
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Next Media Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make 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 circular.

NEXTmedia
NEXT MEDIA LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00282)

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
ADOPTION OF THE SUBSIDIARY SHARE OPTION SCHEME,
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Next Media Limited to 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 Monday, 20 July 2009 at 3:00 p.m. is set out on pages 27 to 34 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the registered office of Next Media Limited at 1st Floor, 8 Chun Ying Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

18 June 2009

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
Introduction	4
Re-election of Directors	5
General Mandate to Issue Shares	5
General Mandate to Repurchase Shares	6
Extension of Share Issue Mandate	6
Adoption of the Subsidiary Share Option Scheme	6
Amendments to the Articles of Association	7
Annual General Meeting	10
Voting by Poll	10
Recommendation	10
Responsibility Statement	11
General Information	11
Appendix I — Details of Directors standing for re-election	12
Appendix II — Explanatory Statement of the Repurchase Proposal	17
Appendix III — Summary of the Principal Terms of the Subsidiary Share Option Scheme	20
Notice of Annual General Meeting	27

DEFINITIONS

In this circular and the appendices to it, unless the context otherwise requires, the following expressions have the following meanings:

“2007 Share Option Scheme”	the share option scheme adopted by the Company on 30 July 2007
“ADPDL”	Apple Daily Publication Development Limited, a private company incorporated in Hong Kong with limited liability and a subsidiary of the Company
“ADPDL Share Option Scheme”	the share option scheme of ADPDL approved by the Company on 30 July 2007
“AGM Notice”	the notice convening the Annual General Meeting, which is set out on pages 27 to 34 of this circular
“Aim High”	Aim High Investments Limited, a private company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Annual General Meeting”	the annual general meeting of the Company to be held on Monday, 20 July 2009 at 3:00 p.m.
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of directors of the Company
“Companies Ordinance”	the Companies Ordinance (Chapter 32), as amended from time to time
“Company”	Next Media Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Controlling Shareholder”	Mr. Lai Chee Ying, Jimmy who held 1,786,133,165 Shares, representing approximately 74.04% of the total issued Shares of the Company, as at the Latest Practicable Date
“Directors”	the directors of the Company
“Eligible Person”	any employee (whether full time or part time), executive or officer, director (including any executive and non-executive) of a Group Company, who holds salaried employment with a Group Company, who, in the sole discretion of the Board, has contributed or may contribute to the growth and development of the Group, but for the purpose of eligibility to apply for a Plan loan, excludes any director of a Group Company

DEFINITIONS

“Group”	the Company and its subsidiaries
“Group Company”	a member of the Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	12 June 2009, the latest practicable date for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Remuneration Committee”	the remuneration committee established by the Board on 15 March 2005 with specific terms of reference with primary responsibility for reviewing and developing all policies appertaining to the remuneration of the Directors and members of senior management
“Repurchase Proposal”	the proposed general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution on the Stock Exchange, Shares representing up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in the AGM Notice
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571), as amended from time to time
“Share(s)”	ordinary share(s) of HK\$1.00 each in the capital of the Company, or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time
“Shareholder(s)”	holder(s) of Share(s)
“Share Subscription and Financing Plan” or “Plan”	a share subscription and financing plan adopted on 29 October 2007 by the Board whereby selected Eligible Persons may be invited to apply for new Shares and offered the opportunity to finance their subscription by way of Plan loans
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Subsidiary Share Option Scheme”	share option scheme of Aim High to be approved by the Shareholders at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III of this circular
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

NEXTmedia
NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00282)

Executive Directors:

Lai Chee Ying, Jimmy (*Chairman*)
Chu Wah Hui (*Chief Executive Officer*)
Ting Ka Yu, Stephen (*Chief Operating Officer and
Chief Financial Officer*)
Ip Yut Kin

Registered office:

1st Floor
8 Chun Ying Street
Tseung Kwan O Industrial Estate
Tseung Kwan O
New Territories
Hong Kong

Non-Executive Director:

Cheung Ka Sing, Cassian

Independent Non-Executive Directors:

Fok Kwong Hang, Terry
Wong Chi Hong, Frank
Lee Ka Yam, Danny

18 June 2009

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
ADOPTION OF THE SUBSIDIARY SHARE OPTION SCHEME,
AMENDMENTS TO ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you notice of the Annual General Meeting to be held on Monday, 20 July 2009 and to provide you with information regarding the following resolutions to be proposed at the Annual General Meeting:

- (a) ordinary resolutions relating to (i) the re-election of Directors, (ii) the granting to the Directors of general mandates to allot and issue and repurchase Shares and (iii) adoption of the Subsidiary Share Option Scheme; and
- (b) special resolution relating to (iv) amendments to the Articles of Association of the Company.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Articles 84 and 85 of the Articles of Association, at every annual general meeting, one-third of the relevant number of Directors or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. Further, pursuant to Article 79 of the Articles of Association, any Director so appointed by the Board during the year either to fill a casual vacancy or as an addition to the existing Board shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. Accordingly, Mr. Ip Yut Kin, Mr. Chu Wah Hui, Mr. Cheung Ka Sing, Cassian, Mr. Wong Chi Hong, Frank and Dr. Lee Ka Yam, Danny will retire from office and, being eligible, offer themselves for re-election at the Annual General Meeting. Biographical details of such Directors are set out in Appendix I of this circular.

GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 21 July 2008, a general mandate was granted to the Directors to exercise the power of the Company to allot and issue Shares (and securities convertible into Shares). This mandate will expire at the conclusion of the Annual General Meeting. Accordingly, an ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a general mandate to allot and issue Shares (and securities convertible into Shares) with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution. This 20% limit will not apply to Shares that may be issued pursuant to, inter alia, (i) a rights issue, (ii) scrip dividend extended to all Shareholders and (iii) the exercise of subscription rights under the share option schemes of the Company.

