e-shops via print and online media channels. By offering exclusive online shopping discounts via "Jetso" app, e-shops and other advertisers extended their reach to more potential consumers. In addition, to support "fighting the virus together", "Jetso" app introduced a limited time offer in its "Classified Jetso" section for Hong Kong's small enterprises and stores during the difficult pandemic time.

The digital marketing company, Shimba Digital Limited, stepped up its efforts on bringing together the Group's cross-media platforms to offer advertisers a one-stop advertising network, as well as extending the network to third-party digital platforms giving advertisers yet a greater digital reach. For example, it has partnered with the MTR Corporation Limited for selling advertising solutions on the latter's mobile app. To facilitate its clients in embracing the new business patterns generated by the COVID-19 pandemic, Shimba Digital Limited enhanced its offering of professional and timely solutions and services in digital advertising strategy, e-commerce and online events.

Prospects

The COVID-19 outbreak has brought about a marked downturn in overall economic activities and the market's recession has presented extraordinary challenges to the business of the media industry. However, the demand for information has instead increased in the pandemic and the role of reliable media is made all the more important. The Group will adhere to its strategy of providing factual, objective and high quality news and information, to help keep readers updated regarding the evolving situation. At the same time, the Group will continue to be flexible and responsive in adapting to the "new normal" under COVID-19, especially in improving its new media capabilities, to meet the different customer preferences during and after the pandemic and thereby build on their loyalty for the long term.

Given that the COVID-19 pandemic has yet to stabilise, the global and local economies will remain weak and advertising spending will continue to be restrained. With this backdrop, the Group expects the second half to be extremely challenging. The Group will closely monitor developments in the COVID-19 situation and its impact, and take a cautious and prudent approach in managing costs, reallocating resources and maintaining financial resilience. The Group is confident that with our strengths built over the years, it is well equipped to persevere through the difficult circumstances and to capture opportunities in the post-pandemic recovery and rebound.

Employees

As at 30 June 2020, the Group had approximately 1,305 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.

OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD

Potential Disposal of Shares

Reference is made to the Company's announcements dated 1 November 2019, 5 November 2019, 5 December 2019, 3 January 2020, 4 February 2020, 4 March 2020, 3 April 2020, 4 May 2020, 5 June 2020, 3 July 2020 and 3 August 2020 respectively ("**Previous Announcements**"). As disclosed in the Previous Announcements, Mr. Ho Tsu Kwok, Charles ("**Mr. Ho**"), an executive director of the Company, the chairman of the Board and a controlling shareholder of the Company, was in preliminary discussion with an independent potential purchaser ("**Potential**

Purchaser”) regarding, amongst others, a possible sale of an interest in the Company (“**Possible Transaction**”). The discussions between Mr. Ho and the Potential Purchaser in relation to the Possible Transaction are still ongoing, and Mr. Ho has not entered into any formal or legally binding agreement in respect of the Possible Transaction. Please refer to the Previous Announcements for further details of the Possible Transaction.

Liquidation of Subsidiary in Australia

On 5 February 2020, Sing Tao Newspapers Pty. Limited, an indirect wholly-owned subsidiary of the Company and incorporated in Australia, was in a creditors’ voluntary liquidation, and the joint and several liquidators were appointed on the same date. Please refer to the Company’s announcement dated 26 February 2020 for details.

Placing of Shares by Controlling Shareholder

On 16 July 2020, a placing agreement between Luckman Trading Limited (“**Luckman**”), a company wholly-owned by Mr. Ho, and an independent placing agent (“**Placing Agent**”) was completed. Pursuant to the placing agreement, the Placing Agent agreed to place and Luckman agreed to sell 150,000,000 shares of the Company (“**Placing Share(s)**”) to certain independent investors at a price of HK\$1.50 per Placing Share. As such, Mr. Ho’s total indirect shareholding in the Company held through Luckman reduced from 426,197,500 shares to 276,197,500 shares or from approximately 48.50% to 31.43% of the entire issued share capital of the Company as at 16 July 2020. Details of the placing of shares by Luckman was set out in the Company’s announcement dated 16 July 2020.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period (Previous Period: HK3.5 cents per ordinary share).

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 and complied with 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**”) throughout the Period with deviations from the code provisions A.6.7 and E.1.2. The Chairman of the Board and an independent non-executive director, Mr. Lee Cho Jat, were unable to attend the annual general meeting of the Company held on 7 May 2020 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 (“**Model Code**”) contained in Appendix 10 to the Listing Rules 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 2020 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, 27 August 2020

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.