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**新傳媒集團控股有限公司**  
**NEW MEDIA GROUP HOLDINGS LIMITED**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 708)**

**CONTINUING CONNECTED TRANSACTIONS**

**RENEWAL OF ANNUAL CAPS**

The Board announces that on 28 June 2013, the Company entered into (i) the New Printing Master Purchase Agreement with Hong Kong Daily Offset relating to the provision of printing services by Hong Kong Daily Offset for the Books and Magazines; and (ii) the New Advertising Master Purchase Agreements with each member of the Related Group relating to the sale of the advertising space in the magazines published by the Group and the digital platforms of the Group in order to continue the Continuing Connected Transactions between the Group and the relevant parties contemplated under the Printing Master Purchase Agreement and the Advertising Master Purchase Agreements, both of which will expire on 30 June 2013. The term of each of the New Printing Master Purchase Agreement and the New Advertising Master Purchase Agreements will be for three years commencing from 1 July 2013 and expiring on 30 June 2016. The Company will therefore continue to comply with the applicable requirements in accordance with the Listing Rules for the Continuing Connected Transactions.

As the applicable percentage ratios of the annual caps for each of the New Printing Master Purchase Agreement and the New Advertising Master Purchase Agreements exceed 0.1% but are less than 5%, such agreements are subject to the reporting, announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, the annual review requirements set out in Rules 14A.37 and 14A.40 and the requirements set out in Rules 14A.35(1) and 14A.35(2) but are exempted from the independent Shareholders' approval requirement.

**INTRODUCTION**

The Board announces that in order to continue the Continuing Connected Transactions contemplated under the Printing Master Purchase Agreement and the Advertising Master Purchase Agreements, both of which will expire on 30 June 2013, the Group entered into (i) the New Printing Master Purchase Agreement with Hong Kong Daily Offset relating to the provision of printing services by Hong Kong Daily Offset for the Books and Magazines, and (ii) the New Advertising Master Purchase Agreements with each member of the Related Group relating to the sale of the advertising space in the magazines published by the Group and the digital platforms of the Group.

**PRINCIPAL TERMS OF THE NEW PRINTING MASTER PURCHASE AGREEMENT**

Date of agreement: 28 June 2013

Parties: Hong Kong Daily Offset and the Company

Term: 3 years commencing from 1 July 2013 and expiring on 30 June 2016 (both dates inclusive)

Service to be provided: During the term, the Group may place orders from time to time to Hong Kong Daily Offset for printing of Books & Magazines at prices to be determined from time to time by the Group and Hong Kong Daily Offset

**Previous Annual Caps:**

Set out below are the Previous Annual Caps for the Printing Master Purchase Agreement:

	<b>Previous Annual Caps</b>		
	<b>For the year ending 30 June</b>		
	<i>2011</i>	<i>2012</i>	<i>2013</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Previous Annual Caps	<u>9,000,000</u>	<u>9,000,000</u>	<u>9,000,000</u>

**Historical transactions amount:**

Set out below is the historical transactions amount between Hong Kong Daily Offset and the Company:

	<b>For the year ended</b>		<b>For the period</b>
	<b>30 June</b>		<b>from 1 July</b>
	<i>2011</i>	<i>2012</i>	<b>2012 up to the</b>
	<i>HK\$</i>	<i>HK\$</i>	<b>date of this</b>
			<b>announcement</b>
			<i>HK\$</i>
Historical transactions amount	<u>2,506,000</u>	<u>2,163,000</u>	<u>1,446,000</u>

**The Renewed Annual Caps:**

Set out below are the Renewed Annual Caps for the New Printing Master Purchase Agreement:

	<b>For the year ending 30 June</b>		
	<i>2014</i>	<i>2015</i>	<i>2016</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Renewed Annual Caps	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

The Renewed Annual Caps were determined with reference to the market price of similar printing services, the usage of the Previous Annual Cap for the preceding two financial years ended 30 June 2012 and the period ended 28 June 2013, the change in business focus of the Group that requires less printing services due to the fact that the general market will be moving towards digital devices for the next three years, the Directors consider appropriate to revise downwards the Annual Caps and are of the view that the Renewed Annual Caps are reasonably set.