No invitations were made and accepted during the financial year ended 31 March 2009 under the Share Subscription and Financing Plan. A total of 3,904,000 Shares are to be issued under a specific mandate granted to the Directors at an extraordinary general meeting of the Company held on 14 January 2008. A total of 42,568,000 Shares are to be issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 30 July 2007. If new invitations under the Share Subscription and Financing Plan are made and accepted in the financial year ending 31 March 2010, the new Shares under such invitations will be issued under the general mandate (if granted) to be granted at the Annual General Meeting.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 21 July 2008, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company. This mandate will expire at the conclusion of the Annual General Meeting. Accordingly, the Repurchase Resolution will be proposed at the Annual General Meeting. In accordance with the rules regulating the repurchase of securities on the Stock Exchange, an explanatory statement providing the requisite information relating to the Repurchase Proposal is set out in Appendix II of this circular.

EXTENSION OF SHARE ISSUE MANDATE

Subject to the passing at the Annual General Meeting of the Repurchase Resolution and the proposed ordinary resolution regarding the general mandate to issue Shares, an ordinary resolution will be proposed at the Annual General Meeting to approve the addition to the general mandate to allot and issue new Shares (as referred to above) those number of Shares that may be repurchased by the Company under the Repurchase Resolution.

ADOPTION OF THE SUBSIDIARY SHARE OPTION SCHEME

The Company's indirect wholly-owned subsidiary, Aim High, proposes to adopt the Subsidiary Share Option Scheme. The scheme is designed to provide participants (as defined in the scheme) with the opportunity to acquire proprietary interests in it, which will encourage the grantees of such options to work towards enhancing the value of Aim High and for the benefit of the Company as a whole. The participants of the Subsidiary Share Option Scheme include any of the full-time employees and directors of Aim High or any of its subsidiaries and any person who the board of directors of Aim High considers to be able to enhance the operation or value of Aim High.

Aim High is engaged in television and broadcasting businesses in Taiwan.

As at the Latest Practicable Date, there was no other share option scheme in place by Aim High.

The shares to be issued upon an exercise of the options granted under the Subsidiary Share Option Scheme will be shares in Aim High, not the Company's Shares.

The shareholder of Aim High has given its approval for the adoption of the Subsidiary Share Option Scheme conditional on the approval by the Shareholders of the Company at the Annual General Meeting. A summary of the principal terms of the Subsidiary Share Option Scheme is set out in Appendix III of this circular. A copy of the Subsidiary Share Option Scheme document will be available for inspection at the Company's registered office at 1st Floor, 8 Chun Ying Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong from (and including) Friday, 26 June 2009 and up to and including Monday, 20 July 2009 and at the Annual General Meeting.

LETTER FROM THE BOARD

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A special resolution will be proposed at the Annual General Meeting to amend the Articles of Association so as to conform recent changes made to the Listing Rules as regards notice of meetings and voting by poll at general meetings of the Company. The proposed amendments are intended to have the following principal effects:

- (i) In addition to the requirements under the Companies Ordinance (Cap.32), notice of all general meetings of the Company will be subject to the minimum notice period as may be specified under the Listing Rules;
- (ii) Any vote of shareholders at a general meeting of the Company must be taken by poll.

Details of the proposed amendments are as follows (deletion shown by way of strikethrough and new addition by way of underline):

(a) Article 2

Adding the following new definition in the existing Article 2 after the definition of "Board":

<u>"business day"</u>	<u>means any day on which The Stock Exchange of Hong Kong Limited is open for business of dealing in securities. For the avoidance of doubt, where The Stock Exchange of Hong Kong Limited is closed for the business of dealing in securities in Hong Kong on a day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.</u>
-----------------------	--

(b) Article 51

51. Subject to such longer minimum notice periods as may be required under the Listing Rules from time to time and to the requirement that ~~An annual general meeting and~~ a meeting called for the passing of a special resolution shall be called by not less than twenty-one days' notice in writing and a meeting other than ~~an annual general meeting or~~ a meeting called for the passing of a special resolution shall be called by not less than fourteen days' notice in writing, an annual general meeting shall be called by not less than twenty-one clear days' notice or twenty clear business days' notice in writing (whichever is longer) and a meeting other than an annual general meeting shall be called by not less than fourteen clear days' notice or ten clear business days' notice in writing (whichever is longer). The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, day and time of meeting and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such and the notice convening a meeting to pass a special or extraordinary resolution

LETTER FROM THE BOARD

shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to all Members other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors for the time being of the Company.

Provided that, subject to the provisions of the Companies Ordinance, a meeting of the Company shall, notwithstanding that it is called shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed, in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat and, in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

(c) Article 60

60. Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, ~~on a show of hands every Member who is present in person at a general meeting of the Company shall have one vote and on a poll every Member who is present in person or by proxy at a general meeting of the Company shall have one vote for every~~each ~~HK\$1.00 nominal amount of share capital~~ of which he is the holder.

(d) Article 61

61. ~~At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hand unless voting by way of a poll is required by the Listing Rules or (before or on the declaration for the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:-~~

- ~~(a) the chairman of the meeting; or~~
- ~~(b) at least three Members present in person or by proxy and entitled to vote; or~~
- ~~(c) any Member or Members present in person or by proxy and representing in aggregate not less than one tenth of the total voting rights of all Members having the right to attend and vote at the meeting; or~~
- ~~(d) any Member or Members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one tenth of the total sum paid up on all shares conferring that right; or~~
- ~~(e) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five percent (5%) or more of the total voting rights at such meeting.~~

LETTER FROM THE BOARD

~~Unless a poll is so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has, on a show of hand, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.~~ At any general meeting, a resolution put to the vote at the meeting shall be voted on by way of a poll.

(e) Article 62

~~62. If a poll is duly demanded t~~The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

(f) Article 63

~~63. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than three months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.~~

(g) Article 64

~~64. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier. Any question of adjournment shall be decided at the meeting and without adjournment.~~

(h) Article 65

~~65. On a poll v~~otes may be given either personally or by proxy.

(i) Article 66

~~66. A person entitled to more than one vote on a poll~~ need not use all his votes or cast all the votes he uses in the same way.

(j) Article 67

~~67. In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll,~~ the chairman of such meeting shall be entitled to a second or casting vote.

