

NEXTmedia

NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0282)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Next Media Limited (the “Company”) will be held at the Conference Room on the 1st Floor, 3 Chun Kwong Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong on Wednesday, 28 July 2004 at 11:30 a.m. for the purpose of transacting the following business:–

Ordinary business

1. To receive, consider and adopt the Reports of the Directors and the Auditors and the audited Statement of Accounts for the year ended 31 March 2004.
2. To re-elect Directors.
3. To authorize the Directors to fix the remuneration of the Directors.
4. To re-appoint PricewaterhouseCoopers as auditors and to authorize the Directors to fix their remuneration.

Special business

To consider and, if thought fit, pass the following as ordinary resolutions:–

5. **“THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all of the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants and securities convertible or exercisable into shares of the Company) which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);

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- (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company;
- (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
- (iv) any scrip dividend or similar arrangement providing for the allotment of the shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company;

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly;

- (c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Company in general meeting; and

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares in the Company, open for a period fixed by the Directors to the holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors, after making enquiry, may deem necessary or expedient in relation to fractional entitlements or having regard to any legal restrictions under the laws of the relevant place, or the requirements of the relevant regulatory body, or any stock exchange in that place).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all of the powers of the Company to repurchase shares in the capital of the Company, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;

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- (b) the aggregate nominal amount of shares of the Company which may be repurchased by the Directors pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
 - (c) for the purposes of this Resolution:
 - “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Company in general meeting.”
7. **“THAT** conditional upon the passing of Resolutions Nos. 5 and 6 set out in the Notice of this Meeting, the aggregate nominal amount of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the mandate granted under Resolution No. 5 set out in the Notice of this Meeting be and is hereby increased and extended by adding the aggregate nominal amount of shares in the capital of the Company which may be repurchased by the Company pursuant to and in accordance with the mandate granted under Resolution No. 6 set out in the Notice of this Meeting provided that such amount of shares of the Company so repurchased shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution.”
8. **“THAT** pursuant to paragraph 8(B) of the ADPDL Share Option Scheme (as defined in the circular issued by the Company on 5 July 2004 (“Circular”)), approval be and is hereby generally and unconditionally granted to refresh the Current Scheme Mandate Limit (as defined in the Circular) under the ADPDL Share Option Scheme up to a new 10 per cent. limit provided that (i) the total number of ordinary shares of HK\$0.01 each (“ADPDL Shares”) in the share capital of ADPDL (as defined in the Circular) which may be issued upon the exercise of all options to be granted under the ADPDL Share Option Scheme and any other option scheme of ADPDL pursuant to the Current Scheme Mandate Limit as refreshed shall not exceed 10 per cent. of the ADPDL Shares in issue on the date of the passing of this Resolution (“Refreshed Scheme Mandate Limit”); and (ii) options previously granted under the ADPDL Share Option Scheme (including those options outstanding, cancelled, lapsed in accordance with its terms or exercised) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit.”

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To consider, and if thought fit, pass the following as a Special Resolution:–

9. **“THAT** the articles of association of the Company be and are hereby amended in the following manner:
- (a) by inserting the following definitions in Article 2:
 - “associate(s)” has the meaning ascribed to it in the Listing Rules from time to time;
 - “Directors” shall mean the directors from time to time and for the time being of the Company; and
 - “Listing Rules” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);
 - (b) by inserting the following as a new Article 70A:

“70A. Where any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”;
 - (c) by deleting the existing Article 81 in its entirety and substituting it with the following new Article 81:

“81. No person, other than a Director retiring at the meeting shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing signed by a Member (other than the person to be proposed) entitled to attend and vote at the relevant meeting of his intention to propose such a person and notice in writing signed by the person to be so proposed of his willingness to be elected, shall have been given to the Company. The nomination period during which such notice may be given shall commence on the day after despatch of the notice of general meeting at which such elections are to be considered, and shall end on the day which is seven days prior to the date of such general meeting, provided always that such nomination period must be at least seven days in duration.”;
 - (d) by inserting the words “or any of his associates” after the word “Director” in the fourth line of the existing Article 93(F);
 - (e) by amending the existing Article 93(G) as follows:
 - (i) inserting the words “or who has an associate who is materially interested” after the words “materially interested” in the second line;

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- (ii) deleting the word “his” after the words “nature of” in the fourth line and substituting therefor the words “any such”; and
 - (iii) inserting the words “or any of his associates” after the word “he” in the sixth line;
- (f) by deleting the existing Article 93(H) in its entirety and substituting therefor the following new Article 93(H):
- “93(H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract, arrangement or proposal in which he or any of his associates is materially interested, directly or indirectly, but this prohibition shall not apply to any of the following matters:
- (i) the giving of any security or indemnity either:
 - (a) to the Director or any of his associates in respect of money lent or obligations incurred or undertaken by him or them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself or themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (ii) any contract, arrangement or proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his associates is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - (iii) any contract, arrangement or proposal concerning any other company in which the Director or any of his associates is interested only, whether directly or indirectly, as an officer or executive or shareholder or as the holder of a beneficial interest of shares, provided that the Director’s and any of his associate’s beneficial interest in such company is below, in aggregate, 5 per cent. of (a) the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or (b) the voting rights available to members of such company;

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- (iv) any contract, arrangement or proposal concerning the benefit of employees of the Company or any of its subsidiaries including:–
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to Directors (and their associates) and to employees of the Company or any of its subsidiaries, and does not provide in respect of any Director or any of his associates, any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (v) any contract, arrangement or proposal in which the Director or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company.” and
- (g) by adding the following new article as Article 93(I):

“93(I) If any question arises at any meeting of the Board as to the materiality of an interest of a Director (other than the chairman of the meeting) and/or any of his associates or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not be counted in the quorum, such question shall be determined by the chairman of the meeting. If any such question shall arise in respect of the chairman of the meeting or any of his associates and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be determined by a resolution of the Board (for which purpose such chairman shall be counted in the quorum but shall not vote on the matter).”

By Order of the Board
Janis Lee
Company Secretary

Hong Kong, 5 July 2004

As at the date of this notice, the Executive Directors of the Company are Mr. Lai Chee Ying, Jimmy, Mr. Ting Ka Yu, Stephen, Mr. Ip Yut Kin and Mr. Tung Chuen Cheuk and the Independent Non-executive Directors of the Company are Mr. Yeh V-nee, Mr. Fok Kwong Hang, Terry and Dr. Kao Kuen, Charles.

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6-7-2004

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Notes:

1. Any member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote instead of such member in accordance with the articles of association of the Company. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the registered office of the Company at 8 Chun Ying Street, Tseung Kwan O Industrial Estate West, Tseung Kwan O, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
3. The Register of Members of the Company will be closed from 26 July 2004 to 28 July 2004, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting of the Company, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on 23 July 2004.

Please also refer to the published version of this announcement in South China Morning Post dated 6 July 2004.