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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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.

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

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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, 30 July 2012 at 3:00 p.m. is set out on pages 25 to 40 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.

26 June 2012

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## DEFINITIONS

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

“Adoption Date”	16 September 2010, the date on which Next TV Share Option Scheme was adopted by the board of directors of Next TV
“AGM Notice”	the notice convening the Annual General Meeting, which is set out on pages 25 to 40 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held on Monday, 30 July 2012 at 3:00 p.m.
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Audit Committee”	the audit committee established by the Board on 19 March 1999 with specific terms of reference with primary responsibilities for overseeing the Group’s financial reporting, the appointment of auditor and their fees, and the effectiveness of the internal control system
“Board”	the board of directors of the Company
“CEO”	the chief executive officer of the Group
“Co-CEO”	the co-chief executive officer of the Group
“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 1,786,533,165 Shares, representing approximately 74.05% of the total issued Shares of the Company, as at the Latest Practicable Date

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## DEFINITIONS

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“Current Scheme Mandate Limit”	the maximum number of Next TV Shares which may be issued upon exercise of all options to be granted under the Next TV Share Option Scheme and any other share option scheme of Next TV which shall not exceed 10% of the Next TV Shares in issue on the Adoption Date
“Directors”	the directors of the Company
“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”	21 June 2012, 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
“Next TV”	Next TV Broadcasting Limited, a private company incorporated in Taiwan with limited liability and an indirect wholly-owned subsidiary of the Company
“Next TV Share(s)”	ordinary shares of NT\$10.00 each in the capital of Next TV or such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of Next TV from time to time
“Next TV Share Option Scheme”	The share option scheme of Next TV approved by the Company on 11 October 2010
“Nomination Committee”	The nomination committee established by the Board on 30 March 2012 with specific terms of reference with primary responsibilities for reviewing the structure, size and composition of the Board and making recommendations to the Board as and when appropriate

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## DEFINITIONS

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“NT\$”	New Taiwan dollars, the lawful currency of The Republic of China, commonly known as Taiwan
“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 to approve the Repurchase Proposal 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
“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 (as defined therein) may be invited to apply for new Shares and offered the opportunity to finance their subscription by way of the Plan loans
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent

**NEXTmedia**  
**NEXT MEDIA LIMITED**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 00282)**

*Executive Directors:*

Lai Chee Ying, Jimmy (*Chairman*)  
Cheung Ka Sing, Cassian (*CEO*)  
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

*Independent Non-Executive Directors:*

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

26 June 2012

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
REFRESHMENT OF SCHEME MANDATE LIMIT  
ON A SHARE OPTION SCHEME OF A SUBSIDIARY,  
AMENDMENTS TO THE 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, 30 July 2012 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 the Shares and (iii) the refreshment of the Current Scheme Mandate Limit on Next TV Share Option Scheme; and
- (b) special resolution relating to amendments to the Articles of Association of the Company.

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## LETTER FROM THE BOARD

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### 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. Accordingly, 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 18 July 2011, 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 482,499,376 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. As at the Latest Practicable Date, the issued share capital of the Company consisted of 2,412,496,881 Shares. 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. Such general mandate (if granted) will continue in force until the conclusion of the next annual general meeting of the Company to be held in 2013 or the revocation or variation of the authority given under the resolution by the Company, whichever is the earlier.

No invitations were made and accepted during the financial year ended 31 March 2012 under the Share Subscription and Financing Plan. A total of 2,254,000 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 32,940,000 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 2013, the new Shares under such invitations will be issued under the general mandate (if granted) to be granted at the Annual General Meeting. The Company will at the relevant time comply with the applicable requirements of the Listing Rules including those under Chapter 14A as regards connected transactions if applicable.

### GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 18 July 2011, 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 to grant to the Directors a general mandate to repurchase

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## LETTER FROM THE BOARD

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241,249,688 Shares representing 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the Repurchase Resolution. Such general mandate (if granted) will continue in force until the conclusion of the next annual general meeting of the Company to be held in 2013 or the revocation or variation of the authority given under the resolution by the Company, whichever is the earlier. 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.