LETTER FROM THE BOARD

(k) Article 69

69. A Member who is a patient for any purpose of any Ordinance relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, ~~whether on a show of hands or on a poll,~~ by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such Court and such receiver committee, curator bonis or other person may vote ~~on a poll~~ by proxy and may otherwise act and be treated as such Member for the purposes of general meetings.

ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 27 to 34 of this circular. Ordinary resolutions in respect of the re-election of the Directors, the general mandates to issue securities and repurchase Shares and adoption of the Subsidiary Share Option Scheme and a special resolution in respect of the amendments to the Articles of Association, will be proposed at the Annual General Meeting.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the registered office of the Company at 1st Floor, 8 Chun Ying Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The Chairman of the Annual General Meeting will therefore demand voting on all resolutions set out in the AGM Notice be taken by way of poll pursuant to Article 61 of the Articles of Association.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for each Share registered in his name in the register. A Shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the general mandate to allot and issue securities, the Repurchase Proposal, the adoption of Subsidiary Share Option Scheme and amendments to the Articles of Association are in the

LETTER FROM THE BOARD

best interests of the Company and the Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of all of the ordinary resolutions and special resolution to be proposed as special business at the Annual General Meeting.

The Controlling Shareholder has indicated that he intends to vote in favour of all of the ordinary resolutions and special resolution to be proposed as special business at the Annual General Meeting in respect of his shareholdings in the Company.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
By order of the Board
Chu Wah Hui
Director

Pursuant to Articles 79, 84 and 85, Mr. Ip Yut Kin, Mr. Chu Wah Hui, Mr. Cheung Ka Sing, Cassian, Mr. Wong Chi Hong, Frank and Dr. Lee Ka Yam, Danny shall retire at the Annual General Meeting and, being eligible, offer themselves for re-election at the Annual General Meeting. Their biographical details are as follows:

Mr. Ip Yut Kin, aged 57, an executive Director of the Company since November 2001. He is also currently the Chairman of *Taiwan Apple Daily* and *Taiwan Next Magazine* and he oversees the operations of these two publications. A graduate of the National Chengchi University of Taiwan with a Bachelor of Social Sciences (Journalism) degree, Mr. Ip has worked with many leading Hong Kong newspapers during his long journalistic career, which has spanned more than 30 years.

Other than in his capacity as a Director and by virtue of his shareholding interests in the Company (details of which are described below), Mr. Ip is not related to and has no business relationship with the other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Ip also did not hold any directorship in other public companies in the last three years.

As at the Latest Practicable Date and as notified to the Company for the purposes of Part XV of the Securities and Futures Ordinance, Mr. Ip had a total personal interest and family interest in 13,890,377 Shares, representing approximately 0.5758 percent of the issued share capital of the Company. Mr. Ip also held 200,000 ordinary shares of HK\$0.01 each of ADPDL which were issued and allotted to Mr. Ip as a result of exercise of his options granted to him under the ADPDL Share Option Scheme.

Mr. Ip has a service contract with ADPDL, a subsidiary of the Company since 1 October 2002. Pursuant to his service contract, Mr. Ip is entitled to receive a monthly salary of HK\$158,731 on a 13-month basis and certain allowances such as housing and company car for his secondment to Taiwan. He is also entitled to a discretionary bonus pegged to performance. Such emoluments are determined by reference to job responsibilities, the Group's performance and profitability as well as remuneration benchmark in the industry. He is also entitled to receive a Director's fee, currently being HK\$200,000 per annum, as may be reviewed by the Remuneration Committee and determined by the Board with reference to his responsibilities and prevailing market practices subject to an authority being granted by the Shareholders at the Annual General Meeting. Mr. Ip received emoluments including salaries and other benefits in the total amount of HK\$7,203,675 and a Director's fee of HK\$200,000 for the year ended 31 March 2009.

Save as disclosed above, there is no information relating to Mr. Ip which is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Chu Wah Hui, aged 58, has been an executive Director of the Company and the Chief Executive Officer of the Group since October 2008. Mr. Chu is responsible for formulation of the Group's strategies and leads the management and operation unit heads to achieve goals set by the Board with a view to enhancing long term shareholder value. Prior to joining the Group, he held various management positions in several U.S. multinational companies since 1976, namely, PepsiCo., Monsanto, Whirlpool, H.J. Heinz

and Quaker Oats. He holds a Bachelor of Science degree from the University of Minnesota and a Master of Business Administration degree from Roosevelt University, both in the U.S.

Other than in his capacity as a Director, the Chief Executive Officer of the Group and by virtue of his shareholding interests in the Company (details of which are described below), Mr. Chu is not related to and has no business relationship with the other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Chu is also currently a director of Mettler-Toledo International Inc. (a U.S. corporation listed on the New York Stock Exchange) and a non-executive director of Li Ning Company Limited (a company incorporated in Cayman Islands with its shares listed on the Stock Exchange).

As at the Latest Practicable Date and as notified to the Company for the purposes of Part XV of the Securities and Futures Ordinance, Mr. Chu and his associate had personal interests of 20,000 Shares and 10,000 Shares, respectively, representing approximately 0.0008 percent and 0.0004 percent of the issued share capital of the Company.

Mr. Chu has a service contract with Next Media Management Services Limited, a wholly-owned subsidiary of the Company, for a term of 3 years from 2 October 2008. Pursuant to his service contract, he is entitled to receive a monthly salary of HK\$241,250 on a 14-month basis and certain allowances such as company car. He is also entitled to incentive bonuses which are to be determined by reference to operational performance and market capitalization of the Group. As part of the remuneration package under the aforesaid employment contract, Mr. Chu is entitled to options representing a total of 50,000,000 ordinary shares of the Company which are to be granted to him in 5 tranches, each of 10,000,000 Shares, over a period of four years under the 2007 Share Option Scheme. The first grant of options to subscribe for 10,000,000 Shares was made on 2 October 2008. He is also entitled to receive a Director's fee, currently being HK\$200,000 per annum, as may be reviewed by the Remuneration Committee and determined by the Board with reference to his responsibilities and prevailing market practices subject to an authority being granted by the Shareholders at the Annual General Meeting. Mr. Chu received emoluments including salaries and other benefits in the total amount of HK\$3,535,101 and a Director's fee of HK\$100,000 for the period from 2 October 2008 to 31 March 2009.

