

*For Immediate Release*

## **SING TAO NEWS CORPORATION LIMITED REPORTS INTERIM RESULTS 2018**

(28<sup>th</sup> August, 2018, Hong Kong) In its Interim Results announced today for the six months ended 30<sup>th</sup> June, 2018 (the "Period"), Sing Tao News Corporation Limited (the "Company") reported consolidated revenue of approximately HK\$697.3 million, as compared with approximately HK\$734.3 million for the six months ended 30<sup>th</sup> June, 2017 ("Previous Period"), and consolidated profit for the Period of approximately HK\$0.5 million, as compared with approximately HK\$20.5 million for the Previous Period. The Board of the Company has declared an interim dividend of HK2.0 cents per share for the Period (Previous Period: HK2.0 cents per share).

Commenting on the results the Company's Chairman Mr. Ho Tsu Kwok, Charles said, "The Group's results for the Period were adversely affected by the intense competition in the local print advertising market, as well as by the escalating newsprint prices since the end of last year."

During the Period, *Headline Daily* remained as Hong Kong's number 1 free newspaper. With an average weekday circulation of over 799,000 copies<sup>1</sup>, *Headline Daily* was the newspaper in Hong Kong with the highest circulation, and its readership of 1,210,000 was also the highest among all newspapers<sup>2</sup>. At the same time, *Headline Daily* continued to command the largest share of the newspaper advertising market in the first half of 2018, according to admanGo. In addition, *Headline Finance* paper continued to be the finance newspaper in Hong Kong with the largest readership, significantly ahead that of paid finance newspapers in the market<sup>2</sup>.

*Sing Tao Daily* has been able to gain readers' loyalty and was one of very few paid newspapers to continue to record readership growth. Its readership increased by 17% year-on-year, the highest among all daily newspapers, mainly from the aged under 50, business decision-makers and high household income groups<sup>2</sup>. According to admanGo, in the first half of 2018, *Sing Tao Daily* continued to be the market leader in Property

advertisements. In addition, Smart Parents' readership continued to grow and recorded a 17% year-on-year increase<sup>2</sup>.

With effective cost control in place, The Standard's performance during the Period was relatively stable. The Group's magazine unit was also able to maintain steady results for the Period, thanks to cost saving and productivity improvement measures. The flagship magazine, East Week, performed considerably better than the market's average in terms of advertising revenue, according to admanGo. In addition, the Group's recruitment publications continued to lead in the recruitment print media market, with JobMarket having achieved a 28% increase in readership<sup>2</sup> and being the only recruitment publication to record an increase in advertising revenue (according to admanGo).

The Group's new media business continued to develop during the Period and made progress especially in terms of contribution to revenue and profit. The Headline Daily "Jetso" app was enhanced to offer a new user interface and innovative features, which generated significant growth in downloads and participations. Ohpama.com, the number 1 digital parenting media in Hong Kong, as well as Shimba Digital Limited, the Group's digital marketing company formed last year, both achieved satisfactory growth in revenue as well as recognition in the market.

For the second half of 2018, the operating environment will continue to present challenges, with the uncertain economic outlook posed by the US trade tensions with the Mainland, mounting newsprint prices and ongoing digital transition of the media industry. Management will continue to implement optimisation initiatives across all operating units to mitigate the pressure on the Group's results. As a leader in the print media market, the Group will focus on the provision of high quality editorial content to its readers and cost-effective advertising services to its advertisers. At the same time, the Group will attune to the challenge of the paper price hike and accelerate our media transformation, under a parallel approach in both the offline and online mode, to enhance our digital media presence.

<sup>1</sup> Source: Hong Kong Audit Bureau of Circulations 2018Q1 report

<sup>2</sup> Source: Ipsos Media Atlas 2018Q1 report. Percentage changes refer to comparison with 2017Q1 report



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### **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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