SING PAO MEDIA ENTERPRISES LIMITED
成報傳媒集團有限公司*

(formerly known as SMI Publishing Group Limited)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code：8010)

Third Quarterly Report 2012

* For identification purposes only

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This Report, for which the directors (the "Directors") of Sing Pao Media Enterprises Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this Report is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement in this Report misleading; and (iii) all opinions expressed in this Report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2012

The board of directors of the Company (the "Board") herewith announces the unaudited condensed consolidated financial results of the Company and its subsidiaries (together the "Group") for the three months and nine months ended 31 December 2012, together with the comparative unaudited figures for the corresponding periods in 31 December 2011. These condensed consolidated accounts have not been audited but have been reviewed by the Company's Audit Committee.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 31 December 2012

		Three months ended 31 December		Nine months ended 31 December	
		2012	2011	**2012**	2011
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	Notes	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Turnover	5	**13,275**	11,259	**48,983**	29,856
Cost of sales and services		**(9,623)**	(8,655)	**(29,100)**	(31,438)
Gross profit/(loss)		**3,652**	2,604	**19,883**	(1,582)
Other revenue and other gain		**472**	507	**2,555**	1,491
Distribution costs		**(147)**	(3)	**(481)**	(224)
Administrative and other operating expenses		**(3,793)**	(6,039)	**(12,821)**	(22,443)
Finance costs	6	**(6,671)**	(4,579)	**(19,587)**	(12,428)
Loss before income tax	7	**(6,487)**	(7,510)	**(10,451)**	(35,186)
Income tax	8	**–**	–	**–**	–
Loss for the period		**(6,487)**	(7,510)	**(10,451)**	(35,186)
Other Comprehensive income for the period		**–**	–	**–**	–
Total comprehensive income for the period		**(6,487)**	(7,510)	**(10,451)**	(35,186)
Loss for the period and total comprehensive income attributable to owners of the Company		**(6,487)**	(7,510)	**(10,451)**	(35,186)
Dividend	11	**–**	–	**–**	–
Loss per share – basic and diluted (HK cents)	9	**(0.33)**	(0.38)	**(0.53)**	(1.78)

ACCOUNTING POLICIES AND EXPLANATORY NOTES

1. Basis of preparation and principal accounting policies

The unaudited condensed consolidated financial statements of the Company have been prepared in accordance with the applicable disclosure requirements of the GEM Listing Rules and the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

These unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended 31 March 2012 ("2012 Annual Report"). The accounting policies and basis of preparation used in the preparation of these condensed consolidated financial statements are consistent with those applied in the 2012 Annual Report. These unaudited condensed consolidated financial statements have been prepared on the historical cost convention.

2. Basis of preparation – material uncertainties relating to the going concern basis

The Group sustained an unaudited consolidated loss attributable to owners of the Company of approximately HK$10,451,000 for the nine months ended 31 December 2012 (2011: HK$35,186,000).

In the prior period, the Group was financially supported by Billion Wealth Group Limited ("Billion Wealth"). In July 2011, the shareholder of Billion Wealth reported that he may be unable to deal with the loans granted to the Group by Billion Wealth and any other companies beneficially owned by him and also unable to offer any new financial support to the Group. In order to address this situation, management has successfully obtained new financial support from the Lender (as defined below).

In view of the liquidity problems faced by the Group, the Directors have adopted or plan to adopt the following measures in order to improve the Group's financial and cash flow positions and to maintain the Group as a going concern:

(i) a loan facility of HK$100,000,000 was granted by a company owned by an executive Director (the "Lender"). HK$8,100,000 of this loan facility was utilized up to 31 December 2012. The loan facility granted is mainly for the Group's working capital at present. The Directors plan to seek further financial support, when necessary, from the Lender to provide adequate funds for the Group to meet its liabilities as when they fall due in the future;

(ii) the Directors have identified and have been negotiating with potential investors for proposed capital injection arrangements;

(iii) the Directors have adopted various cost control measures to reduce general administrative expenses and operating costs;

(iv) during the year ended 31 March 2012, the Group started a new promotion services business relating to the organization of promotion events in Hong Kong for overseas customers. The business is not capital intensive and can generate reasonable income to the Group. Up to the date of these financial statements, several promotion events are committed and other potential events are under final stage negotiation.