Save as disclosed above, there is no information relating to Mr. Chu which is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Cheung Ka Sing, Cassian, aged 53, a non-executive Director of the Company since November 2008, is currently an adjunct professor and an advisory board member of the Hong Kong University of Science and Technology — Business and Management School. He also serves as an advisor to several Chinese and European companies in the advertising and marketing fields and is an independent non-executive director of Trinity Limited, a member of the Li & Fung Group. Mr. Cheung attended universities in the U.S.A. and received a Master of Management degree from the Northwestern University Kellogg School of Management.

Other than in his capacity as a non-executive Director and by virtue of his shareholding interests in the Company (details of which are described below), Mr. Cheung is currently providing consultancy services on project basis to Mr. Lai Chee Ying, Jimmy, the Controlling Shareholder of the Company, in respect of Mr. Lai's personal investments. Save as disclosed, Mr. Cheung is not related to any Director, senior management or substantial or controlling shareholder of the Company. Mr. Cheung also did not hold any directorship in other public companies in the last three years.

As at the Latest Practicable Date and as notified to the Company for the purposes of Part XV of the Securities and Futures Ordinance, Mr. Cheung had personal interests of 172,000 Shares, representing approximately 0.0071 percent of the issued share capital of the Company.

Mr. Cheung does not have a service contract with the Company. He has been appointed as a non-executive Director of the Company for a fixed term up to 23 November 2010 subject to the provisions relating to re-election and retirement by rotation at annual general meeting as stipulated in the Articles of Association. Mr. Cheung is entitled to receive a Director's fee per annum, currently being HK\$200,000 per annum, as may be reviewed by the Remuneration Committee and approved by the Board with reference to his responsibilities and prevailing market practices subject to an authority being granted by the Shareholders at the Annual General Meeting. Mr. Cheung received a Director's fee of HK\$70,137 for the period from 24 November 2008 to 31 March 2009.

Save as disclosed above, there is no information relating to Mr. Cheung which is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Wong Chi Hong, Frank, aged 54, has been an independent non-executive Director of the Company since January 2009. He is also a member of each of the Audit Committee and the Remuneration Committee of the Company. He is currently the President of the Asia region for Scholastic Inc. Prior to that, he held various general management and brand management positions with multinational companies in the U.S. and Mainland China such as Pepsi, Nabisco and Colgate Palmolive. Mr. Wong has a BA degree from George Washington University and a Master degree from Columbia University, and did further graduate studies at Harvard University's Kennedy School of Government. He is a member of the International Advisory Council of George Washington University's School of Public & International Affairs; and Chairman of the Communications and Marketing Committee of the American Chamber of Commerce in Hong Kong.

Other than in his capacity as a Director and by virtue of his shareholding interests in the Company (details of which are described below), Mr. Wong is not related and has no business relationship with the other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Wong also did not have directorship held in other public companies in the last three years.

As at the Latest Practicable Date and as notified to the Company for the purposes of Part XV of the Securities and Futures Ordinance, Mr. Wong did not have any interest in the issued share capital of the Company.

Mr. Wong does not have a service contract with the Company. He has been appointed as an independent non-executive Director for a fixed term up to 29 January 2011 subject to the provisions relating to re-election and retirement by rotation at annual general meeting as stipulated in the Articles of Association. Mr. Wong is entitled to receive a Director's fee per annum as may be reviewed by the Remuneration Committee and approved by the Board with reference to his responsibilities and prevailing market practices subject to an authority being granted by the Shareholders at the Annual General Meeting. Mr. Wong received a Director's fee of HK\$50,137 for the period from 30 January 2009 to 31 March 2009.

Save as disclosed above, there is no information relating to Mr. Wong which is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Dr. Lee Ka Yam, Danny, aged 47, has been a Director of the Company since March 2009. He is also a member of each of the Audit Committee and the Remuneration Committee of the Company. He was working in Ogilvy Group (China, Hong Kong and Taiwan) from 1990 to 2008 where he last held the position of vice chairman, chief operating and financial officer. He has extensive experience in strategic management, merger and acquisitions, assurance and financial advisory work, particularly in the areas of marketing communications and media industry. Dr. Lee is a fellow member of the Chartered Association of Certified Accountants UK, the Hong Kong Institute of Certified Public Accountants and an associate member of the Institute of Chartered Accountants in England and Wales.

Dr. Lee obtained a Master of Arts degree in international accounting from the City University of Hong Kong, a Master of Arts degree in English for the professions and a Doctorate degree in business administration, both from the Hong Kong Polytechnic University and a Master of Science degree in electronic commerce and internet computing from the University of Hong Kong.

Other than in his capacity as a Director and by virtue of his shareholding interests in the Company (details of which are described below), Dr. Lee is not related to and has no business relationship with the other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company. Dr. Lee also did not have directorship held in other public companies in the last three years.

As at the Latest Practicable Date and as notified to the Company for the purposes of Part XV of the Securities and Futures Ordinance, Dr. Lee did not have any interest in the issued share capital of the Company.

Dr. Lee does not have a service contract with the Company. He has been appointed as an independent non-executive Director for a fixed term up to 8 March 2011 subject to the provisions relating to re-election and retirement by rotation at annual general meeting as stipulated in the Articles of Association. Dr. Lee is entitled to receive a Director's fee per annum as may be reviewed by the Remuneration Committee and approved by the Board with reference to his responsibilities and prevailing market practices subject to an authority being granted by the Shareholders at the Annual General Meeting. Dr. Lee received a Director's fee of HK\$18,904 for the period from 9 March 2009 to 31 March 2009.

Save as disclosed above, there is no information relating to Dr. Lee which is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

This Appendix contains an explanatory statement, as required by the Listing Rules, to provide the requisite information to you for your consideration of the Repurchase Proposal. It also constitutes a memorandum as required under Section 49BA(3) of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company consisted of 2,412,496,881 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no other Shares are issued or repurchased between the Latest Practicable Date and the date of the approval of the Repurchase Proposal, the Company would be authorised under the Repurchase Resolution to repurchase a maximum of 241,249,688 Shares (representing not more than 10% of the issued share capital of the Company traded on the Stock Exchange as at the Latest Practicable Date).

