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Paramount

PARAMOUNT PUBLISHING GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

The board of directors of Paramount Publishing Group Limited announces the result of the Employee Offer. Share certificates for the Underwritten Shares and the Placing Shares will be despatched on 25th October, 1999.

Terms used in this announcement shall have the same meanings as described in the joint announcement of Paramount Publishing Group Limited and Seapower International Holdings Limited dated 16th October, 1999 unless defined otherwise.

Further to the announcement dated 16th October, 1999, the board of directors of Paramount is pleased to announce that the 150,000,000 Underwritten Shares, representing approximately 5.7 per cent of the issued share capital of Paramount as enlarged by the issue of the Underwritten Shares and the Placing Shares (the "Enlarged Share Capital"), under the Employee Offer were fully subscribed by and allotted to the employees of Next. Mr. Yeung Wai Hong, Mr. Chow On Kiu, Andrew, Mr. Ho Kwok Fai, Morris, Mr. Ting Ka Yu, Stephen and Mr. Kok Hon Kay, Peter (collectively the "Paramount Directors"), the directors of Paramount, were allocated the following number of Underwritten Shares:

Directors of Paramount	Number of Underwritten Shares intended to subscribe for as indicated in Paramount's prospectus dated 30 th September, 1999	Number of Underwritten Shares allocated
Yeung Wai Hong	3,000,000	15,000,000
Chow On Kiu, Andrew	3,000,000	15,000,000
Ho Kwok Fai, Morris	3,000,000	9,000,000
Ting Ka Yu, Stephen	3,000,000	9,000,000
Kok Hon Kay, Peter	3,000,000	3,000,000
Total	15,000,000 (representing approximately 0.6 per cent. of the Enlarged Share Capital and 10 per cent. of the total Underwritten Shares)	51,000,000 (representing approximately 1.9 per cent. of the Enlarged Share Capital and 34 per cent. of the total Underwritten Shares)

The issue and allotment of the Underwritten Shares to the Paramount Directors constitute connected transactions for Paramount and was approved by the shareholders of Paramount at the extraordinary general meeting of Paramount held on 16th October, 1999.

The 480,000,000 Placing Shares, representing approximately 18.3 per cent. of the Enlarged Share Capital were fully placed by Yu Ming Investment Management Limited to professional, institutional and individual investors. 25 per cent. public float will be maintained after completion of the placing on 25th October, 1999.

Share certificates for the Underwritten Shares and the Placing Shares will be despatched on 25th October, 1999.

By order of the board of
Paramount Publishing Group Limited
Yeung Wai Hong
Director

Hong Kong, 23rd October, 1999

The directors of Paramount accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

Please also refer to the published version of this announcement in the South China Morning Post on 25-10-1999.