In addition, the Group had entered into a 12-month based distribution agreement with an independent distributor in the Peoples' Republic of China ("PRC") in connection to the distribution of the Group's daily newspaper into PRC. The Directors believe that the distribution agreement can be renew without significant cost upon expiry. The Group recorded more advertising income contributed from PRC based customers and advertising agents during the period; and

(v) the Directors have engaged professional consultants to propose restructuring plans for the Group.

The Directors believe borrowings under current portion shall not be call for repayment by respective loan providers because they are either a substantial shareholder of the Company, related parties and amounts being under dispute.

In the opinion of the Directors, upon successful implementation of these measures, the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements. The Directors are of the opinion that the above measures will be successfully implemented. Accordingly, the Directors are of the view that it is appropriate to prepare the financial statements on a going concern basis.

Should the Group be unable to successfully implement the above measures and continue as a going concern, it may be unable to continue realizing its assets and discharging its liabilities in the normal course of business. Adjustments would have to be made to restate the values of the assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the financial statements.

3. Significant accounting policies

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2012. HKFRSs comprise Hong Kong Financial Reporting Standards, HKAS and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period and prior periods.

4. Application of new and revised Hong Kong Financial Reporting Standards

(a) Adoption of new and revised HKFRSs

In the current period, the Group has applied, for the first time, the following new and revised standards and amendments ("new and revised HKFRSs") issued by HKICPA, which are or have become effective for the financial year beginning on 1 April 2012:

HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets

The adoption of these new and revised standards and amendments has no significant impact on the Group's financial statements.

(b) Adoption of HKFRSs that have been issued but not yet effective

The following new and revised HKFRSs, potentially relevant to the Group's financial statements, have been issued but are not yet effective and have not been early adopted by the Group:

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[1]
HKAS 19 (as revised in 2011)	Employee Benefits[2]
HKAS 27 (as revised in 2011)	Separate Financial Statements[2]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[3]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle[2]
HKFRS 1 (Amendments)	Government Loans[2]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[2]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[4]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance[2]
HKFRS 13	Fair Value Measurement[2]
HK (IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]

1 Effective for annual periods beginning on or after 1 July 2012
2 Effective for annual periods beginning on or after 1 January 2013
3 Effective for annual periods beginning on or after 1 January 2014
4 Effective for annual periods beginning on or after 1 January 2015

The directors of the Company anticipate that the application of the new and revised standards or interpretations will have no material impact on the consolidated financial statements.

5. Turnover

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group operates one business segment, which is the publication of newspapers and books as well as provisions of advertising and promotion services and therefore, no further business segment analysis is presented.

The Group's revenue during the period ended 31 December 2012 from external customers located in Hong Kong and PRC amounting to approximately HK$21,979,000 (2011: HK$24,571,000) and HK$27,004,000 (2011: HK$5,285,000), respectively.

All operating assets and operations of the Group during the periods ended 31 December 2012 and 2011 were substantially located and carried out in Hong Kong.

Turnover represents gross proceeds received and receivable derived from the sale of newspapers and books, as well as provision of advertising and promotion services.

Approximately 43.4% (2011: 17.7%) of total revenue for the period ended 31 December 2012 was derived from advertising sales to a single customer.

6. Finance costs

	Three months ended 31 December		**Nine months ended 31 December**	
	2012 (Unaudited) HK$'000	2011 (Unaudited) HK$'000	**2012 (Unaudited) HK$'000**	2011 (Unaudited) HK$'000
Interest expenses on other borrowings wholly repayable:				
– within five years	**5,677**	2,488	**16,320**	8,009
– after five years	**734**	733	**2,196**	2,192
Imputed interest expense on interest-free borrowings wholly repayable within five years	**260**	1,358	**1,071**	2,227
	6,671	4,579	**19,587**	12,428

7. Loss before income tax

Loss before income tax is arrived at after charging:

	Three months ended 31 December		Nine months ended 31 December	
	2012	2011	**2012**	2011
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Minimum lease payments under operating leases	**625**	1,733	**1,991**	5,010
Impairment on other receivables	**–**	–	**–**	4,185
Employee benefit expenses (including directors' emoluments)				
– salaries, wages and other benefit	**5,797**	4,785	**17,831**	17,405
– contributions to defined contribution retirement scheme	**222**	197	**670**	726
Depreciation and amortisation of property, plant and equipments	**283**	317	**811**	516

8. Income tax

No provision for Hong Kong profits tax has been made in the condensed consolidated financial statements as the Group had no estimated assessable profits for both periods. The Group had no estimated assessable profits in other jurisdictions for both periods.

Deferred taxation in respect of unused tax losses for both periods has not been recognized due to the unpredictability of future profit streams.