Pursuant to the New Printing Master Purchase Agreement, the Company agreed to engage Hong Kong Daily Offset to provide printing services for the Books & Magazines at prices to be determined from time to time by the Group and Hong Kong Daily Offset after arm's length negotiation with reference to the market price and on such terms that are no less favourable to the Group than those applicable to Independent Third Parties. The term of the New Printing Master Purchase Agreement is from 1 July 2013 up to 30 June 2016 unless terminated earlier in accordance with the terms and conditions thereof.

### **PRINCIPAL TERMS OF THE NEW ADVERTISING MASTER PURCHASE AGREEMENTS**

Date of agreement:	28 June 2013
Parties:	Related Group and the Company
Term:	3 years commencing from 1 July 2013 and expiring on 30 June 2016 (both dates inclusive)
Service to be provided:	During the term, each member of the Related Group may make purchase of advertising spaces in the magazines published by the Group and the digital platforms of the Group at prices to be determined from time to time by the Group and the Related Group

### **Previous Annual Caps:**

Set out below are the Previous Annual Caps for the Advertising Master Purchase Agreements between the Emperor Group, Gain Wealth Group, Emperor International Exchange and the Company:

	<b>Previous Annual Caps</b>		
	<b>For the year ending 30 June</b>		
	<i>2011</i>	<i>2012</i>	<i>2013</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Emperor International Group	1,000,000	1,000,000	1,000,000
Emperor E Hotel Group	500,000	500,000	500,000
Emperor Capital Group	500,000	500,000	500,000
Emperor W&J Group	1,400,000	1,400,000	1,400,000
Gain Wealth Group	1,600,000	1,600,000	1,600,000
Emperor International Exchange	400,000	400,000	400,000
Aggregate Previous Annual Caps	<u>5,400,000</u>	<u>5,400,000</u>	<u>5,400,000</u>

## Historical transactions amounts:

Set out below are the historical transactions amounts between each of the Emperor Group, Gain Wealth Group, Emperor International Exchange and the Company :

	For the year ended		For the period
	30 June		from 1 July
	2011	2012	2012 up to the
	HK\$	HK\$	date of this
			announcement
			HK\$
Emperor International Group	157,000	42,000	163,100
Emperor E Hotel Group	157,000	264,000	243,000
Emperor Capital Group	14,000	12,000	45,450
Emperor W&J Group	125,000	221,000	289,500
Gain Wealth Group (Note 1)	420,000	300,000	421,915
Emperor International Exchange (Note 2)	259,000	232,000	285,400
Historical transactions amounts	<u>1,132,000</u>	<u>1,071,000</u>	<u>1,448,365</u>

*Note 1: After a corporate restructuring in 2012, Gain Wealth has changed its name to Emperor Assets Holdings Limited and is now directly wholly-owned by AY Holdings*

*Note 2: After a corporate restructuring in 2012, Emperor International Exchange is now indirectly wholly-owned by AY Holdings.*

## The Renewed Annual Caps:

Set out below are the Renewed Annual Caps for the New Advertising Master Purchase Agreements between the Related Group and the Company.

	Renewed Annual Caps		
	For the year ending 30 June		
	2014	2015	2016
	HK\$	HK\$	HK\$
Emperor International Group	1,000,000	1,000,000	1,000,000
Emperor E Hotel Group	700,000	700,000	700,000
Emperor Capital Group	500,000	500,000	500,000
Emperor W&J Group	1,400,000	1,400,000	1,400,000
AY Holdings Group (Note 3)	3,100,000	3,100,000	3,100,000
Aggregate Renewed Annual Caps	<u>6,700,000</u>	<u>6,700,000</u>	<u>6,700,000</u>

*Note 3: Gain Wealth (now renamed as Emperor Assets Holdings) and Emperor International Exchange are now wholly-owned by AY Holdings and as such, the Annual Caps for Gain Wealth and Emperor International Exchange are now included under the Annual Caps for AY Holdings Group.*

The Renewed Annual Caps were determined with reference to the market price of similar advertising services, the usage of the Previous Annual Cap for the preceding two financial year ended 30 June 2012 and the period ended 28 June 2013, the existing scale and operation of the advertising business of the magazines, the anticipated development and growth of such businesses, the management's anticipated business needs of each member of the Related Group in placing advertisements and the fact that the Company is focusing

on the development on more digital platforms, it is anticipated that these new products may help drive more advertising transactions for the next three years, the Directors consider that the Renewed Annual Caps are reasonably set.

