

NEXT MEDIA LIMITED

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.

NEXTmedia

NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

**PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION**

DESPATCH OF ANNUAL REPORT AND AGM CIRCULAR

The Company proposed to amend its Articles to allow the Company to provide summary financial information to its shareholders and to allow its shareholders to elect to receive the English or the Chinese version (or both languages version) printed financial information or to receive information via electronic means. The above proposal will be subject to shareholders' approval at the forthcoming AGM.

The 2002 annual report, the related AGM circular, the notice of the AGM and the related proxy form have been despatched to shareholders today.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Following the recent amendments to the Companies Ordinance, as set out in the Companies (Amendment) Ordinance 2001 and the Companies (Summary Financial Reports of Listed Companies) Regulation, the Stock Exchange has amended the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") to permit listed issuers to distribute summary financial reports (the "Financial Summary") in place of a full annual report and accounts (the "Full Report") and allow listed issuers to offer its shareholders the opportunity to choose not to receive printed copy of any documents to be issued by the listed issuers for information or action by its shareholders (including the Full Report, the Financial Summary, interim report, notice and circular) (the "Corporate Communication") and rely on

NEXT MEDIA LIMITED

versions of such documents to be published on the website of the listed issuers, provided that the company has ascertained the wishes of shareholders beforehand and comply with the relevant legal requirements of their own jurisdictions and provisions of their own memorandum and articles of association.

The current articles of association of Next Media Limited (the “Company”) do not allow the Company to distribute the Financial Summary to its shareholders who prefer to receive that document in place of the Full Report, do not specify the language of the Full Report and do not allow its shareholders to rely on website version of the Corporate Communication.

As such, a special resolution will be proposed at the annual general meeting of the Company scheduled to be held on 31 July 2002 (the “AGM”) to amend the articles of association of the Company so that the Company may, after the amendments, be able to offer its shareholders to choose (a) not to receive printed copy of the Corporate Communication and rely on versions of such documents to be published on the website of the Company, (b) to receive printed copy of the Financial Summary instead of the Full Report and (c) the English language version or the Chinese language version or a combination of both languages version of the printed Corporate Communication to be received.

AGM CIRCULAR AND DOCUMENTS DESPATCHED

Details of the proposed new articles of the Company together with the explanatory statement required under the Listing Rules in respect of the proposed granting of a repurchase mandate are set out in the AGM Circular, which has been despatched to shareholders today.

In addition, the 2002 annual report, the notice of the AGM and the related proxy form have been despatched to shareholders today.

For and on behalf of Board of
Next Media Limited
Lee Yuen Mei, Janis
Company Secretary

Hong Kong, 8 July 2002

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of 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, 31 July 2002 at 11:00 a.m. for the purpose of transacting the following business:

As ordinary business

1. to receive and consider the Reports of the Directors and Auditors and the Statement of Accounts for the year ended 31 March 2002;
2. to re-elect Directors and to authorise the Directors to fix the Directors' remuneration for the ensuing year;
3. to re-appoint PricewaterhouseCoopers as auditors and to authorise the Directors to fix their remuneration;

As special business

to consider, and if thought fit, pass the following ordinary resolutions with or without amendments:-

4. A. "THAT:
 - (a) subject to paragraph (b), the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot and issue 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) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to:
 - (i) a Rights Issue;
 - (ii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company; or

(iii) 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

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 passing this resolution and this 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 to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution in general meeting.

“ Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to 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 of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”;

B. “THAT:

- (a) subject to paragraph (b), the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase 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;

(b) the aggregate nominal amount of shares of the Company to be purchased by the Directors of the Company pursuant to the approval in paragraph (a) 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 passing 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 to be held; and

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution in general meeting.”; and

C. “**THAT** conditional upon the passing of Resolutions 4A and 4B of the Notice of this Meeting, the general mandate granted under Resolution 4A be extended by adding the aggregate nominal amount of shares purchased by the Company pursuant to Resolution 4B to the aggregate nominal amount of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company.”

to consider, and if thought fit, pass the following special resolution with or without amendments:-

5. “**THAT** the existing Articles 133, 135, 136, 137 and 138 of the Articles of Association of the Company be deleted and replaced with the following new Articles:

133. (a) Subject to paragraph (b), the Company shall, in accordance with the requirements of the Companies Ordinance, deliver or send to each shareholder a printed copy of the relevant financial documents or the summary financial report (each as defined in the Companies Ordinance) at least 21 days before the date of the general meeting.

