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NEXT MEDIA LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 0282)

PLACING OF EXISTING SHARES BY SUBSTANTIAL SHAREHOLDER AND UNUSUAL TRADING VOLUME OF SHARES

The Company has been informed by Mr. Lai, who is a substantial shareholder of the Company, that the Placing Agreement has been entered into between Mr. Lai and the Placing Agent pursuant to which the Placing Agent has agreed to place, subject to the terms and conditions of the Placing Agreement, 180,000,000 Shares to independent investors at a placing price of not less than HK\$4.15 per Placing Share, representing a discount of approximately 6.53% to the closing price of HK\$4.44 per Share as quoted on the Stock Exchange on 19 September 2006. The Placing Shares represent approximately 12.07% of the existing issued ordinary share capital of the Company. Upon completion of the Placing, Mr. Lai's beneficial interest in the Company will be reduced from 1,043,133,165 Shares to 863,133,165 Shares, or from approximately 69.92% to approximately 57.86% of the existing issued ordinary share capital of the Company.

The Placing

The Company has been informed by Mr. Lai that the Placing Agreement has been entered into on the terms summarized below.

Parties

The parties to the Placing Agreement are:

- (1) Mr. Lai; and
- (2) the Placing Agent.

The Placing Agent is not a connected person of the Company as defined in the Listing Rules.

Based on the register kept by the Company pursuant to Part XV of the Securities and Futures Ordinance, Mr. Lai is beneficially interested in 1,043,133,165 Shares and 920,000,000 Preference Shares, representing approximately 69.92% of the existing issued ordinary share capital and 100% of existing issued preference share capital of the Company, respectively. Upon completion of the Placing, Mr. Lai's beneficial interest in the Company will be reduced to 863,133,165 Shares, or approximately 57.86% of the existing issued ordinary share capital of the Company. There will be no change in Mr. Lai's interest in Preference Shares. The Preference Shares are convertible into fully paid Shares at the conversion price of HK\$1.75 per new Share during a period of five years from 26 October 2001. Conversion of the Preference Shares in full would result in an increase in Mr. Lai's beneficial interest in the Company to 1,783,133,165 Shares, representing approximately 73.93% of the issued ordinary share capital as enlarged by the conversion.

Placees

The Placing Agent has undertaken that the placees in the Placing are independent investors who are not connected persons of the Company for the purposes of the Listing Rules.

Number of Placing Shares

180,000,000 Shares, representing approximately 12.07% of the existing issued ordinary share capital of the Company.

Placing Price

The placing price per Placing Share shall be not less than HK\$4.15, representing a discount of approximately 6.53% to the closing price of HK\$4.44 per Share as quoted on the Stock Exchange on 19 September 2006.

Conditions of the Placing

The Placing is conditional upon, inter alia, there having been, prior to completion of the Placing, no breach of the representation, warranties, undertakings, covenants or agreements given by Mr. Lai under the Placing Agreement in any material respect.

Completion of the Placing

Completion of the Placing is currently expected to take place on 22 September 2006.

Unusual Trading Volume of the Shares

The following statement is made at the request of the Stock Exchange.

The Company has noted the increase in the trading volume of the Shares today and wishes to state that, save for the Placing, it is not aware of any reasons for such increase.

The Company also confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the Board aware of any matter discloseable under the general obligations imposed by rule 13.09, which is or may be of a price-sensitive nature.

This statement is made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

Definitions

"Board"	the board of directors of the Company
"Company"	Next Media Limited, a limited liability company incorporated under the laws of Hong Kong, the Shares of which are listed on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Lai"	Mr. Lai Chee Ying Jimmy, chairman and executive director of the Company
"Placing"	the placing of the Placing Shares in accordance with the Placing Agreement
"Placing Agent"	CLSA Limited
"Placing Agreement"	the placing and underwriting agreement dated 19 September 2006 between Mr. Lai and the Placing Agent
"Placing Shares"	180,000,000 Shares beneficially owned by Mr. Lai
"Preference Shares"	2% convertible non-voting non-cumulative preference shares of HK\$1.75 each in the preference share capital of the Company, which are convertible into Shares
"Shares"	ordinary shares of par value HK\$1.00 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By Order of the Board
Cat Wong
Company Secretary

Hong Kong, 20 September 2006

As at the date of this announcement, the Executive Directors of the Company are Mr. Lai Chee Ying, Jimmy, Mr. Ting Ka Yu, Stephen, Mr. Ip Yut Kin and Mr. Tung Chuen Cheuk and the Independent Non-executive Directors of the Company are Mr. Yeh V-Nee, Mr. Fok Kwong Hang, Terry and Dr. Kao Kuen, Charles.