Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

NEWAY GROUP HOLDINGS LIMITED
中星集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00055)

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 19 March 2012 in respect of the continuing connected transactions in relation to the Master Agreement, pursuant to which Neway KB Group engaged Neway Entertainment Group to provide the Services to Neway KB Group for the period from 1 April 2012 to 31 March 2015.

Given that the Master Agreement expires on 31 March 2015 and the Group expects that the continuing connected transactions contemplated under the Master Agreement will continue, on 31 March 2015, Neway Entertainment and Neway KB entered into the New Master Agreement, pursuant to which Neway KB Group will continue to engage Neway Entertainment Group to provide the Services to Neway KB Group for a term commencing from 1 April 2015 to 31 December 2017.

In view of the fact that Neway KB is indirectly wholly-owned by a discretionary trust for the benefits of the members of Suek Family, Neway KB is therefore a connected person of the Company. Accordingly, the transactions contemplated under the New Master Agreement constitute continuing connected transactions for the Company.

* *For identification purpose only*

As all the applicable percentage ratios under the Listing Rules are less than 5%, the transactions contemplated under the New Master Agreement are only subject to the reporting and announcement requirements and are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

Reference is made to the announcement of the Company dated 19 March 2012 in relation to the Master Agreement, pursuant to which Neway KB Group engaged Neway Entertainment Group to provide the Services to Neway KB Group for the period from 1 April 2012 to 31 March 2015.

Given that the Master Agreement expires on 31 March 2015 and the Group expects that the continuing connected transactions contemplated under the Master Agreement will continue, on 31 March 2015, Neway Entertainment (for itself and on behalf of other members of Neway Entertainment Group) and Neway KB (for itself and on behalf of other members of Neway KB Group) entered into the New Master Agreement, pursuant to which Neway KB Group will continue to engage Neway Entertainment Group to provide the Services to Neway KB Group for a term commencing from 1 April 2015 to 31 December 2017.

MATERIAL TERMS OF THE NEW MASTER AGREEMENT

Date	:	31 March 2015
Parties	:	Neway Entertainment and Neway KB
Term	:	A term from 1 April 2015 to 31 December 2017
Subject Matter	:	Neway Entertainment Group shall provide the Services to Neway KB Group.
Fees	:	The Service Fee on each job shall be determined based on commercial negotiation, making reference to the type of promotion services to be provided, the working hours, skills and popularity required of the artistes.

The License Fee shall be determined based on commercial negotiation, making reference to the number of karaoke music videos provided to the karaoke outlets operated by Neway KB Group and popularity of the artistes.

The relevant member of Neway KB Group shall make payment of the Service Fee and/or License Fee within 30 days after the receipt of the debit note issued by the relevant member of Neway Entertainment Group from time to time.

HISTORICAL FIGURES AND PROPOSED ANNUAL CAPS

The historical figures of the Service Fee and License Fee charged by Neway Entertainment Group to Neway KB Group under the Master Agreement are set out below:

	Service Fee	**License Fee**	**Total**
From 1 April 2012 to 31 March 2013	HK$6,066,780	HK$1,695,000	HK$7,761,780
From 1 April 2013 to 31 March 2014	HK$4,003,600	HK$1,040,000	HK$5,043,600
From 1 April 2014 to 31 December 2014	Nil	HK$1,900,000	HK$1,900,000

The proposed annual caps of the fees payable by Neway KB Group to Neway Entertainment Group for the provision of the Services under the New Master Agreement for the three years ending 31 December 2017 are set out as follows:

For the year ending 31 December 2015	HK$9,000,000
For the year ending 31 December 2016	HK$9,000,000
For the year ending 31 December 2017	HK$9,000,000

The proposed annual cap amounts are determined by reference to, among other things, historical figures of the Service fee and License Fee charged by Neway Entertainment Group to Neway KB Group as stated above and the projected development and promotion plan of Neway Entertainment Group and Neway KB Group. There was no Service Fee recorded from 1 April 2014 to 31 December 2014 because Neway KB Group adjusted its promotion plan during that period. It is expected that Neway KB Group will continue to engage Neway Entertainment Group to provide promotion services in the coming years according to its projected promotion plan.

INTERNAL CONTROL MEASURES

Neway KB Group is currently the sole customer of Neway Entertainment Group for song licensing in karaoke business. Therefore, there is no sufficient comparable transaction available for the determination of the License Fee.

In determining whether the Service Fee and the License Fee offered to Neway KB Group are reasonable, the Group will, through market research, obtain market intelligence to enable it to ascertain the range of the prevailing market rates from time to time. The Group will ensure that the Service Fee and the License Fee offered by Neway Entertainment Group to Neway KB Group are within the range of the prevailing market rates.

The Group will also instruct its audit committee to review the implementation of the continuing connected transactions twice a year to ensure that the Service Fee and the License Fee offered to Neway KB Group are fair and reasonable or no less favourable to the Group than those offered to Independent Third Parties (if any).