### **REFRESHMENT OF CURRENT SCHEME MANDATE LIMIT**

Pursuant to the Next TV Share Option Scheme, the maximum number of Next TV Shares which may be issued upon the exercise of all options to be granted under the Next TV Share Option Scheme and any other share option scheme of Next TV must not exceed the Current Scheme Mandate Limit (being 500,000 Next TV Shares, which represent 10% of the Next TV Shares in issue as at the Adoption Date). Apart from the Next TV Share Option Scheme, Next TV has no other share option scheme as at the Latest Practicable Date.

Next TV may refresh the Current Scheme Mandate Limit at any time subject to the prior approval of its shareholders and, for so long as Next TV remains a subsidiary of the Company, the prior approval of the Shareholders. The Current Scheme Mandate Limit so refreshed must not exceed 10% of the total number of issued shares as at the date of the grant of such approval (the "Refreshed Scheme Mandate Limit"). Options granted previously under the Next TV Share Option Scheme and any other share option scheme (including those outstanding, cancelled, lapsed in accordance with its terms or exercised) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit.

Notwithstanding the foregoing, the overall limit on the number of Next TV Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Next TV Share Option Scheme and other share option schemes must not exceed 30% of the Next TV Shares in issue from time to time.

As at the Latest Practicable Date, the total number of Next TV Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised (including options cancelled) under the Next TV Share Option Scheme were 355,400 (representing 7.1% of the Next TV Shares in issue). Unless the Current Scheme Mandate Limit is refreshed, only up to 144,600 Next TV Shares may be issued pursuant to the grant of further options under the Next TV Share Option Scheme.



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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, there were 5,000,000 Next TV Shares in issue. Assuming that no further Next TV Shares will be issued or repurchased prior to the date of approval of the Refreshed Scheme Mandate Limit by the Shareholders, Next TV will be entitled under the Refreshed Scheme Mandate Limit to grant further options carrying the rights to subscribe for a maximum of 500,000 Next TV Shares, representing 10% of the Next TV Shares in issue as at the date of the Annual General Meeting.

The Directors consider the refreshment of the Current Scheme Mandate Limit to be in the interests of the Company as it would enable the Group, through the grant of options to provide incentives to, and recognise the contribution of, the employees of Next TV going forward.

### 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 to recent changes made to the Listing Rules in respect of voting by poll on general meetings and voting on a resolution in which a director has an interest. The proposed amendments are intended to have the following principal effects:

- (i) Article 61 will be amended to the effect that all resolutions at general meetings of the Company shall be decided by poll save that the chairman of the meeting may in good faith allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands.
- (ii) Article 93 will be amended to remove the exception that a Director may vote on any board resolution approving any contract or arrangement concerning any other company in which he or any of his associates has a material interest and be counted in the quorum present at the meeting where he and any of his associates are beneficially interested in not more than 5% in such company.
- (iii) Article 113 will be amended to the effect that if a substantial shareholder or a Director has a material conflict of interest in a matter, the matter shall be dealt with by a physical board meeting rather than a written resolution.

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 "SFO":*

"substantial shareholder" has the meaning ascribed to it in the Listing Rules from time to time;

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## LETTER FROM THE BOARD

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*Inserting the words “or stored in any electronic form” after the end of the second paragraph of the existing Article 2 under the definition of “these Articles”:*

“these Articles” reference to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form or stored in any electronic form;

**(b) Article 7**

7. Subject to the Companies Ordinance, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special or an extraordinary resolution passed at a separate general meeting of the holders of such shares. To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply but so that the necessary quorum shall be one or more persons holding or representing by proxy not less than one third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any meeting of such holders adjourned through want of a quorum one holder present in person or by proxy (whether the number of shares held by him) shall be a quorum and for the purposes of this Article one holder present in person or by proxy may constitute a meeting.

**(c) 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 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 the meeting as such and the notice convening a meeting to pass a special or an extraordinary resolution shall specify the intention to propose the resolution as a special or an extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to all Members other

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## LETTER FROM THE BOARD

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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, if permitted by the Listing Rules, 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.

**(d) Article 61**

61. (1) At any general meeting, a resolution put to the vote at the meeting shall be decided on a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person or by proxy shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For the purpose of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.
- (2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by:
- (a) at least three Members present in person or by proxy for the time being entitled to vote at the meeting; or
  - (b) a Member or Members present in person or by proxy and representing in the 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
  - (c) a 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.

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## LETTER FROM THE BOARD

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Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has 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.