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and the Shareholders. Repurchases of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of Shareholder value and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the Listing Rules and the laws of Hong Kong. The Companies Ordinance provides that a share repurchase may only be made out of the distributable profits of the Company and/or the proceeds of a new issue of Shares.

A material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 March 2009, the most recent published audited financial statements of the Company) may occur in the event that the general mandate under the Repurchase Proposal is utilised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the general mandate under the Repurchase Proposal to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date and up to the Latest Practicable Date are as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
June 2008	3.440	2.900
July 2008	3.140	2.100
August 2008	2.430	2.150
September 2008	2.400	1.800
October 2008	2.000	0.800
November 2008	1.470	0.800
December 2008	0.970	0.840
January 2009	1.020	0.820
February 2009	1.750	0.810
March 2009	0.860	0.730
April 2009	1.180	0.800
May 2009	1.370	1.080
June 2009 (up to the Latest Practicable Date)	1.320	1.030

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Repurchase Proposal and in accordance with the Listing Rules and the laws of Hong Kong.

6. TAKEOVERS CODE

If, on the exercise of the general mandate to repurchase Shares pursuant to the Repurchase Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and may, in certain circumstances, become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the Controlling Shareholder held 1,786,133,165 Shares representing approximately 74.04% of the issued share capital of the Company. As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the Controlling Shareholder and Madam Li Wan Kam, Teresa, who is the spouse of the Controlling Shareholder and is deemed to be interested in the Shares held by the Controlling Shareholder, are the only persons who are interested in 10% or more of the issued Shares.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Proposal, the shareholding of the Controlling Shareholder and the deemed interest of Madam Li Wan Kam, Teresa would be increased to approximately 82.26% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Proposal. Having said that, the Directors have no intention to exercise the power to repurchase Shares to such an extent when the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company did not repurchase any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. MISCELLANEOUS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their respective associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Proposal is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) of the Company have notified it of a present intention to sell any Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the Shareholders.

For the purpose of this appendix,

“Subsidiary” shall mean Aim High; and

“Subsidiary Share Option Scheme” shall mean the new proposed share option scheme of Aim High.

The following is a summary of the principal terms of the Subsidiary Share Option Schemes:

1. The purpose of the Subsidiary Share Option Scheme is to provide Subsidiary Share Option Scheme Participants (as described in paragraph 3 below) with the opportunity to acquire proprietary interests in the Subsidiary and to encourage them to work towards enhancing the value of the Subsidiary and its shares for the benefit of the Subsidiary and its shareholders as a whole.
2. The Subsidiary Share Option Scheme is to be administered by the board of directors of the Subsidiary, and the decisions of the board of directors of the Subsidiary shall be final and binding on all parties. The board of directors of the Subsidiary shall have the right to (i) interpret and construe the provisions of the Subsidiary Share Option Scheme, (ii) determine the persons who will be offered options under the Subsidiary Share Option Scheme, and the number of shares in the Subsidiary and subscription price, subject to the terms described in paragraphs 6, 7 and 11 below, in relation to such options, (iii) subject to the terms described in paragraph 21 below, make such appropriate and equitable adjustments to the terms of the options granted under the Subsidiary Share Option Scheme as it deems appropriate, and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the Subsidiary Share Option Scheme.
3. The Subsidiary Share Option Scheme Participants include:
 - (i) any full-time employee of the Subsidiary or of any of its subsidiaries;
 - (ii) directors of the Subsidiary or of any of its subsidiaries; and
 - (iii) any person whether or not an employee or officer of the Subsidiary or its subsidiaries who the board of directors of the Subsidiary considers to be able to enhance the operations or value of the Subsidiary.
4. The board of directors of the Subsidiary is entitled, at any time on a business day within the period commencing from the adoption date of the Subsidiary Share Option Scheme and expiring on the earlier of (a) the date of listing on an internationally recognized stock exchange whether in Hong Kong or elsewhere of the Subsidiary or its intermediate holding company (except for the Company, which is already listed on the Stock Exchange) or such other company that then holds the business conducted or to be conducted by the Subsidiary and its

subsidiaries after the date of adoption of the Subsidiary Share Option Scheme (the “Listing”) or (b) the tenth anniversary of the adoption date of the Subsidiary Share Option Scheme, to make an offer to any Subsidiary Share Option Scheme Participant in its absolute discretion to take up an option, pursuant to which such Subsidiary Share Option Scheme Participant may subscribe for such number of Shares as the board of directors of the Subsidiary may determine at the subscription price.

5. Each grant of options to any director, chief executive or substantial shareholder of the Subsidiary or of the Company, or any of their respective associates (as defined in the Listing Rules), shall for so long as the Subsidiary remains a subsidiary of the Company, be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is the proposed grantee of the options in question). Where any grant of options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the shares of the Subsidiary which may be issued and to be issued upon exercise of all options already granted and to be granted (including options redeemed, exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - (a) representing in aggregate over 0.1% (or such other percentage as may from time to time be specified by the Stock Exchange) of the shares in issue; and
 - (b) having an aggregate net asset value, assuming such options were exercised, based on the then latest audited consolidated accounts of the Subsidiary, in excess of HK\$5 million (or such other amount as may from time to time be specified by the Stock Exchange),

such grant of options must be approved (voting by way of poll) by the Shareholders by resolution on which all connected persons (as defined in the Listing Rules) of the Company abstain from voting (except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular to be sent to the Shareholders of the Company in connection therewith).

6. The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Subsidiary Share Option Scheme and other share option schemes of the Subsidiary must not exceed 30% of the shares in issue from time to time (the “Subsidiary Scheme Limit”). No options will be granted under the Subsidiary Share Option Scheme at any time if such grant will result in the Subsidiary Scheme Limit being exceeded.

