

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SING TAO NEWS CORPORATION LIMITED

星島新聞集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1105)

**MONTHLY UPDATE ANNOUNCEMENT
PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE
IN RELATION TO THE POSSIBLE TRANSACTION**

This announcement is made by Sing Tao News Corporation Limited (“**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 3.7 of the Code on Takeovers and Mergers (“**Takeovers Code**”) issued by the Securities and Futures Commission.

Reference is made to the announcements of the Company dated 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, 3 August 2020, 3 September 2020, 17 September 2020, 22 October 2020, 23 November 2020 and 24 December 2020 respectively (collectively as “**Announcements**”), in relation to, amongst others, preliminary discussion between Mr. Ho, an executive director of the Company, the chairman of the Board and a controlling shareholder of the Company, and the Potential Purchaser regarding, amongst others, the Possible Transaction. Unless otherwise defined, terms used in this announcement shall have the same meanings as those used in the Announcements.

The Company wishes to inform its Shareholders and potential investors that in light of the current business and economic environment, especially during the continuing COVID-19 pandemic, the parties are still discussing, and have yet to agree on a possible structure for the Possible Transaction. As such, there has been no substantial progress since the announcement of the Company dated 24 December 2020 and it remains the case that:-

- (a) Mr. Ho, the Potential Purchaser and their respective legal advisers are still deliberating about a possible alternative structure of the Possible Transaction which will not require the Regulatory Clearance in light of the withdrawal. Subject to the outcome of the negotiation and agreement between Mr. Ho and the Potential Purchaser, such possible alternative structure, if materialises, may or may not lead to a change in control of the Company and a general offer under the Takeovers Code.

The timeframe for this deliberation would depend on the progress of the discussions and negotiations between Mr. Ho and the Potential Purchaser to reach an agreement on the commercial terms of a possible alternative structure, obtaining of relevant legal and tax advice in relation to the possible alternative structure and formulating a restructuring proposal and timetable;

- (b) as at the date of this announcement, the due diligence review on the Group conducted by the Potential Purchaser and its professional advisers has been largely completed. Additional due diligence review may need to be conducted subject to the potential implications arising out of the alternative structure of the Possible Transaction; and
- (c) the discussions between Mr. Ho and the Potential Purchaser in relation to the Possible Transaction are still ongoing.

As at the date of this announcement, Mr. Ho has not entered into any formal or legally binding agreement in respect of the Possible Transaction.

Further announcements will be made by the Company as and when appropriate and in compliance with the relevant requirements of the Takeovers Code. In particular, in accordance with Rule 3.7 of the Takeovers Code, the Company will make a monthly announcement regarding the progress of the discussions until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made.

WARNINGS

There is no assurance that the Possible Transaction will materialise or eventually be consummated and the relevant discussions may or may not lead to a general offer under Rule 26.1 of the Takeovers Code. The Possible Transaction may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

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

Hong Kong, 26 January 2021

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.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

** For identification purpose only*