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新傳媒集團控股有限公司

NEW MEDIA GROUP HOLDINGS LIMITED

(proposed to be renamed Evergrande Health Industry Group Limited 恒大健康產業集團有限公司)

(a company incorporated in Hong Kong with limited liability)

(Stock code: 708)

BUSINESS UPDATE

(1) EQUITY ACQUISITION AGREEMENT;

AND

(2) COOPERATION ISSUES

RELATING TO THE SETTING UP OF THE EVERGRANDE WONJIN BEAUTY HOSPITAL IN TIANJIN

As disclosed in the joint announcement dated 23 December 2014 issued by, among others, Evergrande Real Estate Group Limited (“**Evergrande**”) and New Media Group Holdings Limited (proposed to be renamed as Evergrande Health Industry Group Limited) (the “**Company**”, together with its subsidiaries, collectively the “**Group**”), and the composite offer and response document dated 6 March 2015 jointly issued by, among others, Evergrande and the Company, it is proposed that the Company, while operating its existing media related business, will diversify its businesses and develop into the health industry. The Company will endeavour to build a high-quality health management and medical services global platform, while promoting scientific healthcare concept and providing excellent health and medical services.

THE EQUITY ACQUISITION AGREEMENT

The Company is pleased to announce that, on 1 April 2015, the Company entered into an equity acquisition agreement (the “**Equity Acquisition Agreement**”) with Evergrande Health Industry Co., Ltd.* (恒大健康產業有限公司) (the “**Vendor**”), an indirect wholly owned subsidiary of Evergrande, pursuant to which the Company has agreed to acquire from the Vendor 96.25% of the equity interest in Tianjin Evergrande Wonjin Beauty Hospital Co., Ltd.* (天津恒大原辰美容醫院有限公司) (“**Evergrande Wonjin**”) held by the Vendor at the consideration of RMB220,000 (the “**Acquisition**”). The acquisition price has been assessed and confirmed by Crowe Horwath (HK) Consulting & Valuation Limited, which is an independent valuer, based on the cost approach. The principal business of Evergrande Wonjin is setting up a beauty and plastic surgery hospital in Tianjin (the “**Tianjin Hospital**”). Evergrande Wonjin has obtained certain approvals including the Planning Approval* (規劃批復) and the Approval Letter on the Setup of a Medical Imputation* (醫療機構設置

批准書) granted by The Health and Family Commission of the Tianjin Municipality. Since the Tianjin Hospital has not commenced operation, Evergrande Wonjin has not recorded any revenue or profit as at the date of this announcement.

THE COOPERATION BETWEEN THE COMPANY AND WONJIN BEAUTY RELATING TO EVERGRANDE WONJIN

The remaining 3.75% of the equity interest in Evergrande Wonjin is held by Wonjin Beauty Medical Group of Korea (“**Wonjin Beauty**”). To the best of the knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, Wonjin Beauty and its ultimate beneficial owner(s) are third parties independent from the Company and connected persons of the Company and are not connected persons of the Company. According to the cooperation between the Group and Wonjin Beauty, the Group will be responsible for market investment and providing medical equipment, and Wonjin Beauty will be responsible for the professional medical teams, Korean technology, management model and management process. To the best knowledge of the Company, the Group is the sole cooperative partner of Wonjin Beauty in the PRC. The Company and Wonjin Beauty intend to contribute an aggregate of RMB80 million of registered capital to Evergrande Wonjin. The Company intends to finance its registered capital contribution by its internal resources. According to the understanding between the Company and Wonjin Beauty, the Company and Wonjin Beauty shall share the profits of Evergrande Wonjin on a 60:40 ratio.

REASONS AND BENEFITS

WONJIN Beauty Medical Group of Korea, formerly known as WONJIN Aesthetic Surgery, was established in 1999 and is one of the first plastic surgery hospitals in Korea. The group operates the WONJIN Aesthetic Surgery Hospital, WONJIN Dermatology Clinic, WONJIN Dental Hospital and more, and is famous for its “emphasis on customers’ characters and pursuit of natural beauty”. The group employs over 100 professional medical practitioners and over 560 members of staff, and has developed into one of the largest medical beauty groups in Korea.

The Company considers that the acquisition of Evergrande Wonjin represents an important strategic move taken by the Company to develop into the health industry. There is great potential in the market value of the PRC beauty industry. According to the statistics data from China.org.cn and the China Beauty Association, the gross output value of the PRC beauty industry has reached RMB510 billion in 2014, with an annual growth rate of 15%, and the market scale is forecasted to reach RMB850 billion by 2018. Nevertheless, beauty industry is the highly fragmented industry, and there are vast differences in quality among its different organizations within the industry.

Looking ahead, the Tianjin Hospital will be dedicated to providing personalized plastic surgery beauty solutions for its customers with an aim to achieve natural beauty by making use of its professional experts team, advanced medical technology and modern internet means.

In view of the above reasons and benefits, the directors of the Company believe that: (i) the terms of the Acquisition are fair and reasonable, the Acquisition is on normal commercial terms and is in the best interest of the Company and its shareholders as a whole; and (ii) the terms of the cooperation between the Company and Wonjin Beauty relating to Evergrande Wonjin Cooperation are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

GENERAL

The Vendor is an indirect wholly owned subsidiary of Evergrande, which is the controlling shareholder of the Company, and therefore a connected person of the Company. As all of the applicable percentage ratios in respect of the Acquisition are less than 5% and the consideration for the Acquisition is less than HK\$3,000,000, the Acquisition is fully exempt from all reporting, announcement and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the cooperation between the Company and Wonjin Beauty relative to Evergrande Wonjin is higher than 5% but less than 25%, such cooperation constitutes a discloseable transaction of the Company, and is required to comply with the applicable reporting and announcement requirements under Chapters 14 of the Listing Rules.

For and on behalf of
New Media Group Holdings Limited
Fong Kar Chun, Jimmy
Company Secretary

Hong Kong, 1 April 2015

* *For identification purpose only*

As at the date of this announcement, the executive directors of the Company are Ms. Tan Chaohui, Mr. Tong Ming, Mr. Han Xiaoran; and the independent non-executive directors are Mr. Chau Shing Yim, David, Mr. Guo Jianwen and Mr. Xie Wu.