Pursuant to the New Advertising Master Purchase Agreements, the Company agreed to sell to the Related Group with a credit period of 30 days and at prices to be determined from time to time by the Group and the Related Group after arm's length negotiation with reference to the market prices and on such terms that are no less favourable to the Group than those applicable to Independent Third Parties. The terms of the New Advertising Master Purchase Agreements are for a period from 1 July 2013 up to 30 June 2016 unless terminated earlier in accordance with the terms and conditions thereof.

## **REASONS FOR THE CONTINUING CONNECTED TRANSACTIONS**

The Company is an investment holding company and its subsidiaries are principally engaged in (i) the publication and marketing of Chinese-language weekly magazines and books and (ii) the sale of advertising spaces in the magazines published by the Group and the digital platforms of the Group.

The Directors consider that the Continuing Connected Transactions are consistent with the business and commercial objects of the Group. The printing services mentioned above would enhance the efficiency of the daily operation of the Group, while the magazines published by the Group are ones among the leading magazines in Hong Kong and that the advertising income is in the ordinary and usual course of business of the Group.

The Directors (including the Independent Non-Executive Directors) believe that the New Printing Master Purchase Agreement and the New Advertising Master Purchase Agreements have been entered into are (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole. None of the Directors has a material interest in the transactions contemplated under the aforesaid agreements. However, as Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa are also directors of certain members of the Related Group, they abstained from voting on the relevant board resolution. .

## **LISTING RULES IMPLICATIONS**

The Company is indirectly wholly-owned as to 67.62% by the AY Trust a deemed substantial shareholder of the Company. Hong Kong Daily Offset, Emperor International, Emperor Capital, Emperor W&J and AY Holdings are indirectly owned as to 100%, 74.93%, 66.09%, 52.57% and 100% respectively by the AY Trust whilst Emperor E Hotel is a subsidiary of Emperor International. As such, Hong Kong Daily Offset and each member of the Related Group are connected persons of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the New Printing Master Purchase Agreement and the New Advertising Master Purchase Agreements will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the annual caps for each of the New Printing Master Purchase Agreement and the New Advertising Master Purchase Agreements exceed 0.1% but are less than 5%, such agreements are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, the annual review requirements set out in Rules 14A.37 and 14A.40 and the requirements set out in Rules 14A.35 (1) and 14A.35(2), but are exempted from the independent Shareholders' approval requirement.

## **TERMS USED IN THIS ANNOUNCEMENT**

“Advertising Master Purchase Agreements”	agreements entered into between the Company (for itself and on behalf of the Group) and each member of the Emperor Group, Gain Wealth Group and Emperor International Exchange on 30 June 2010 for the sale of advertising spaces in the magazines published by the Group to the respective counterparties for the period of 3 years commencing from 1 July 2010 and expiring on 30 June 2013
“Aggregate Renewed Annual Caps”	aggregate amounts of the Annual Caps in relation to the continuing connected transactions under the New Advertising Master Purchase Agreements and the New Advertising Master Purchase Agreements
“AY Holdings”	Albert Yeung Holdings Limited, a company incorporated in the British Virgin Islands and is an investment holding company. Its subsidiaries include Emperor Group, Emperor International Exchange, Emperor Assets Holdings and companies which are principally engaged in the businesses of furniture and furnishing, entertainment, financial services as well as food and beverages
“AY Holdings Group”	AY Holdings and its subsidiaries but (for the purpose of this announcement) excluding Emperor Group and the Group
“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Yeung Sau Shing, Albert
“Books & Magazines”	Books, magazines or other materials published by the Group
“Company”	New Media Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange and is indirectly owned as to approximately 67.62% by the AY Trust
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Continuing Connected Transaction(s)”	continuing connected transaction(s) contemplated under the Printing Master Purchase Agreement and the Advertising Master Purchase Agreements