**(e) Article 74**

74. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the Office (or at such other place in Hong Kong as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

(A) If a recognised clearing house within the meaning of the SFO (or its nominee) is a Member, it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its proxy or proxies at any general meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Every person so authorised shall be entitled to exercise the same rights and powers as if the person was registered holder of the shares of the Company held by the clearing house (or its nominee) including, where a show of hands is allowed, the right to vote individually on a show of hands notwithstanding the provisions of article 60.

**(f) Article 76**

76. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place in Hong Kong as may be specified for the delivery of instruments of proxy in the convening the meeting or other document sent therewith) one hour at least before the commencement of the meeting or adjourned meeting, ~~or the taking of the poll~~, at which the instrument of proxy is used.

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## LETTER FROM THE BOARD

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**(g) Article 77**

77. Unless and until otherwise determined by ordinary resolution of the Company, the Directors shall not be less than two in number and there shall be no maximum number of Directors.

**(h) Article 93**

93. (A) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof or the termination thereof).
- (E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be

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## LETTER FROM THE BOARD

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entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof).

- (F) Subject to sub-paragraph (G) and (H) below, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director or any of his associates is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
  
- (G) Subject to the Companies Ordinance, a Director who to his knowledge is in any way, whether directly or indirectly, materially interested or who has an associate who is materially interested in a contract or arrangement or proposed contract or arrangement with the Company which is of significance in relation to the Company's business shall declare the nature of any such interest at the earliest meeting of the Board at which it is practicable for him to do so notwithstanding that the question of entering into the contract or arrangement is not taken into consideration at that meeting. A general notice to the Board given by a Director to the effect that he or any of his associates is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with such company or firm shall be sufficient declaration of interest under this Article in relation to any contract or arrangement so made; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
  
- (H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract, arrangement or proposal in which he or any of his associates is materially interested, directly or indirectly, but this prohibition shall not apply to any of the following matters:
  - (i) the giving of any security or indemnity either:
    - (a) to the Director or any of his associates in respect of money lent or obligations incurred or undertaken by him or them at the request of or for the benefit of the Company or any of its subsidiaries; or

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## LETTER FROM THE BOARD

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- (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself or themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any contract, arrangement or proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his associates is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;
- ~~(iii) any contract, arrangement or proposal concerning any other company in which the Director or any of his associates is interested only, whether directly or indirectly, as an officer or executive or shareholder or as the holder of a beneficial interest of shares, provided that the Director's and any of his associate's beneficial interest in such company is below, in aggregate, 5 per cent. of (a) the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or (b) the voting rights available to members of such company;~~
- ~~(iiiiv)~~ any contract, arrangement or proposal concerning the benefit of employees of the Company or any of its subsidiaries including:
  - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or
  - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates to Directors (and their associates) and to employees of the Company or any of its subsidiaries, and does not provide in respect of any Director or any of his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

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## LETTER FROM THE BOARD

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(iv) any contract, arrangement or proposal in which the Director or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company.

(I) If any question arises at any meeting of the Board as to the materiality of an interest of a Director (other than the chairman of the meeting) and/or any of his associates or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not be counted in the quorum, such question shall be determined by the chairman of the meeting. If any such question shall arise in respect of the chairman of the meeting or any of his associates and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be determined by a resolution of the Board (for which purpose such chairman shall be counted in the quorum but shall not vote on the matter).

**(i) Article 113**

113. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (provided that number is sufficient to constitute a quorum) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.

**(j) Article 133**

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



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## LETTER FROM THE BOARD

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

**(k) Article 135**

135. (A) Subject to paragraph (B), any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid.
- (B) Any notice or document (save for certificate of title) may also be served to any Member by publication on the Company’s website ~~or computer network~~ and/or by electronic ~~mail~~ means and/or given in writing and/or by cable, telex or facsimile transmission message by transmitting it to any such address or electronic mail address or transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of notice and/or sending a document to him or which the person transmitting the notice and/or document reasonably and bona fide believes at the relevant time will result in the notice or document being duly received by the Member.
- (C) Notice may also be served by advertisement in appropriate newspapers or in such other media or through other way in accordance with and subject to the requirements of the applicable legislation and the rules and regulations of the stock exchange in which shares of the Company are listed.
- (D) In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.

