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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 – MEP WORKS

The Board is pleased to announce that on 21 April 2017, the Company, through its indirect wholly-owned subsidiary, GCPHL, awarded the MEP Contract to the Contractor, pursuant to which the Contractor shall carry out the MEP Works at the Site for a consideration of HK\$52,943,000.

Given that one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the MEP Contract is over 5% but less than 25%, the MEP Contract constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

MEP CONTRACT

Date of Award

21 April 2017

Parties

- (1) GCPHL; and
- (2) the Contractor, an independent third party

SCOPE OF THE MEP WORKS

The MEP Works include, but not limited to, the provision of all labour, materials, plants and tools required for the furnishing, setting in place and completion of all the mechanical, electrical, fire services and plumbing works at the Site as specified in the MEP Contract.

** For identification purpose only*

All the MEP Works are expected to be completed on or before 31 October 2017.

CONTRACT SUM

The contract sum under the MEP Contract is HK\$52,943,000 and was determined based on, inter alia, the tender price, experience and competence of several contractors after a tendering process, and arm's length negotiations between the parties. The above contract sum shall be funded by internal resources of the Group.

PAYMENT TERMS

The above contract sum will be paid in the following manner:

- (a) 10% down payment will be paid upon site possession and receipt of the Contractor's performance bond representing 10% of the above contract sum;
- (b) 80% payment will be issued under monthly interim payment in accordance with the progress as certified by an independent project administrator engaged by GCPHL;
- (c) 5% payment will be paid upon completion of all defects rectification and the issue of the practical completion certificate by the project administrator; and
- (d) the remaining 5% payment will be paid upon the expiration of 12 months defects liability period from the date of practical completion and also upon the rectification of all latent defects found during the defects liability period and the issue of such rectification completion certificate by the project administrator.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Printing Premises is an 8-storey bare-shell workshop building located at the Site. Upon completion of the MEP Works and other renovation works, the Printing Premises will be occupied by the Group for its operations, including the Group's printing activities and other divisions now operating at Sing Tao News Corporation Building located at 3 Tung Wong Road, Shau Kei Wan, Hong Kong as disclosed in the Company's announcements dated 19 December 2014 regarding the possible extension and utilisation of the Printing Premises as headquarter of the Group in Hong Kong and 23 October 2015 regarding main contract in relation to the expansion works for the Printing Premises respectively. The Directors consider that the completion of the MEP Works will have potential rental and energy savings, and better operational synergy effect on the Group.

The Directors (including the independent non-executive Directors of the Company) also consider that the terms of the MEP Contract and the above contract sum are arrived at after arm's length negotiations based on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE PARTIES

The principal activities of the Group comprise media operations including newspapers, magazines, recruitment media and other media-related businesses.

The Contractor is principally engaged in mechanical and electrical engineering in Hong Kong.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries by the Directors, the Contractor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

IMPLICATIONS UNDER THE LISTING RULES

Given that one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the MEP Contract is over 5% but less than 25%, the MEP Contract constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Board”	the board of Directors
“Company”	Sing Tao News Corporation Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange
“Contractor”	Johnson Controls Hong Kong Limited, a company incorporated in Hong Kong with limited liability
“Directors”	the directors of the Company
“GCPHL”	Global China Properties Holdings Limited, a company incorporated in Hong Kong with limited liability, being an indirect wholly-owned subsidiary of the Company
“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
“MEP Contract”	the contract to be entered into between GCPHL and the Contractor in relation to the MEP Works
“MEP Works”	the mechanical, electrical, fire services and plumbing works as described in the MEP Contract
“Printing Premises”	an 8-storey workshop building which comprises of a newly constructed 5-storey extension on top of the altered 3-storey

	printing premises at the Site
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.2 each in the capital of the Company
“Site”	construction site at 7 Chun Cheong Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 21 April 2017

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.