The total number of shares which may be issued upon exercise of all options to be granted under the Subsidiary Share Option Scheme and all other share option schemes of the Subsidiary shall not exceed 10% of the shares in issue as at the approval date of the Subsidiary Share Option Scheme (the “Subsidiary Scheme

Mandate Limit”), subject to refresher of the Subsidiary Scheme Mandate Limit as referred to below. Options lapsed in accordance with the terms of the Subsidiary Share Option Scheme or any other share option schemes of the Subsidiary shall not be counted for the purpose of calculating the Subsidiary Scheme Mandate Limit.

The Subsidiary may refresh the Subsidiary Scheme Mandate Limit at any time subject to prior approval of the shareholders of the Subsidiary and, for so long as the Subsidiary remains a subsidiary of the Company, the prior approval of the Shareholders of the Company in general meeting. However, the Subsidiary Scheme Mandate Limit as refreshed must not exceed 10% of the shares in issue as at the date of the aforesaid shareholders’ approvals. Options previously granted under the Subsidiary Share Option Scheme and any other share option schemes (including those outstanding, cancelled or lapsed in accordance with the schemes or exercised) will not be counted for the purpose of calculating the limit as refreshed. A circular with relevant information as required under the Listing Rules must be sent to Shareholders of the Company (for so long as the Subsidiary remains a subsidiary of the Company) and shareholders of the Subsidiary in connection with the meetings at which their approval will be sought.

The Subsidiary may seek separate approval of its shareholders and for so long as the Subsidiary remains a subsidiary of the Company, the Shareholders of the Company in general meeting for granting options beyond the Subsidiary Scheme Mandate Limit provided the options in excess of the Subsidiary Scheme Mandate Limit are granted only to Subsidiary Share Option Scheme Participants specifically identified by the Subsidiary before such approval is sought. A circular with relevant information as required under the Listing Rules must be sent to shareholders of the Company (if necessary) and of the Subsidiary containing, amongst others, a generic description of the identified Subsidiary Share Option Scheme Participants, the number and terms of the options to be granted, the purpose of granting options to the identified Subsidiary Share Option Scheme Participants, and any explanations as to how these options serve such purpose.

7. The total number of shares which may be issued and to be issued upon exercise of the options granted and to be granted to each Subsidiary Share Option Scheme Participant or grantee (including both redeemed and outstanding options) in any 12-month period must not exceed 1% of the shares in issue. Any further grant of options (including redeemed, cancelled and outstanding options) in excess of 1% of the shares in issue must be subject to separate shareholders’ approval in general meeting of the Subsidiary and, for so long as the Subsidiary remains a subsidiary of the Company, separate Shareholders’ approval in general meeting of the Company with such Subsidiary Share Option Scheme Participant or grantee and his associates (as such term is defined in the Listing Rules) abstaining from voting. A circular with relevant information as required under the Listing Rules must be sent to the shareholders of the Subsidiary and, for so long as the Subsidiary

remains a subsidiary of the Company, Shareholders of the Company disclosing, amongst others, the identity of the Subsidiary Share Option Scheme Participant or grantee (as the case may be) and the number and terms of the options granted and proposed to be granted. The number and terms (including the subscription price) of options to be granted to such grantee must be fixed before shareholders' approval(s) is(are) sought and the date of the board meeting of the Subsidiary for proposing such further grant should be taken as the date of grant.

8. The board of directors of the Subsidiary will determine and inform all grantees the relevant exercise period of the options. In any event Option Period shall be and not later than the date falling six months prior to the lodgement of an application with the relevant stock exchange for the Listing or 10 years from the date of adoption of the Subsidiary Share Option Scheme, whichever is the earlier.
9. The Subsidiary Share Option Scheme does not specify the requirements as to minimum period for which an option must be held or minimum performance targets that must be reached before the option can be exercised in whole or in part. The offer shall specify the terms on which the option is to be granted. Such terms may include (i) minimum periods for which an option must be held; and/or (ii) minimum performance targets that must be reached before the option can be exercised in whole or in part; and/or (iii) such other terms as may be imposed at the discretion of the board of directors of the Subsidiary either on a case-by-case basis or generally.
10. An offer shall be deemed to have been accepted and the option to which the offer relates shall be deemed to have been granted when the duplicate of the offer letter comprising acceptance of the offer duly signed by the grantee with the number of shares in respect of which the offer is accepted clearly stated therein, together with a remittance in favour of the Subsidiary of HK\$10.00 by way of consideration for the grant thereof, is received by the Subsidiary within 14 days from the date on which the letter containing the offer is delivered to the Subsidiary Share Option Scheme Participant. Such remittance shall not be refundable in any circumstances.
11. (a) Subject to paragraph (b) below, the subscription price shall be determined solely by the board of directors of the Subsidiary but shall always be higher than or equal to the nominal value of a share.

(b) No option may be granted (or if granted before then will automatically lapse) either after the Subsidiary has resolved to seek a Listing or during the period commencing 6 months before the lodgement of an application with the relevant stock exchange for the Listing and at any time thereafter.
12. The shares to be allotted upon the exercise of an option will be subject to all the provisions of the articles of association of the Subsidiary for the time being in force and will rank pari passu with the fully paid shares in issue at the time when the name of grantee is registered in the register of members of the Subsidiary. Prior to the grantee being registered in the register of members of the Subsidiary,

the grantee shall not have any voting rights, or rights to participate in any dividends or distributions or any rights arising on a liquidation of the Subsidiary, in respect of the shares to be issued upon the exercise of the option.