By implementing the above measures, the Directors consider that the Company has established sufficient internal control measures to ensure the transactions contemplated under the New Master Agreement are fair and reasonable, on normal commercial terms or better, and in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND THE BENEFITS FROM THE NEW MASTER AGREEMENT

The Group is principally engaged in (i) manufacturing and sales of printing products; (ii) trading of printing products; (iii) music and entertainment businesses; (iv) securities trading; (v) property development and investment; and (vi) money lending business. The Services to be provided by Neway Entertainment Group under the New Master Agreement fall within one of the Group's principal businesses.

Neway KB Group is the leading karaoke service provider in Hong Kong operating and/or managing about 34 karaoke outlets in Hong Kong, China, Macau and Malaysia. By providing the promotion services and providing and distributing the licensed content to Neway KB Group, the Group can have a stable source of income. By attending the promotion functions of Neway KB Group, the artistes managed by Neway Entertainment Group can also gain more public awareness and exposure to media. The Directors therefore consider that it is in the interest of the Shareholders and the Group as a whole to enter into the New Master Agreement and continue to provide the Services to Neway KB Group.

VIEWS OF THE DIRECTORS

The Directors (including the independent non-executive Directors) confirm that the terms of the New Master Agreement are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) also confirm that the annual cap amounts set out above are fair and reasonable and in the interests of the Shareholders as a whole.

As Mr. Suek Ka Lun, Ernie and Mr. Suek Chai Hong, who are executive Directors and members of Suek Family, may have interest in the transactions contemplated under the New Master Agreement, they have abstained from voting on the resolutions to approve the New Master Agreement.

LISTING RULES IMPLICATIONS

In view of the fact that Neway KB is indirectly wholly-owned by a discretionary trust for the benefits of the members of Suek Family, Neway KB is therefore a connected person of the Company. Accordingly, the transactions contemplated under the New Master Agreement constitute continuing connected transactions for the Company.

As all the applicable percentage ratios under the Listing Rules are less than 5%, the transactions contemplated under the New Master Agreement are only subject to the reporting and announcement requirements and are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company will comply with the continuing obligations under Chapter 14A of the Listing Rules and/or any other applicable requirements under the Listing Rules at the relevant time and will re-comply with the applicable Listing Rules in the event that any of the annual caps is exceeded or when there is a material change to the terms of the New Master Agreement pursuant to Rule 14A.54 of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"Board"	the board of Directors
"Company"	Neway Group Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited
"Director(s)"	director(s) 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
"Independent Third Parties"	third parties independent of the Company and its connected persons and "Independent Third Party" shall be construed accordingly
"License Fee"	the fee charged for the provision and distribution of licensed content in the form of karaoke music videos to the karaoke outlets operated by Neway KB Group pursuant to the New Master Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"Master Agreement"	the master agreement dated 19 March 2012 and entered into between Neway Entertainment and Neway KB in relation to the provision of Services by Neway Entertainment Group to Neway KB Group for a term from 1 April 2012 to 31 March 2015
"Neway Entertainment"	Neway Entertainment Limited, a wholly-owned subsidiary of the Company
"Neway Entertainment Group"	Neway Entertainment and its subsidiaries from time to time
"Neway KB"	Neway Karaoke Box Limited, a company incorporated in Hong Kong and is wholly-owned by Neway Enterprise Holdings Limited which is in turn wholly-owned by a discretionary trust for the benefits of the members of Suek Family
"Neway KB Group"	Neway KB and its subsidiaries from time to time
"New Master Agreement"	the master agreement dated 31 March 2015 and entered into between Neway Entertainment and Neway KB in relation to the provision of Services by Neway Entertainment Group to Neway KB Group for a term commencing from 1 April 2015 to 31 December 2017
"Services"	(i) the promotion services (which may include interviews by media, TV commercials, photo shooting, performance at public functions) to be performed by the artistes managed from time to time by Neway Entertainment Group and requested by any member of Neway KB Group; and (ii) the distribution of licensed content in the form of karaoke music videos to the karaoke outlets operated by Neway KB Group
"Service Fee"	the fee charged for the provision of promotion services by Neway Entertainment Group pursuant to the New Master Agreement

"Shareholders"	shareholder(s) of the Company
"Suek Family"	Dr. Suek Chai Kit, Christopher and his family members

On behalf of the Board
Neway Group Holdings Limited
Suek Ka Lun, Ernie
Chairman

Hong Kong, 31 March 2015

As at the date of this announcement, the Directors are Mr. Suek Ka Lun, Ernie (Chairman) and Mr. Suek Chai Hong (Chief Executive Officer) being the executive Directors; Dr. Ng Wai Kwan, Mr. Chan Kwing Choi, Warren and Mr. Wong Sun Fat being the non-executive Directors; and Mr. Tse Tin Tai, Ms. Lui Lai Ping, Cecily, and Mr. Lee Kwok Wan being the independent non-executive Directors; and Mr. Lau Kam Cheong being the alternate Director to Dr. Ng Wai Kwan.