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## LETTER FROM THE BOARD

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**(l) Article 136**

136. (A) Any Member described in the Register by an address not within Hong Kong who shall, from time to time, give to the Company an address within Hong Kong at which notices may be served upon him shall be entitled to have notices served upon him at such address.
- (B) Any Member may elect to receive notice and documents from the Company by way of electronic ~~mail~~ means or cable, telex or facsimile transmission message or elects to rely on the publication on the Company's website ~~or computer network~~ in respect of notice or documents from the Company by sending an advance notice of such intention to the Company using the prescribed form as may be determined by the Board.
- (C) Notwithstanding any provision in these Articles to the contrary but subject always to the requirements of applicable legislation and/or rules and regulations of the stock exchange in which the securities of the Company are listed, any notice or document may be given to a Member either in the English language or the Chinese language, or both; and for the purposes of this Article, such notice and document shall include (but not limited to):
- (i) the Directors' report, the Company's annual accounts together with a copy of the auditors' report and where applicable, its summary financial report (as defined in the Companies Ordinance);
  - (ii) the interim report of the Company;
  - (iii) a notice of meeting;
  - (iv) a listing document; and
  - (v) a circular.

**(m) Article 137**

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

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## LETTER FROM THE BOARD

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(B) Any such notice or other document, if published on the Company's website or sent by way of electronic means, shall be deemed to have been served, delivered or published at the time as prescribed by the Companies Ordinance and other applicable laws, rules and regulations.

~~(B)~~(C) Any such notice or other document, if served, delivered or published in any other manner contemplated by these Articles, shall be deemed to have been served, delivered or published at the time of delivery, the relevant despatch or transmission, or at the time of publication.

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

### ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 25 to 40 of this circular. Ordinary resolutions in respect of the re-election of the Directors, the general mandate to issue securities, the Repurchase Proposal and the refreshment of Current Scheme Mandate Limit 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 the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. 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.

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## LETTER FROM THE BOARD

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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 refreshment of Current Scheme Mandate Limit and amendments to the Articles of Association are in the 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  
**Lai Chee Ying, Jimmy**  
*Chairman*

**Pursuant to articles 84 and 85, 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. Cheung Ka Sing, Cassian**, aged 57, a non-executive Director of the Company since November 2008, has been re-designated as an executive Director and Co-CEO of the Group in February 2010. He further has been re-designated as CEO of the Group in October 2011, with responsibilities in formulating the Group's strategies and leading the management and operation unit heads to achieve goals set by the Board with a view to enhancing long term shareholder value. Mr. Cheung is an independent non-executive director of Trinity Limited, a company listed on The Stock Exchange of Hong Kong Limited.

Mr. Cheung started his career with Nestle in the U.S.A. and had held various senior management positions in Quaker Oats Asia and Wal-Mart. He 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 Director and by virtue of his shareholding interests in the Company (details of which are described below), Mr. Cheung 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. Cheung 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. Cheung had personal interest in 172,000 Shares and a derivative interest in respect of 27,000,000 Shares, representing approximately 0.007% and 1.119% of the issued share capital of the Company respectively.

Mr. Cheung has a service contract with Next Media Management Services Limited, a wholly-owned subsidiary of the Company. Pursuant to his service contract, Mr. Cheung is entitled to receive a monthly salary of HK\$280,000 on a 14-month basis and certain allowances. He is also entitled to a senior executive bonus and CEO bonus pegged to performance. Such emoluments are determined by reference to his 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 of approximately HK\$200,000 per annum subject to the review and adjustment by the Remuneration Committee and the approval by the Board with reference to his responsibilities and prevailing market practices. Mr. Cheung received emoluments including salaries and other benefits in the total amount of HK\$8,978,000 and a Director's fee of HK\$200,000 for the year ended 31 March 2012.

Save as disclosed above, there is no information relating to Mr. Cheung which is required to be disclosed pursuant to Rule 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 57, has been an independent non-executive Director of the Company since January 2009. He is also a member of the Audit Committee and the chairman of the Nomination 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.A. 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 Governor 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 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. 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 has a derivative interest in respect of 510,000 Shares, representing approximately 0.021% of 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 expiring on 29 January 2013, 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 which is payable in a lump sum 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. A resolution will be proposed as an ordinary resolution at the Annual General Meeting to approve a sum not exceeding HK\$3,000,000 to 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. Subject to the passing of the above ordinary resolution by the Shareholders, the recommendations of the Remuneration Committee and approval by the Board, the Director's fee of Mr. Wong for the year ending 31 March 2013 is expected to be approximately HK\$300,000 subject to adjustment. Mr. Wong received a Director's fee of HK\$300,000 for the year ended 31 March 2012.