13. Subject to the provisions of the rules of the scheme, the Subsidiary Share Option Scheme shall be valid and effective for the period set out in paragraph 4. After the Listing or the expiry of the 10-year period from the date of adoption of the Subsidiary Share Option Scheme, whichever is earlier, no further options shall be offered or granted and no options shall be exercisable.
14. An option shall lapse automatically (to the extent not already exercised) on the earliest of:
 - (i) the expiry of the option period as stipulated in the offer letter;
 - (ii) the date of the commencement of the winding-up of the Subsidiary;
 - (iii) on termination of the Scheme in accordance with paragraph 18 below;
 - (iv) the expiry of the scheme in accordance with paragraph 13 above;
 - (v) the date when the Subsidiary resolves to seek a Listing;
 - (vi) the date which is six months before the lodgment of an application for a Listing;
 - (vii) the date on which the grantee commits a breach of paragraph 19 below; and
 - (viii) (if the Grantee was at the time of grant an employee or director of the Subsidiary or any of its subsidiaries) the date on which the Grantee ceases to be employed by or ceases to be a director of the Subsidiary or any of its subsidiaries.
15. In the event of any capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital of the Subsidiary, while any option granted remains exercisable, such corresponding adjustment (if any) shall be made to (a) the number of shares subject to any option so far as such option remains unexercised and subject to the Subsidiary Share Option Scheme and/or (b) the subscription price, provided that any such adjustment must comply with Chapter 17 of the Listing Rules, the supplemental guidance issued on 5 September 2005 by the Stock Exchange entitled "Supplemental Guidance on Main Board Listing Rules 17.03(13)/GEM Listing Rule 23.03(13) and the note immediately after the Rule" and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

The auditors for the time being of the Subsidiary shall certify in writing any adjustment made is in their opinion fair and reasonable.

No such adjustment shall be made the effect of which would be to enable a share to be issued at less than its nominal value.

16. Any options granted but not exercised may be cancelled and new options may be granted to the Grantee provided that such new options fall within the limits prescribed by the provisions of the Subsidiary Share Option Scheme, excluding the cancelled options, and are otherwise granted in accordance with the terms of the Subsidiary Share Option Scheme. The grantee shall not be entitled to any redemption or compensation or benefits whatsoever and shall have no claim against the Subsidiary.
17. The shares issued on exercise of the options will on issue be identical to the then existing issued shares of the Subsidiary.
18. The Subsidiary by ordinary resolution in general meeting or the board of directors of the Subsidiary may at any time terminate the operation of the Subsidiary Share Option Scheme and in such event no further options will be offered or granted. Options complying with the provisions of Chapter 17 of the Listing Rules which are granted during the life of the Subsidiary Share Option Scheme and remain unexpired immediately prior to the termination of the operation of the Subsidiary Share Option Scheme shall lapse immediately upon termination of the Subsidiary Share Option Scheme.
19. An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any option. Any breach of the foregoing shall entitle the Subsidiary to cancel any outstanding option or part thereof granted to such grantee without incurring any liability on the part of the Subsidiary.
20. The Subsidiary shall, subject that the grantee having fulfilled the terms and conditions of the options (if any), redeem and cancel a particular option by paying the grantee in cash at the subscription price in the earliest of any the following circumstances before the Listing:
 - (i) upon the grantee ceasing to be a Subsidiary Share Option Scheme Participant for any reason (other than his or her resignation or on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the board of the Subsidiary) on any other grounds on which the Subsidiary or the relevant subsidiaries would be entitled to terminate his or her employment or directorship at common law or pursuant to any applicable laws or under the grantee's service contract with the Subsidiary or the relevant subsidiary or as a result of mandatory dismissal under the relevant laws and regulations);

- (ii) upon the change in control of the Subsidiary (other than pursuant to a reorganisation for the Listing) and for the purpose of this paragraph 20(ii), “change in control” occurs when the Subsidiary ceases to be a subsidiary of the Company; and
 - (iii) in such other circumstances as the board of directors of the Subsidiary considers appropriate either generally or on a case-by-case basis provided that if the grantee is a connected person or an associate of a connected person of the Company (within the meaning of the Listing Rules) and for so long as the Subsidiary remains a subsidiary of the Company, such redemption shall be approved both by, (a) a resolution of the directors of the Subsidiary; and (b) the independent non-executive directors of the Company or a board committee of the Company with the majority of which is independent non-executive directors of the Company.
21. The Subsidiary Share Option Scheme may be altered in any respect by resolution of the board of directors of the Subsidiary except those specific provisions of the Subsidiary Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules (namely the definitions of “Option Period”, “Participant” and “Grantee” and the provisions in the rules of the Subsidiary Share Option Scheme in relation to matters set out in paragraphs 1, 3, 6 to 17, 19 and 21 in this Appendix) which cannot be altered to the advantage of the Subsidiary Share Option Scheme Participants and no changes to the authority of the directors or administrator of the Subsidiary Share Option Scheme in relation to any alteration of the terms of the Subsidiary Share Option Scheme shall be made, without the prior approval of shareholders of the Subsidiary and for so long as the Subsidiary remains a subsidiary of the Company, the prior approval of the Shareholders of the Company in general meeting. Any alterations to the terms and conditions of the Subsidiary Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the shareholders of the Subsidiary and for so long as the Subsidiary remains a subsidiary of the Company, approved by the Shareholders of the Company in general meeting, except where the alterations take effect automatically under the existing terms of the Subsidiary Share Option Scheme. The Subsidiary Share Option Scheme so altered must comply with Chapter 17 of the Listing Rules.

NEXTmedia
NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00282)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Next Media Limited (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 Monday, 20 July 2009 at 3:00 p.m. for the purpose of transacting the following business:

Ordinary business

1. To receive, consider and adopt the Reports of the Directors and the Auditor and the audited Financial Statements for the year ended 31 March 2009.
2. To re-elect Directors.
3. To fix the remuneration of the Directors.
4. To re-appoint Deloitte Touche Tohmatsu as Auditor and to authorise the Directors to fix Auditor’s remuneration.

Special business

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

5. **“THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all of the powers of the Company to allot and issue additional shares in the capital of the Company (including but not limited to the share subscription and financing plan of the Company adopted on 29 October 2007) 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;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company;
 - (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted (excluding the share subscription and financing plan of the Company adopted on 29 October 2007) 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; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of the shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of 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 or the articles of association of the Company to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Company in general meeting; and

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares in the Company, open for a period fixed by the Directors to the 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, after making enquiry, may deem necessary or expedient in relation to fractional entitlements or having regard

NOTICE OF ANNUAL GENERAL MEETING

to any legal restrictions under the laws of the relevant place, or the requirements of the relevant regulatory body, or any stock exchange in that place).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all of the powers of the Company to repurchase 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 which may be repurchased by the Directors pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said 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 or the articles of association of the Company to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Company in general meeting.”

