

Next Media Limited

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NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

This announcement is made in response to today's press article relating to the acquisition by Next Media Limited of Apple Daily Newspaper and Next Magazine.

The board of directors of Next Media Limited wishes to clarify that no formal discussion or negotiations was held between Next Media Limited and Mr. Lai Chee Ying, Jimmy as to the proposed acquisition by Next Media Limited of Apple Daily Newspaper and Next Magazine as reported in today's press article.

Reference is made to a press article (the "Article") appeared in Hong Kong Economic Times dated 11 July 2000 relating to the proposed acquisition by Next Media Limited (the "Company") of Apple Daily Newspaper and Next Magazine (the "Acquisition"), owned by Mr. Lai Chee Ying, Jimmy ("Mr. Lai") and Next Media International Holdings Limited ("Next International") respectively, and the indicated consideration/valuation.

In response to the Article, the board of directors (the "Board") of the Company wishes to advise that as at the date of this announcement, no formal discussion or negotiations was held between the Company and its controlling shareholder and chairman of the Board, Mr. Lai, or his associates with regard to the Acquisition or the relevant consideration/valuation. As such, the Board considers the information reported in the Article to be inaccurate. However, it has always been the Company's objective to improve its overall performance and to enhance its shareholders' value. With this objective in mind, the change in market conditions and the Company's business development since September 1999, the Board considers that the intention statement referred to in the Company's prospectus dated 30

Next Media Limited

September 1999 regarding asset injections by Mr. Lai and Next International, a company controlled by Mr. Lai, into the Company is no longer appropriate and may not be in the interests of the Company and its shareholders under the current circumstances. Therefore, the Board would not rule out the possibility of entering into discussions with Mr. Lai with regard to the Acquisition in the future.

Save as the above clarification, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price sensitive nature.

By order of the Board
Janis Lee Yuen Mei
Company Secretary

Hong Kong, 11 July 2000

Please also refer to the published version of this announcement in the South China Morning Post on 12-07-2000.