“Board” or “Director(s)”	the board of director(s) of the Company
“Emperor Capital ”	Emperor Capital Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange. It is investment holding company and its subsidiaries are principally engaging in the provision of a wide range of financial services in Hong Kong
“Emperor Capital Group”	Emperor Capital and its subsidiaries
“Emperor Group”	Emperor International Group, Emperor E Hotel Group, Emperor Capital Group and Emperor W&J Group
“Emperor E Hotel”	Emperor Entertainment Hotel Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange. It is an investment holding company and its subsidiaries are principally engaged in hotel operation in Macau. It is a subsidiary of Emperor International.
“Emperor E Hotel Group”	Emperor E Hotel and its subsidiaries.
“Emperor International Exchange”	Emperor International Exchange (Hong Kong) Company Limited, a company incorporated in Hong Kong with limited liability and is principally engaged in leveraged foreign exchange trading in Hong Kong
“Emperor International”	Emperor International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange. It is an investment holding company and its subsidiaries are principally engaged in property development and investment, as well as hotel operations. It owned Emperor E Hotel as to approximately 62.58% as at the date of this announcement
“Emperor International Group”	Emperor International and its subsidiaries (for the purpose of this announcement, excluding Emperor E Hotel Group).
“Emperor W&J”	Emperor Watch & Jewellery Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange. It is an investment holding company and its subsidiaries are principally engaged in the sales of luxurious branded watches, and the design and sales of jewellery products in Hong Kong, Macau and the PRC
“Emperor W&J Group”	Emperor W&J and its subsidiaries.
“Gain Wealth” or “Emperor Assets Holdings”	Gain Wealth Investments Limited, now renamed as Emperor Assets Holdings Limited, is a company incorporated in the British Virgin Islands and directly wholly-owned by AY Holdings

“Gain Wealth Group”	Gain Wealth and its subsidiaries
“Group”	the Company and its subsidiaries
“Hong Kong Daily Offset”	Hong Kong Daily Offset Printing Company Limited, a company incorporated in Hong Kong and directly wholly-owned by Emperor Assets Holdings. It is principally engaged in the provision of printing services
“Independent Third Parties”	independent third parties who are not connected persons of the Company as defined in the Listing Rules and are independent of the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Advertising Master Purchase Agreements”	agreements entered into between the Company (for itself and on behalf of the Group) and each member of the Related Group on 28 June 2013 for the sale of advertising spaces in the magazines published by the Group and the digital platforms of the Group to the respective counterparties for the period of 3 years commencing from 1 July 2013 and expiring on 30 June 2016
“New Printing Master Purchase Agreement”	agreement entered into between the Company (for itself and on behalf of the Group) and Hong Kong Daily Offset on 28 June 2013 for the provision of printing service by Hong Kong Daily Offset to the Group for the Books & Magazines for the period of 3 years commencing from 1 July 2013 and expiring on 30 June 2016
“Previous Annual Caps”	The previously obtained annual caps of the transactions contemplated under the Printing Master Purchase Agreement and Advertising Master Purchase Agreements for the three financial years ended 30 June 2013
“Printing Master Purchase Agreement”	agreement entered into between the Company (for itself and on behalf of the Group) and Hong Kong Daily Offset on 30 June 2010 for the provision of printing service to the Group for the Books & Magazines for the period of 3 years from 1 July 2010 to 30 June 2013
“Related Group”	Emperor Group and AY Holdings Group
“Renewed Annual Caps”	The renewed annual caps for the transactions contemplated under the New Printing Master Purchase Agreement and the New Advertising Master Purchase Agreements for the three financial years ending 30 June 2016



“Share(s)”	ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars

By order of the board  
**New Media Group Holdings Limited**  
**Percy Hughes, Shirley**  
*Executive Director & Chief Executive Officer*

Hong Kong, 28 June 2013

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Ms. Percy Hughes, Shirley  
Mr. Lee Che Keung, Danny  
Mr. Wong Chi Fai  
Ms. Fan Man Seung, Vanessa

*Independent Non-Executive Directors:*

Ms. Hui Wai Man, Shirley  
Mr. Tse Hin Lin, Arnold  
Ms. Kwan Shin Luen, Susanna