Save as disclosed above, there is no information relating to Mr. Wong which is required to be disclosed pursuant to Rule 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 50, has been an independent non-executive Director of the Company since March 2009. He is also a member of the Remuneration Committee and the chairman of the Audit Committee of the Company. 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 U.K., 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 has a derivative interest in respect of 510,000 Shares, representing approximately 0.021% of 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 expiring on 8 March 2013, 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 which is payable in a lump sum 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. A resolution will be proposed as an ordinary resolution at the Annual General Meeting to approve a sum not exceeding HK\$3,000,000 to 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. Subject to the passing of the above ordinary resolution by the Shareholders, the recommendations of the Remuneration Committee and approval by the Board, the Director's fee of Dr. Lee for the year ending 31 March 2013 is expected to be approximately HK\$300,000 subject to adjustment. Dr. Lee received a Director's fee of HK\$300,000 for the year ended 31 March 2012.

Save as disclosed above, there is no information relating to Dr. Lee which is required to be disclosed pursuant to Rule 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 2012, 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.



**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 are as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
June 2011	0.980	0.840
July 2011	1.200	0.860
August 2011	1.090	0.840
September 2011	0.930	0.680
October 2011	0.740	0.610
November 2011	0.680	0.540
December 2011	0.730	0.520
January 2012	0.830	0.650
February 2012	0.770	0.690
March 2012	0.730	0.580
April 2012	0.780	0.550
May 2012	0.660	0.530
June 2012 (up to the Latest Practicable Date)	0.610	0.530

**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 1,786,533,165 Shares representing approximately 74.05% 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 82.28% 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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# **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, 30 July 2012 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 2012.
2.
  - (a) To re-elect Mr. Cheung Ka Sing, Cassian as an executive director of the Company.
  - (b) To re-elect Mr. Wong Chi Hong, Frank as an independent non-executive director of the Company.
  - (c) To re-elect Dr. Lee Ka Yam, Danny as an independent non-executive director of the Company.
3. To approve a sum not exceeding HK\$3,000,000 to be paid to the Directors of the Company as fees of the Directors for the year ending 31 March 2013.
4. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorise the Directors to fix their remuneration.

### **Special Business**

#### **ORDINARY RESOLUTIONS**

To consider and, if thought fit, pass with or without modification the following 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

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## NOTICE OF ANNUAL GENERAL MEETING

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securities convertible or exercisable into shares of the Company) which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) 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

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## NOTICE OF ANNUAL GENERAL MEETING

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“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 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.”

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## NOTICE OF ANNUAL GENERAL MEETING

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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.”
8. “**THAT** pursuant to paragraph 8(B) of the Next TV Share Option Scheme (as defined in the circular issued by the Company on 26 June 2012 (the “Circular”)), approval be and is hereby generally and unconditionally granted to refresh the Current Scheme Mandate Limit (as defined in the Circular) under the Next TV Share Option Scheme up to a new 10% limit provided that (i) the total number of ordinary shares of NT\$10.00 each (“Next TV Shares”) in the share capital of Next TV (as defined in the Circular) which may be issued upon the exercise of all options to be granted under the Next TV Share Option Scheme and any other option scheme of Next TV pursuant to the Current Scheme Mandate Limit as refreshed shall not exceed 10% of the Next TV Shares in issue on the date of the passing of this Resolution (“Refreshed Scheme Mandate Limit”); and (ii) options previously granted under the Next TV Share Option Scheme (including those options outstanding, cancelled, lapsed in accordance with its terms or exercised) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit.”

### SPECIAL RESOLUTION

To consider and, if thought fit, pass with or without modification 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 “SFO”:

“substantial shareholder” has the meaning ascribed to it in the Listing Rules from time to time;

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## NOTICE OF ANNUAL GENERAL MEETING

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by inserting the words “or stored in any electronic form” after the end of the second paragraph of the existing Article 2 under the definition of “these Articles”:

“these Articles” reference to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form or stored in any electronic form;

**(b) Article 7**

by deleting the existing Article 7 in its entirety and replacing it with the following:

“7. Subject to the Companies Ordinance, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special or an extraordinary resolution passed at a separate general meeting of the holders of such shares. To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply but so that the necessary quorum shall be one or more persons holding or representing by proxy not less than one third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any meeting of such holders adjourned through want of a quorum one holder present in person or by proxy (whether the number of shares held by him) shall be a quorum and for the purposes of this Article one holder present in person or by proxy may constitute a meeting.”