7. **“THAT** conditional upon the passing of Resolutions Nos. 5 and 6 set out in the Notice of this Meeting, the aggregate nominal amount of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the mandate granted under Resolution No. 5 set out in the Notice of this Meeting be and is hereby increased and extended by adding the aggregate nominal amount of shares in the capital of the Company which may be repurchased by the Company pursuant to and in accordance with the mandate granted under Resolution No. 6 set out in the Notice of this Meeting provided that such amount of shares of the Company so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution”.

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** the rules of the proposed share option scheme of Aim High Investments Limited (a copy of which has been produced to this Meeting marked ‘A’ and initialled by the chairman of the Meeting for the purpose of identification) be and are hereby approved and the Directors of the Company be and are hereby authorised to execute such documents and take such action as they deem appropriate to implement and give effect to the scheme.”

SPECIAL RESOLUTION

To consider and, if thought fit, pass the following as a special resolution:

9. “**THAT** the articles of association of the Company be and are hereby amended in the following manner:

(a) Article 2

by adding the following new definition in the existing Article 2 after the definition of “Board”:

“business day” means any day on which The Stock Exchange of Hong Kong Limited is open for business of dealing in securities. For the avoidance of doubt, where The Stock Exchange of Hong Kong Limited is closed for the business of dealing in securities in Hong Kong on a day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.

(b) Article 51

by deleting Article 51 in its entirety and replacing it with the following:

“51. Subject to such longer minimum notice periods as may be required under the Listing Rules from time to time and to the requirement that a meeting called for the passing of a special resolution shall be called by not less than twenty-one days’ notice in writing and a meeting other than a meeting called for the passing of a special resolution shall be called by not less than fourteen days’ notice in writing, an annual general meeting shall be called by not less than twenty-one clear days’ notice or twenty clear business days’ notice in writing (whichever is longer) and a meeting other than an annual general meeting shall be called by not less than fourteen clear days’ notice or ten clear business days’ notice in writing (whichever is longer). The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, day and time of meeting and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify

NOTICE OF ANNUAL GENERAL MEETING

the meeting as such and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to all Members other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors for the time being of the Company.

Provided that, subject to the provisions of the Companies Ordinance, a meeting of the Company shall, notwithstanding that it is called shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed, in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat and, in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.”

(c) Article 60

by deleting Article 60 in its entirety and replacing it with the following:

“60. Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, every Member who is present in person or by proxy at a general meeting of the Company shall have one vote for each share of which he is the holder.”

(d) Article 61

by deleting Article 61 in its entirety and replacing it with the following:

“61. At any general meeting, a resolution put to the vote at the meeting shall be decided on a poll.”

(e) Article 62

by deleting Article 62 in its entirety and replacing it with the following:

“62. The result of the poll shall be deemed to be the resolution of the meeting.”

(f) Article 63

by deleting Article 63 in its entirety and replacing it with the following:

“63. A poll shall be taken in such manner as the chairman shall direct.”

NOTICE OF ANNUAL GENERAL MEETING

(g) Article 64

by deleting Article 64 in its entirety and replacing it with the following:

“64. Any question of adjournment shall be decided at the meeting and without adjournment.”

(h) Article 65

by deleting Article 65 in its entirety and replacing it with the following:

“65. Votes may be given either personally or by proxy.”

(i) Article 66

by deleting Article 66 in its entirety and replacing it with the following:

“66. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.”

(j) Article 67

by deleting Article 67 in its entirety and replacing it with the following:

“67. In the case of an equality of votes at a general meeting, the chairman of such meeting shall be entitled to a second or casting vote.”

(k) Article 69

by deleting Article 69 in its entirety and replacing it with the following:

“69. A Member who is a patient for any purpose of any Ordinance relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such Court and such receiver committee, curator bonis or other person may vote by proxy and may otherwise act and be treated as such Member for the purposes of general meetings.”

By Order of the Board
Wong Shuk Ha, Cat
Company Secretary

Hong Kong, 18 June 2009

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Pursuant to the Listing Rules, any vote of member at a general meeting must be taken by poll.
2. Any member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote instead of such member in accordance with the articles of association of the Company. A proxy need not be a member of the Company.
3. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the registered office of the Company at 1st Floor, 8 Chun Ying Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
4. The Register of Members of the Company will be closed from Friday, 17 July 2009 to Monday, 20 July 2009, 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 Registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Thursday, 16 July 2009.
5. In relation to Resolution No. 2 in this Notice, Mr. Ip Yut Kin, Mr. Chu Wah Hui, Mr. Cheung Ka Sing, Cassian, Mr. Wong Chi Hong, Frank and Dr. Lee Ka Yam, Danny retire at the Annual General Meeting pursuant to the Company's Articles of Association and being eligible, offer themselves for re-election. The re-election of those Directors will be individually voted on by the shareholders. The biographical details and interests in the shares of the Company and its subsidiaries within the meanings of Part XV of the Securities and Futures Ordinance of those Directors who stand for re-election at the Annual General Meeting are set out in Appendix I of the circular dated 18 June 2009 of the Company (the "Circular").
6. In relation to Resolution No. 3 in this Notice, it is proposed that a sum not exceeding HK\$3,000,000 be paid as fees to the Directors of the Company, such sum to be divided between the Directors of the Company in such ways as may be determined by the Board of Directors. The Executive Directors of the Company are paid in accordance with their remuneration packages and in such sums as determined by the Board of Directors.

NOTICE OF ANNUAL GENERAL MEETING

7. In relation to Resolution Nos. 5 and 7, the Directors wish to state that they have no immediate plan to issue any new shares in the Company. The general mandate is being sought from the shareholders in compliance with the Companies Ordinance and the Listing Rules.
8. In relation to Resolution No. 6, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in the Company in circumstances which they deem appropriate for the benefit of the Company. The explanatory statement containing the information relating to the repurchase of shares, as required by the Listing Rules, is set out in Appendix II to the Circular.