9. Loss per share

Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by weighted average number of ordinary shares in issue during the periods:

	Three months ended 31 December		**Nine months ended 31 December**	
	2012 (Unaudited) HK$'000	2011 (Unaudited) HK$'000	**2012 (Unaudited) HK$'000**	2011 (Unaudited) HK$'000
Loss attributable to owners of the Company (HK$'000)	**(6,487)**	(7,510)	**(10,451)**	(35,186)
Weighted average number of ordinary shares in issue	**1,971,685,971**	1,971,685,971	**1,971,685,971**	1,971,685,971
Basic loss per share (HK cents)	**(0.33)**	(0.38)	**(0.53)**	(1.78)

Diluted

Diluted loss per share amounts for the current and prior periods are the same as the basic loss per share amounts. The Group had no potentially dilutive ordinary shares in issue during the current period.

10. Reserves

	Share premium HK$'000	**Shareholder's contribution** HK$'000	**Exchange reserve** HK$'000	**Distributable reserve** HK$'000	**Accumulated losses** HK$'000	**Total** HK$'000
At 1 April 2011 (Audited)	140,943	80,744	43	231,340	(979,538)	(526,468)
Capital portion of advance from a substantial shareholder (Unaudited)	–	260	–	–	–	260
Total comprehensive income for the period (Unaudited)	–	–	–	–	(35,186)	(35,186)
At 31 December 2011 (Unaudited)	140,943	81,004	43	231,340	(1,014,724)	(561,394)
At 1 April 2012 (Audited)	140,943	81,004	43	231,340	(1,020,004)	(566,674)
Total comprehensive income for the period (Unaudited)	–	–	–	–	(10,451)	(10,451)
At 31 December 2012 (Unaudited)	140,943	81,004	43	231,340	(1,030,455)	(577,125)

11. Dividend

The Directors resolved that no interim dividend be declared for the nine months ended 31 December 2012 (2011: Nil).

12. Contingent liabilities

At 31 December 2012, there were several cases brought forward from prior periods related to defamation and infringement of copyright that remained unresolved. All of them were brought against Sing Pao Newspaper Company Limited ("SPNCL"), a wholly-owned subsidiary of the Group. Court judgments have not been stated and the amounts claimed were in aggregate totaling to approximately HK$517,000. In the Directors' opinion, the liabilities are unlikely to crystallize and no provision had therefore been made in respect of these claims.

In July 2007, a licensee of SPNCL acted as the defendant in a legal claim in relation to an action for copyright infringement, issued a third party notice to SPNCL. The defendant claimed against SPNCL for indemnity against the plaintiff's claims and the cost of the action or contribution in respect of the plaintiff's claims. A defense was filed by the Group in March 2008 denying all allegations against the Group. Judgments have not been stated up to the date of this report. In the Directors' opinion, the liabilities are unlikely to crystallize and no provision had therefore been made in respect of the claim.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the nine months ended 31 December 2012, the Group recorded a turnover of approximately HK$48,983,000, representing an increase of approximately 64.1% as compared with the turnover of approximately HK$29,856,000 for the same period last year. The increase in turnover mainly contributed by the broaden of the commercial advertising income of the Group and the promotion income generated from launch of business promotion events for customers mainly from PRC.

The Group recorded a gross profit margin of approximately 40.6% during the reporting period, showing a significant improvement in its operations as compared with the gross loss margin of approximately 5.3% as recorded for the corresponding period last year. The significant improvement in the Group's operations is the results of the management's contributions on various cost control measures during the period under review. However, the Group continues to fact the fierce competition in the newspaper publication market, especially from the free-of-charge newspaper.

Loss attributable to the owners of the Company for the current period was approximately HK$10,451,000, representing a decrease of approximately HK$24,735,000, or a decrease of approximately 70.3% as compared with the net loss of approximately HK$35,186,000 for the same period last year. Save for the reasons as mentioned above, the significant drop in the net loss was due to the decrease in the administration expenses when comparing with the same period last year. In the prior period, (i) the management made up a decision to discontinue the operation of the Group's printing factory so as to reduce the Group's long-term cost commitment, as a result, provisions of approximately HK$4,185,000 made on the prepayments paid for the decoration of the printing factory and HK$1,000,000 on the printing factory's reinstatement cost were incurred; and (ii) the printing factory also incurred operating cost of approximately HK$3,302,000 prior to management's decision to discontinue its operation. During the current period, no such costs were incurred by the Group. However, due to the default in repayment of the Group's loans, overdue interest were accrued to the finance costs according to the respective terms of the loan agreements, the finance costs of the Group recorded an increase of approximately HK$7,159,000 as compared to that for the same period last year.