**(c) Article 51**

by deleting the existing 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

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## NOTICE OF ANNUAL GENERAL MEETING

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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 an extraordinary resolution shall specify the intention to propose the resolution as a special or an 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, if permitted by the Listing Rules, 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."

**(d) Article 61**

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

- "61. (1) At any general meeting, a resolution put to the vote at the meeting shall be decided on a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person or by proxy shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For the purpose of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the



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meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

- (2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by:
- (a) at least three Members present in person or by proxy for the time being entitled to vote at the meeting; or
  - (b) a Member or Members present in person or by proxy and representing in the 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
  - (c) a 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.

Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has 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.”

**(e) Article 74**

by deleting the existing Article 74 in its entirety and replacing it with the following:

“74. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the Office (or at such other place in Hong Kong as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the

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time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

- (A) If a recognised clearing house within the meaning of the SFO (or its nominee) is a Member, it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its proxy or proxies at any general meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Every person so authorised shall be entitled to exercise the same rights and powers as if the person was registered holder of the shares of the Company held by the clearing house (or its nominee) including, where a show of hands is allowed, the right to vote individually on a show of hands notwithstanding the provisions of article 60.”

**(f) Article 76**

by deleting the existing Article 76 in its entirety and replacing it with the following:

“76. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place in Hong Kong as may be specified for the delivery of instruments of proxy in the convening the meeting or other document sent therewith) one hour at least before the commencement of the meeting or adjourned meeting, at which the instrument of proxy is used.”

**(g) Article 77**

by deleting the existing Article 77 in its entirety and replacing it with the following:

“77. Unless and until otherwise determined by ordinary resolution of the Company, the Directors shall not be less than two in number and there shall be no maximum number of Directors.”

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**(h) Article 93**

by deleting the existing Article 93 in its entirety and replacing it with the following:

- “93. (A) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof or the termination thereof).

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- (E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof).
- (F) Subject to sub-paragraph (G) and (H) below, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director or any of his associates is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (G) Subject to the Companies Ordinance, a Director who to his knowledge is in any way, whether directly or indirectly, materially interested or who has an associate who is materially interested in a contract or arrangement or proposed contract or arrangement with the Company which is of significance in relation to the Company's business shall declare the nature of any such interest at the earliest meeting of the Board at which it is practicable for him to do so notwithstanding that the question of entering into the contract or arrangement is not taken into consideration at that meeting. A general notice to the Board given by a Director to the effect that he or any of his associates is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with such company or firm shall be sufficient declaration of interest under this Article in relation to any contract or arrangement so made; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.

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- (H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract, arrangement or proposal in which he or any of his associates is materially interested, directly or indirectly, but this prohibition shall not apply to any of the following matters:
- (i) the giving of any security or indemnity either:
    - (a) to the Director or any of his associates in respect of money lent or obligations incurred or undertaken by him or them at the request of or for the benefit of the Company or any of its subsidiaries; or
    - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself or themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (ii) any contract, arrangement or proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his associates is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;
  - (iii) any contract, arrangement or proposal concerning the benefit of employees of the Company or any of its subsidiaries including:
    - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or
    - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates to Directors (and their associates) and to employees of the Company or any of its subsidiaries, and does

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not provide in respect of any Director or any of his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(iv) any contract, arrangement or proposal in which the Director or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company.

(I) If any question arises at any meeting of the Board as to the materiality of an interest of a Director (other than the chairman of the meeting) and/or any of his associates or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not be counted in the quorum, such question shall be determined by the chairman of the meeting. If any such question shall arise in respect of the chairman of the meeting or any of his associates and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be determined by a resolution of the Board (for which purpose such chairman shall be counted in the quorum but shall not vote on the matter)."

**(i) Article 113**

by deleting the existing Article 113 in its entirety and replacing it with the following:

"113. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (provided that number is sufficient to constitute a quorum) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material."

