

For Immediate Release

SING TAO NEWS CORPORATION LIMITED

REPORTS 2017 FINANCIAL RESULTS

(28th March, 2018, Hong Kong) In its annual results announced today for the 12 months ended 31st December, 2017 (the "Year"), Sing Tao News Corporation Limited (the "Company") reported consolidated revenue of approximately HK\$1,511.9 million, as compared with approximately HK\$1,609.0 million for the 12 months ended 31st December, 2016 (the "Previous Year"), and profit attributable to owners of the Company of approximately HK\$41.3 million, as compared with approximately HK\$33.8 million for the Previous Year. Basic earnings per share increased from HK 3.91 cents for the Previous Year to HK 4.77 cents for the Year. The Board of the Company has declared a final dividend of HK 4.0 cents per share, and in view of the Group's healthy cash reserve the Board has further resolved to declare a special dividend of HK 4.0 cents per share for the Year. Together with the interim dividend of HK 2.0 cents per share, the total dividend will amount to HK\$0.10 per share for the Year (Previous Year: HK 8.0 cents per share).

Commenting on the Group's results, the Company's Chairman Mr. Ho Tsu Kwok, Charles said, "Despite the challenges and changes in the market for the Group's traditional print media business, the Group was able to maintain its leadership in various segments of the market, in terms of readership, advertising revenue or brand recognition. In addition, the Group's consistent efforts on restructuring operations and enhancing efficiencies have borne fruit and led to an improvement its overall profitability in 2017."

Headline Daily continued to be Hong Kong's number 1 free newspaper. It was the newspaper with the highest circulation¹, and its average readership grew to 1,257,000² which was the largest among all newspapers in Hong Kong as well as 19% more than the net total of the other three Chinese free newspapers combined. Headline Daily recorded the largest year-on-year increase 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* also remained the market leader in Hong Kong in 2017³.

Sing Tao Daily managed to buck the downtrend in the paid newspaper market and achieved stable revenue, thanks to its commitment on providing a high-quality newspaper to serve both readers and advertisers. It enhanced its profitability in 2017 through efforts on work process restructuring and optimising operational efficiency which brought cost savings. *Sing Tao Daily* grew its readership year-on-year by 16% in 2017², one of the highest amongst all newspapers, and had a strong appeal to readers with a high-quality lifestyle as well as families with young children.

The *Standard* maintained steady performance in 2017. It recorded a 13% year-on-year increase in readership², and achieved an improvement in profitability due to effective measures on cost control and productivity improvements.

The Group's flagship magazine *East Week* and other titles performed stably and sustained slighter or no decline in revenue, despite weak industry conditions. *East Week* remained committed to its positioning of a high-quality infotainment magazine. The Magazine unit has consistently realigned its business model, work flow and cost structure to stay competitive and thereby achieved improved operating results in 2017.

The Group continued to take up the number 1 position in Hong Kong's recruitment print media market in 2017, with *JobMarket* increasing its readership by 46%² and further surpassing its competitors as the recruitment publication with the largest readership. It was also the recruitment publication with the largest share of advertising spending³.

The Group's new media business continued its development in 2017, and will further enhance its efforts 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.

In terms of prospects, Mr. Ho commented, "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. 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."

¹ Source: Hong Kong Audit Bureau of Circulations July-September 2017 report

² Source: Ipsos Media Atlas 2017 report

³ Source: admanGo reports

About Sing Tao News Corporation Limited

Sing Tao News Corporation Limited is a media corporation listed on the main board of Hong Kong Stock Exchange (Stock Code: 1105). Its principal activities comprise Media operations including Newspapers, Magazines, Recruitment Media, New Media and other media-related businesses.

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