

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



## NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

### CONVERSION OF NOTES

The Company announces that conversion notice has been received from Next International today to exercise in full its conversion rights under the Notes into a total of 233,333,333 new shares of the Company at the conversion price of HK\$0.45 per share.

Upon conversion, Next International's shareholding interest in the Company will be increased to approximately 66.6% of the issued share capital of the Company as enlarged by the Conversion.

#### The Conversion

Next Media Limited (the "Company") announces that it has received from Next Media International Holdings Limited ("Next International"), the controlling shareholder of the Company, a conversion notice dated 8th May, 2000 to exercise in full its conversion rights under the convertible notes in an aggregate principal amount of HK\$105,000,000 (the "Notes") at a conversion price of HK\$0.45 per share into a total of 233,333,333 new shares (the "New Shares") of the Company of HK\$0.20 par value each (the "Conversion").

The Notes were acquired by Next International pursuant to an agreement dated 23rd July, 1999 (the "Notes Agreement") as disclosed in the prospectus of the Company dated 30th September, 1999. The Notes Agreement was completed on 20th October, 1999. The Notes bear an interest rate of HIBOR plus 2% per annum on the principal amount of the Notes outstanding from time to time. The Notes would be due on 28th February,

2001.

The New Shares to be issued under the Conversion represent approximately 8.9% of the existing issued share capital of the Company. Next International is currently holding 1,675,500,000 shares of HK\$0.20 each ("Shares") in the Company, representing approximately 63.6% of the existing issued share capital of the Company. Upon conversion, Next International will hold 1,908,833,333 Shares, representing approximately 66.6% of the issued share capital of the Company as enlarged by the Conversion.

### Pro-forma Unaudited Net Tangible Asset Statement

Based on the Company's prospectus dated 30th September, 1999 and as adjusted for the Group's latest published interim results for the six months ended 30th September, 1999, the pro-forma unaudited adjusted net tangible asset value of the Group, assuming the Conversion were completed on 30th September, 1999, will be as follows:

HK\$ million

Pro-forma unaudited consolidated net tangible assets as at 30/6/1999 in accordance with

the Company's prospectus dated 30/9/1999	112
--	-----

Add : 3 months loss to 30/6/1999 included in the pro-forma unaudited consolidated net tangible assets as at 30/6/1999	17
---	----

Less : 6 months loss to 30/9/1999 per interim results	(36)
---	------

Add : Conversion of the Notes	105
-------------------------------	-----

Pro-forma unaudited adjusted consolidated net tangible assets as at 30/9/1999	198
---	-----

### General

Next Media Limited

The Board of Directors of the Company considers that the Conversion will enlarge the capital base and improve the gearing ratio of the Company and as such is beneficial to the Company and its subsidiaries as a whole.

Approval has been granted by the Listing Committee of The Stock Exchange of Hong Kong Limited in October 1999 of the listing of and permission to deal in the New Shares. Dealing of the New Shares is expected to commence on 10th May, 2000 which is the date the relevant share certificates despatched by the Share Registrars of the Company.

By Order of the Board  
Janis Lee Yuen Mei  
Company Secretary

Hong Kong, 8th May, 2000

Please also refer to the published version of this announcement in the South China Morning Post on 09-05-2000.