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**(j) Article 133**

by deleting the existing Article 133 in its entirety and replacing it with the following:

- “133. (a) Subject to paragraph (b), the Company shall, in accordance with the requirements of the Companies Ordinance, deliver or send to each shareholder a printed copy of the relevant financial documents or the summary financial report (each as defined in the Companies Ordinance) at least 21 days before the date of the general meeting.
- (b) Where a shareholder (a “Consenting Shareholder”) has, in accordance with legislation and the rules and regulations of the stock exchange on which the shares of the Company are listed, consented to treat the publication of the relevant financial documents and/or the summary financial report (each as defined in the Companies Ordinance) on the Company’s website as discharging the Company’s obligation under the Companies Ordinance to send a copy of the relevant financial documents and/or the summary financial report (each as defined in the Companies Ordinance), then publication by the Company, in accordance with legislation, on the Company’s website of the relevant financial documents and the summary financial report (each as defined in the Companies Ordinance) at least 21 days before the date of the general meeting shall, in relation to each Consenting Shareholder, be deemed to discharge the Company’s obligations under paragraph (a).”

**(k) Article 135**

by deleting the existing Article 135 in its entirety and replacing it with the following:

- “135. (A) Subject to paragraph (B), any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid.
- (B) Any notice or document (save for certificate of title) may also be served to any Member by publication on the Company’s website and/or by electronic means and/or given in writing and/or by cable, telex or facsimile transmission message by transmitting it to any such address or electronic mail address or transmitting it to any telex or

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facsimile transmission number supplied by him to the Company for the giving of notice and/or sending a document to him or which the person transmitting the notice and/or document reasonably and bona fide believes at the relevant time will result in the notice or document being duly received by the Member.

- (C) Notice may also be served by advertisement in appropriate newspapers or in such other media or through other way in accordance with and subject to the requirements of the applicable legislation and the rules and regulations of the stock exchange in which shares of the Company are listed.
- (D) In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders."

**(I) Article 136**

by deleting the existing Article 136 in its entirety and replacing it with the following:

- "136. (A) Any Member described in the Register by an address not within Hong Kong who shall, from time to time, give to the Company an address within Hong Kong at which notices may be served upon him shall be entitled to have notices served upon him at such address.
- (B) Any Member may elect to receive notice and documents from the Company by way of electronic means or cable, telex or facsimile transmission message or elects to rely on the publication on the Company's website in respect of notice or documents from the Company by sending an advance notice of such intention to the Company using the prescribed form as may be determined by the Board.
- (C) Notwithstanding any provision in these Articles to the contrary but subject always to the requirements of applicable legislation and/or rules and regulations of the stock exchange in which the securities of the Company are listed, any notice or document may be given to a Member either in the English language or the Chinese language, or both; and for the purposes of this Article, such notice and document shall include (but not limited to):
  - (i) the Directors' report, the Company's annual accounts together with a copy of the auditors' report and where applicable, its summary financial report (as defined in the Companies Ordinance);



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- (ii) the interim report of the Company;
- (iii) a notice of meeting;
- (iv) a listing document; and
- (v) a circular.”

**(m) Article 137**

by deleting the existing Article 137 in its entirety and replacing it with the following:

- “137. (A) Any such notice or other document, if sent by post, shall be deemed to have been served or delivered on the day after the day when it was put in the post, and in proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.
- (B) Any such notice or other document, if published on the Company’s website or sent by way of electronic means, shall be deemed to have been served, delivered or published at the time as prescribed by the Companies Ordinance and other applicable laws, rules and regulations.
- (C) Any such notice or other document, if served, delivered or published in any other manner contemplated by these Articles, shall be deemed to have been served, delivered or published at the time of delivery, the relevant despatch or transmission, or at the time of publication.
- (D) In proving such service, delivery, despatch or transmission or publication, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof.””

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

Hong Kong, 26 June 2012

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**Notes:**

1. Pursuant to the Listing Rules and the Articles of Association of the Company, any vote of member at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.
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, 27 July 2012 to Monday, 30 July 2012, 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 4:30 p.m. on Thursday, 26 July 2012.
5. In relation to Resolution No. 2 in this Notice, Mr. Cheung Ka Sing, Cassian, Mr. Wong Chi Hong, Frank and Dr. Lee Ka Yam, Danny will 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 the aforementioned Directors will be individually voted on by the shareholders of the Company. 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 accompanying this Notice.
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.
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 of 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 of 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 of the circular accompanying this Notice.