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# **NEXTmedia**

## **NEXT MEDIA LIMITED**

*(Incorporated in Hong Kong with limited liability)*

### **DISCLOSEABLE TRANSACTION**

Further to the announcement dated 2nd May, 2002 issued by the Company which stated that, among other things, the Group had, pursuant to the Previous Agreement, acquired from an independent third party certain printing equipment, the Directors are pleased to announce that on 12th June, 2002, Apple Daily Publication entered into the Amendment Agreement with the same independent third party, pursuant to which the Group has agreed to acquire from such third party further printing equipment in preparation for launching the Group's newspaper business in Taiwan.

The acquisition of the Printing Equipment, when aggregated with the acquisition of those equipment pursuant to the Previous Agreement, constitutes a discloseable transaction of the Company and is required to be disclosed by way of a press announcement in accordance with the Listing Rules. A circular containing further details of the Amendment Agreement will be despatched to the shareholders of the Company as soon as practicable.

### **THE AMENDMENT AGREEMENT**

- Date : 12th June, 2002
- Parties : Apple Daily Publication, a wholly-owned subsidiary of the Company;  
and  
a third party independent of the Company and its subsidiaries, any director, chief executive or substantial shareholder of such companies or any associate (as defined in the Listing Rules) of any of them
- Assets to be acquired : Printing equipment used for printing newspapers (including provision of associated installation and commissioning services)
- Consideration : The consideration for the Printing Equipment and the provision of associated installation and commissioning services (in an amount of

EUR13 million (approximately HK\$96.2 million)), when aggregated with the consideration for those equipment acquired by the Group pursuant to the Previous Agreement, amounts to approximately EUR40 million (approximately HK\$296 million).

Such consideration was determined after arm's length negotiation between the parties and with reference to the market value of the equipment.

The consideration is expected to be funded by internal resources of the Group.

The Board believes that such consideration, which was determined after arm's length negotiation, is fair and reasonable so far as the Company and its shareholders are concerned.

**Payment terms** : Under the Amendment Agreement, the consideration for the Printing Equipment is payable in cash by way of three installments as follows: 20% of the consideration is payable on the date of the Amendment Agreement; 30% is payable within four months after the date of the Amendment Agreement; and the remaining 50% is payable in three stages by reference to certain dates after presentation of the relevant shipping documents in respect of the corresponding equipment. Further details of the payment terms will be disclosed in the circular to be despatched by the Company to its shareholders.

**Benefits expected to accrue to the Group from the acquisition** : The Printing Equipment, together with those equipment acquired by the Group pursuant to the Previous Agreement, is to be acquired to equip the Group and prepare for launching its newspaper business in Taiwan. The Printing Equipment is to be acquired to meet further printing capacity as expected by the Board to be required by the Group when developing its newspaper business in Taiwan, such further printing capacity was originally intended by the Board to be satisfied through lease arrangements. The Board currently does not have any intention to acquire any further printing equipment for pursuing its Taiwan's newspaper business in the near future.

**Principal business of the Group** : The Group is principally engaged in the publishing and printing businesses (including magazine and newspaper businesses).

**Discloseable transaction** : The acquisition of the Printing Equipment and the transaction contemplated under the Amendment Agreement, when, in accordance with Rule 14.04(5) of the Listing Rules, aggregated with the acquisition of those equipment pursuant to the Previous Agreement, constitutes a discloseable transaction of the Company and is required to be disclosed by way of a press announcement in accordance with the Listing Rules. A circular containing further details of the Amendment Agreement will be despatched to the shareholders of the Company as soon as practicable.

The Board believes that the terms of the Amendment Agreement are fair and reasonable so far as the Company and its shareholders are concerned and that the acquisition of the Printing Equipment is in the interests of the Company.

## **DEFINITIONS**

NEXT MEDIA LIMITED

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"Amendment Agreement"	means the amendment agreement dated 12th June, 2002 entered into between Apple Daily Publication and an independent third party amending the Previous Agreement to provide for the acquisition of further printing equipment from such third party by the Group;
"Apple Daily Publication"	means Apple Daily Publication Development Limited, a wholly-owned subsidiary of the Company;
"Board"	means the board of Directors;
"Company"	means Next Media Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Stock Exchange;
"Directors"	means the directors of the Company;
"Group"	means the Company and its subsidiaries;
"Hong Kong"	means Hong Kong Special Administrative Region of The People's Republic of China;
"Listing Rules"	means The Rules Governing the Listing of Securities on the Stock Exchange;
"Previous Agreement"	means the agreement dated 2nd May, 2002 entered into between Apple Daily Publication and the same independent third party as the counterparty of the Amendment Agreement pursuant to which the Group had acquired certain printing equipment from such third party, particulars of such agreement have been disclosed and contained in an announcement dated 2nd May, 2002 issued by the Company;
"Printing Equipment"	means certain printing equipment used for printing newspapers to be acquired by the Group pursuant to the Amendment Agreement; and
"Stock Exchange"	means The Stock Exchange of Hong Kong Limited.

*In this announcement, except as otherwise indicated, EUR has been translated into HK\$ at a rate of EUR1.00 = HK\$7.40 for reference purposes only.*

By Order of the Board

**Janis Lee**

*Company Secretary*

Hong Kong, 12th June, 2002

Please also refer to the published version of this announcement in The Standard dated 13 June 2002.