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Paramount Publishing Group Limited

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

Disclosure Pursuant to Practice Note 19 of the Listing Rules

In accordance with the requirements under Practice Note 19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the board of directors (the "Board") of Paramount Publishing Group Limited (the "Company") announces details of certain banking facilities of the Company which include a condition imposing specific performance obligations on the controlling shareholder of the Company.

On 20th December, 1999, the Company obtained banking facilities in an aggregate amount of HK\$150,000,000 (the "Facilities") from a reputable international bank independent of and not connected with the Company (the "Bank"). The Facilities include a term loan facility in the amount of HK\$120,000,000 (the "Term Loan Facility"), an import facility in the amount of HK\$29,000,000 (the "Import Facility") and an overdraft facility in the amount of HK\$1,000,000 (the "Overdraft Facility"). The Term Loan Facility is to be repaid in 12 instalments with the last instalment falling due in June 2003. The Import Facility and the Overdraft Facility will expire on 31st July, 2001 and 31st December, 2000 respectively, or such later date as the Bank may agree. The Facilities constitute a substantial portion of the Company's existing facilities.

The terms of the Facilities include a condition imposing specific performance obligations on Next Media International Holdings Limited ("Next") and Mr. Lai Chee Ying, Jimmy ("Mr. Lai"). A breach of such obligations will cause a default in respect of the Facilities but will not affect other facilities of the Company or any of its subsidiaries.

It will constitute a breach of the terms of the Facilities if (1) Mr. Lai either (a) ceases to be the beneficial owner, directly or indirectly, of a majority of the issued voting shares of each of the Company, Next and Next Media (Holdings) Limited ("Next Holdings"), a wholly-owned subsidiary of Next or (b) ceases to exercise management control of each of the Company, Next and Next Holdings or (2) neither Next nor Mr. Lai is on its or his own the beneficial owner (directly or indirectly) of at least 51 per cent. of the issued voting shares of the Company. At present, Next is beneficially interested in approximately 64 per cent. of the issued share capital of the Company. Mr. Lai and his family are beneficially interested in approximately 89.9 per cent. of

Next.

As stated in the Company's prospectus dated 30th September, 1999 (the "Prospectus"), Next and Mr. Lai have already undertaken not to sell any shares of the Company within six months from date of commencement of dealing in the Placing Shares and the Underwritten Shares (as defined in the Prospectus), ending on 25th April, 2000, and not to cease to be a controlling shareholder of the Company during the following six months, ending on 25th October, 2000. The Board does not foresee any circumstance that the specific performance obligations on Next and Mr. Lai will not be fulfilled.

By Order of the Board
Janis Lee Yuen Mei
Company Secretary

Hong Kong, 29th December, 1999

Please also refer to the published version of this announcement in the South China Morning Post on 30-12-1999.