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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)

DISCLOSEABLE TRANSACTION

DISPOSAL OF PROPERTY

THE DISPOSAL

On 21 September 2022 (i.e. 20 September 2022 in Toronto time), the Vendor and the Purchaser entered into the Agreement in relation to the Disposal.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE DISPOSAL

On 21 September 2022 (i.e. 20 September 2022 in Toronto time), the Vendor and the Purchaser entered into the Agreement in relation to the Disposal.

Subject matter

The Vendor agreed to sell the Property to the Purchaser.

Consideration

The consideration for the Disposal is CA\$7,168,800, which shall be payable in the following manner:

- (1) within 24 hours of acceptance by the Vendor of the offer, the Purchaser will pay a deposit in the amount of CA\$350,000 to an escrow account; and
- (2) the balance of the consideration will be payable upon completion.

Completion

Completion of the Disposal will take place no later than 18 January 2023.

INFORMATION OF THE GROUP, THE VENDOR AND THE PROPERTY

The Group is principally engaged in the business of publishing and distribution of newspapers, magazines and books in Hong Kong, Canada, the United States of America and Europe, and sales of the content of such publications in China.

The Vendor is an indirect wholly-owned subsidiary of the Company which is principally engaged in investment holding and holding property.

The Property is a commercial building having a frontage of approximately 49.5 feet by a depth of approximately 162 feet. It is accounted as an investment property of the Group and currently leased out. For the year ended 31 December 2021 and the six months ended 30 June 2022, the rental income from the Property was approximately CA\$83,000 and CA\$42,000 respectively.

INFORMATION OF THE PURCHASER

The Purchaser is an investment holding company. It is ultimately owned as to 100% by Mr. Kwok Wai Kwong, Johnny.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are independent of the Company and its connected persons.

REASON FOR AND BENEFITS OF THE DISPOSAL

The Directors considered that the Disposal represents a good opportunity for the Group to realise the value of the Property. The proceeds arising from the Disposal will be used for general working capital of the Group.

The consideration was determined with reference to the market value of similar properties located in the vicinity.

The Directors consider that the terms of the Agreement (including the consideration) are normal commercial terms, fair and reasonable and the Disposal is in the interests of the Company and its shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

Based on the consideration for the Disposal, the estimated costs and expenses involved in the Disposal, the unaudited carrying value of the Property as at 30 June 2022 of CA\$4,268,000, the Company currently expects to record a gain on disposal of approximately HK\$10,000,000 (assuming an exchange rate of HK\$6.16 to CA\$1) upon completion of the Disposal.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Agreement”	the agreement dated 20 September 2022 entered into between the Purchaser and the Vendor in relation to the Disposal
“Board”	the board of the Company
“CA\$”	Canadian dollar, the lawful currency of Canada
“Company”	Sing Tao News Corporation Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1105)
“connected person”	has the meaning as ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratio”	has the meaning as given in the Listing Rules
“Property”	the real property located at 417 Dundas Street West, Toronto, Ontario, Canada, M5T1G6 fronting on the south side of Dundas St W in the City of Toronto and legally described PT LT 6-7 PL D116 Toronto ASIN CT599342 & CT564452, City of Toronto, Canada
“Purchaser”	5014048 Ontario Inc., a company incorporated in Canada with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Sing Tao (Canada) Limited, a company incorporated in Canada with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By Order of the Board
Sing Tao News Corporation Limited
Kwok Ying Shing
Co-Chairman

Hong Kong, 22 September 2022

As at the date of this announcement, the Board members comprise: (1) executive Directors: Mr. KWOK Ying Shing (Co-Chairman), Mr. CHOI Karson Ka Tsan (Co-Chairman), Ms. KWOK Hiu Ting (Vice-chairman and Co-Chief Executive Officer) and Mr. CAI Jin (Co-Chief Executive Officer); and (2) independent non-executive Directors: Mr. WU Ting Yuk, Anthony, Ms. HAN Yonghong and Mr. FAN Chun Wah Andrew.

** For identification purpose only*