(b) Where a shareholder (a “**Consenting Shareholder**”) has, in accordance with legislation and the rules and regulations of the stock exchange on which the

shares of the Company are listed, consented to treat the publication of the relevant financial documents and/or the summary financial report (each as defined in the Companies Ordinance) on the Company's website or computer network as discharging the Company's obligation under the Companies Ordinance to send a copy of the relevant financial documents and/or the summary financial report (each as defined in the Companies Ordinance), then publication by the Company, in accordance with legislation, on the Company's computer network of the relevant financial documents and the summary financial report (each as defined in the Companies Ordinance) at least 21 days before the date of the general meeting shall, in relation to each Consenting Shareholder, be deemed to discharge the Company's obligations under paragraph (a).

135. (A) Subject to paragraph (B), any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid.
- (B) Any notice or document (save for certificate of title) may also be served to any Member by publication on the Company's website or computer network and/or by electronic mail and/or given in writing and/or by cable, telex or facsimile transmission message by transmitting it to any such address or electronic mail address or transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of notice and/or sending a document to him or which the person transmitting the notice and/or document reasonably and bona fide believes at the relevant time will result in the notice or document being duly received by the Member.
- (C) Notice may also be served by advertisement in appropriate newspapers or in such other media or through other way in accordance with and subject to the requirements of the applicable legislation and the rules and regulations of the stock exchange in which shares of the Company are listed.
- (D) In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.
136. (A) Any Member described in the Register by an address not within Hong Kong who shall, from time to time, give to the Company an address within Hong Kong at

which notices may be served upon him shall be entitled to have notices served upon him at such address.

(B) Any Member may elect to receive notice and documents from the Company by way of electronic mail or cable, telex or facsimile transmission message or elects to rely on the publication on the Company's website or computer network in respect of notice or documents from the Company by sending an advance notice of such intention to the Company using the prescribed form as may be determined by the Board.

(C) Notwithstanding any provision in these Articles to the contrary but subject always to the requirements of applicable legislation and/or rules and regulations of the stock exchange in which the securities of the Company are listed, any notice or document may be given to a Member either in either the English language or the Chinese language, or both; and for the purposes of this Article, such notice and document shall include (but not limited to):

- (i) the Directors' report, the Company's annual accounts together with a copy of the auditors' report and where applicable, its summary financial report (as defined in the Companies Ordinance);
- (ii) the interim report of the Company;
- (iii) a notice of meeting;
- (iv) a listing document; and
- (v) a circular.

137. (A) Any such notice or other document, if sent by post, shall be deemed to have been served or delivered on the day after the day when it was put in the post, and in proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.

(B) Any such notice or other document, if served, delivered or published in any other manner contemplated by these Articles, shall be deemed to have been served,

delivered or published at the time of delivery, the relevant despatch or transmission, or at the time of publication.

(C) In proving such service, delivery, despatch or transmission or publication, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof.

138. (A) Any notice or document delivered or sent to any Member or published in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery or publication of the notice or document, have been removed from the Register as the holder of the share and such service or delivery or publication shall for all purposes be deemed a sufficient service or delivery or publication of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

(B) A member who has no registered address will be deemed to have received any notice which has been advertised in the English and Chinese languages respectively in a leading English Language daily newspaper and a leading Chinese language daily newspaper circulating generally in Hong Kong and being specified in the list of newspaper issued under Section 71A of the Companies Ordinance or any similar statutory provisions replacing that section.”

By Order of the Board
Lee Yuen Mei, Janis
Company Secretary

Hong Kong, 8 July 2002

Notes:

(1) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote for him in accordance with the Articles of Association of the Company. A proxy need not be a member of the Company.

NEXT MEDIA LIMITED

- (2) To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney 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 fixed for holding the meeting or any adjournment thereof.
- (3) The Register of Members of the Company will be closed from 29 July 2002 to 31 July 2002, 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 Registrar, Computershare Hong Kong Investor Services Limited at the 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on 26 July 2002.

Please also refer to the published version of this announcement in The Standard dated 9 July 2002.