Financial Resources and Liquidity

On 10 November 2011, a loan facility with principal amount of not exceeding HK$100,000,000 was granted to the Group from a company wholly owned by an executive director of the Company, mainly for the Group's working capital needs. As at 31 December 2012, total unutilized loan facilities amounted to HK$91,900,000 (31 March 2012: HK$91,900,000).

Capital Structure

As at 31 December 2012, the Company had a total of 1,971,685,971 ordinary shares in issue with par value of HK$0.05 each. There was no change in the capital structure of the Company during the period under review.

Pledge of Assets

As at 31 December 2012, no assets of the Group were pledged for loan facilities granted to the Group.

Number of Employees and Remuneration Policies

As at 31 December 2012, the Group employed 124 (31 December 2011: 117) employees. Employees' remuneration packages are determined by reference to market rate and individual performance.

Business Review and Prospects

The Group's newspaper publication business has been continuously facing the fierce competition from other competitors in the newspaper publication market, the market situation will be even worse in the light of the increasing number of free-of-charge newspapers emerging in the market recently.

The Group has taken various cost control measures on the improvements in operating functions. The Group further broaden its income bases by exploring new market especially in the Great China region. Upon the appointments of the new management team in August 2011, the new management has formulated a detailed business plan for the Group's development in the coming years.

In March 2012, the Group set up its journalist stations in Guangzhou and Beijing. In January 2013, the Group lodged applications to relevant government departments for the setting up of several journalist stations in various locations in PRC. Such applications are pending for the approval by relevant government departments. The Group is also in the process of establishing an advertising company in PRC. The management believes that establishing journalist stations and the advertising company will not only act as an important platform for the expansion of the Group's media and advertising business in the Great China region, but also strengthen the Group's core business in Hong Kong.

For the nine months ended 31 December 2012, the Group recorded a fruitful result of promotion events. The Group has hold a number of events during the period under review and positive contribution were noted. In the mean time, the Group is liaising with various entrepreneurs in PRC and Hong Kong for holding promotion events, and amongst those two events are at final stage of discussion while other two events are in preliminary discussion.

The new management team will strive for inviting potential strategic partners and potential investors joining the Group and raising new funds to support the Group's future financial needs for the expansion.

On 27 May 2011, the Company was informed by the Stock Exchange that the GEM Listing Committee has decided to proceed to cancellation of the Company's listing status pursuant to Rule 9.15 of the GEM Listing Rules. The Company is required to submit a viable resumption proposal within six months from 27 May 2011 to the Stock Exchange to demonstrate that the Company has a sufficient level of operations and management expertise on the business pursuits of the Company to warrant the continued listing of the Company's securities on the Stock Exchange.

On 11 November 2011, a resumption proposal was submitted to the Stock Exchange, which covers aspects including inter alias, (i) the business plan of the Company in the near future; (ii) the proposed debts restructuring exercise to reduce the substantial liabilities of the Group; and (iii) the raising of new funds from potential investor and existing shareholders by way of equity financing and loan facilities, for the Group's working capital needs and its future expansion.

In all the time, the Group will continue to monitor and control its costs carefully to ensure the efficiency of the use of existing resources. Even so, the Group will never falter in its missions, to deliver truth and fair information with the highest standards of quality and professionalism to their readers.

DIRECTORS', SUBSTANTIAL SHAREHOLDERS' AND CHIEF EXECUTIVE'S INTERESTS AND POSITIONS IN SHARES AND UNDERLYING SHARES

Directors' and Chief Executive's Interests and Positions in Shares and Underlying Shares

The Company has adopted the required standards of dealings regarding securities transactions by directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. All the Directors have confirmed that they have complied with the required standards as set out in the GEM Listing Rules.

As at 31 December 2012, none of the directors and chief executive of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register of the Company required to be kept under section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to in Rules 5.48 to 5.67 of the GEM Listing Rules.

At no time during the period under review was the Company or its subsidiaries a party to any arrangement to enable the Directors, their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Substantial Shareholders' Interests and Positions in Shares and Underlying Shares

As at 31 December 2012, the persons or corporations (not being a director or chief executive of the Company) who had interests or short positions (directly or indirectly) in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who are substantial shareholders as recorded in the register required to be kept under Section 336 of the SFO or have otherwise notified to the Company were as follows:

Name of shareholders	Capacity	No. of shares of the Company held	Long (L)/ Short (S) position	Approximate percentage of shareholding
Mr. Yeung Ka Sing, Carson	Held by controlled corporation	261,473,945 (Note)	(L)	13.26%
Billion Wealth	Beneficial owner	261,473,945 (Note)	(L)	13.26%

Note: The shares were taken over by Billion Wealth from Strategic Media International Limited ("SMIL") by the execution of a share charge on 12 May 2010, pursuant to a share charge agreement dated 23 April 2008 entered between Billion Wealth and SMIL in relation with a loan facility of HK$60,000,000 granted by Billion Wealth to the Company. The entire issued share capital of Billion Wealth is wholly owned by Mr. Yeung.

Save as disclosed above, at 31 December 2012, the Directors are not aware of any other person or corporation having an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

EQUITY-SETTLED SHARE-BASED TRANSACTIONS

On 30 June 2010, the shareholders approved the adoption of a new share option scheme (the "Option Scheme") and termination of the then existing share option scheme, which was adopted on 15 January 2002. Under the Option Scheme, the Board may at its discretion offer to any director, employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or the Company in which the Group holds an interest or a subsidiary of such company (the "Eligible Persons") of the options to subscribe for shares in the Company in accordance with the terms of the Option Scheme and Chapter 23 of the GEM Listing Rules. The principal purposes of the Option Scheme are to motivate, attract and retain or otherwise maintain ongoing relationship with the Eligible Persons to the long term growth of the Group. The total number of shares which may be issued upon exercise of all options to be granted under the Option Scheme and any other outstanding share option schemes of the Company must not in aggregate exceed 10% of the issued share capital of the Company at the date of the approval of the Option Scheme by the shareholders and such limit might be refreshed by the shareholders of the Company in general meetings. The Option Scheme commenced on 30 June 2010 and will end on the day immediately prior to the tenth anniversary of 30 June 2010. The share options vested immediately at the time when granted.

The Company had not granted any options under the Option Scheme during the nine months ended 31 December 2012.

At 31 December 2012, the Company had no outstanding exercisable share option.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the nine months ended 31 December 2012.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause significant competition with the business of the Group.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and enhance the performance of the Group.

The Company has applied the code provisions as set out in Appendix 15: "The Code on Corporate Governance Practices" (the "CG Code") of the GEM Listing Rules.

In the opinion of the Directors, the Company has complied with the code provisions as set out in the CG Code during the nine months ended 31 December 2012.

REVIEW OF THE THIRD QUARTERLY REPORT

The Company has established an audit committee (the "Audit Committee") with written terms of reference. Currently, the Audit Committee comprises four independent non-executive directors, namely Messrs. Liu Shang Ping (as the chairman of the Audit Committee), Kong Tze Wing, Xu Wei and Cai Hai Ning.

Mr. Cai Hai Ning has been appointed as independent non-executive director and member of the Audit Committee of the Company with effect from 31 December 2012.

The Group's financial results and information therein for the nine months ended 31 December 2012 have not been reviewed by the external auditor. Instead, the unaudited financial results for the nine months ended 31 December 2012 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such financial results complied with the applicable accounting standards and requirements and adequate disclosure have been made.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

With effect from 16 November 2012, Mr. Xu Feng, an executive director of the Company has been appointed as the chief executive officer of the Company.

CHANGE OF CHAIRMAN OF THE BOARD

With effect from 16 November 2012, Mr. Xie Hai Yu ("Mr. Xie") has resigned as the chairman of the Board due to other business commitments which require more of his dedication, and Mr. Tian Bing Xin, an executive director of the Company, has been appointed as the new chairman of the Board to replace Mr. Xie.

SUSPENSION OF TRADING

Suspension in the trading of the shares of the Company since 28 April 2005 will continue until the Company submits a viable resumption proposal cleared with the Stock Exchange.

By order of the Board
Sing Pao Media Enterprises Limited
Tian Bing Xin
Chairman

Hong Kong, 30 January 2013

As at the date of this report, the Board comprises eleven directors of which seven are executive directors, namely, Messrs. Tian Bing Xin, Xie Hai Yu, Xu Dao Bin, Ma Shui Cheong, Gu Li Jun, Lu Jian Ling and Tse Chung Yam; and four are independent non-executive directors, namely Messrs. Liu Shang Ping, Kong Tze Wing, Xu Wei and Cai Hai Ning.