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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, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00282)

**PROPOSED CHANGE OF THE COMPANY NAME,
PROPOSED ADOPTION OF
THE SUBSIDIARY SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the Extraordinary 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, 5 October 2015 at 3:00 p.m. is set out on pages 16 to 18 of this circular.

Whether or not you are able to attend the Extraordinary 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 Extraordinary General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof should you so wish.

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DEFINITIONS

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

“ADEC”	Apple Daily E-Classified Limited, a private company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of directors of the Company
“Business Day(s)”	any day(s) (excluding Saturday and Sunday) on which the Stock Exchange generally is open for business of dealing in securities
“Change of the Company Name”	the proposed change of the name of the Company from “Next Media Limited 壹傳媒有限公司” to “Next Digital Limited 壹傳媒有限公司”
“Companies Ordinance”	the Companies Ordinance (Chapter 622) of the Laws of Hong Kong, 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 as at the Latest Practicable Date legally and beneficially owns 1,786,533,165 Shares, representing approximately 73.48% of the total issued Shares of the Company
“Director(s)”	the director(s) of the Company
“EGM Notice”	the notice convening the Extraordinary General Meeting, which is set out on pages 16 to 18 of this circular
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at 3:00 p.m. on Monday, 5 October 2015 at the Conference Room on the 1st Floor, 3 Chun Kwong Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong for the purpose of considering and approving the Change of the Company Name and the adoption of the Subsidiary Share Option Scheme
“Group”	the Company and its subsidiaries
“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

DEFINITIONS

“Latest Practicable Date”	28 August 2015, the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing”	the listing on an internationally recognised stock exchange whether in Hong Kong or elsewhere of the ADEC or its holding company (except for the Company, which is already listed on the Stock Exchange) or such other company that then holds the business conducted or to be conducted by ADEC and its subsidiaries after the date of adoption of the Subsidiary Share Option Scheme
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Share Option Scheme”	the share option scheme of ADEC to be approved by the Shareholders, a summary of the principal terms of which is set out in the Appendix of this circular
“Subsidiary Scheme Limit”	the limit imposed under the rules of the Subsidiary Share Option Scheme on the total number of shares in ADEC which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Subsidiary Share Option Scheme and other share option schemes of ADEC, being 30% of the total number of shares in ADEC in issue from time to time
“Subsidiary Scheme Mandate Limit”	the limit imposed under the rules of the Subsidiary Share Option Scheme on the total number of shares in ADEC which may be issued upon exercise of all options to be granted under the Subsidiary Share Option Scheme and all other share option schemes of ADEC, being 10% of the total number of shares in ADEC in issue as at the adoption date of the Subsidiary Share Option Scheme, equivalent to 1,000,000 shares of ADEC
“Subsidiary Share Option Scheme Participant(s)”	the Subsidiary Share Option Scheme Participant(s) as defined in the Appendix of this circular



NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00282)

Executive Directors:

Cheung Ka Sing, Cassian

(Interim Chairman and Chief Executive Officer)

Ting Ka Yu, Stephen

(Chief Operating Officer and Chief Financial Officer)

Ip Yut Kin

Registered office:

1st Floor

8 Chun Ying Street

Tseung Kwan O Industrial Estate

Tseung Kwan O

New Territories

Hong Kong

Independent Non-Executive Directors:

Fok Kwong Hang, Terry

Wong Chi Hong, Frank

Lee Ka Yam, Danny

Bradley Jay Hamm

1 September 2015

To the Shareholders

Dear Sir or Madam,

**PROPOSED CHANGE OF THE COMPANY NAME,
PROPOSED ADOPTION OF
THE SUBSIDIARY SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 29 July 2015 in respect of the proposed Change of the Company Name. In addition, the Board also proposes to adopt the Subsidiary Share Option Scheme.

The purpose of this circular is to give you notice of the EGM and to provide you with information in respect of the resolutions to be proposed at the EGM regarding the Change of the Company Name and the adoption of the Subsidiary Share Option Scheme.

LETTER FROM THE BOARD

PROPOSED CHANGE OF THE COMPANY NAME

The Board proposes to change the English name of the Company from “Next Media Limited” to “Next Digital Limited”, subject to the conditions as set out in the paragraph headed “Conditions of the Change of the Company Name” below. The Chinese name “壹傳媒有限公司” will remain unchanged.

CONDITIONS OF THE CHANGE OF THE COMPANY NAME

The proposed Change of the Company Name is subject to the following conditions:

1. the passing of a special resolution by the Shareholders at the EGM to approve the Change of the Company Name; and
2. the Registrar of Companies in Hong Kong granting the approval for the Change of the Company Name.

Subject to satisfaction of the conditions set out above, the Change of the Company Name will take effect from the date on which the certificate of change of name is issued by the Companies Registry in Hong Kong.

REASON FOR THE CHANGE OF THE COMPANY NAME

The Group is principally engaged in publication and printing of newspapers, magazines and books in Hong Kong and Taiwan. It also sells advertising space in these and on its Web portals and subscription of Web portals. Furthermore, it provides printing and reprographic services; delivers Internet contents as well as develop mobile and online games.

Due to the transformation of the media industry and the acceleration of the shifting from print media to digital media in recent years, the Board considers that the Change of the Company Name will reflect the strategic move of the Group’s business focus towards digital business and align with its business nature and growth objectives.

The Board believes that such proposed Change of the Company Name will provide a clearer identity and image for the Company which is in the best interest of the Company and the Shareholders as whole.

EFFECT OF THE CHANGE OF THE COMPANY NAME AND EXCHANGE OF SHARE CERTIFICATES

The Change of the Company Name will not affect any rights of the holders of the Shares of the Company. All existing Share certificates in issue bearing the present name of the Company will, after the proposed Change of the Company Name becoming effective, continue to be evidence of legal title to such Shares and the existing Share certificates will continue to be valid for trading, settlement, registration and delivery purposes. New Share certificates will be issued in the new name of the Company, being Next Digital Limited. Within 1 month from the date on which the proposed Change of the Company Name

LETTER FROM THE BOARD

becoming effective and the Shares be traded under the new stock short name on the Stock Exchange, holders of Shares of the Company may submit existing Share certificates to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for free exchange for new Share certificates under the new name of Next Digital Limited. Thereafter, existing Share certificates will be accepted for exchange only on a payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each Share certificate. It is expected that new Share certificates will be available for collection by Shareholders within a period of ten Business Days after their submission of the existing Share certificates.

Should the Change of the Company Name become effective, new Share certificates will be issued only in the new name of the Company.

Further announcement(s) will be made by the Company in due course to inform the Shareholders of the results of the EGM, the effective date of the Change of the Company Name, the period for the free exchange for new Share certificates and the new stock short name of the Company for trading of the Shares on the Stock Exchange.

ADOPTION OF THE SUBSIDIARY SHARE OPTION SCHEME

The Company’s indirect wholly-owned subsidiary, ADEC, proposes to adopt the Subsidiary Share Option Scheme. The Subsidiary Share Option Scheme is designed to provide its Subsidiary Share Option Scheme Participant(s) with the opportunity to acquire proprietary interests in it, which will encourage the grantees of such options to work towards enhancing the value of ADEC and for the benefit of the Company as a whole.

ADEC is engaged in the businesses of providing a digital advertisement platform devoted to serve the small and medium size merchants in local communities in Hong Kong. Its operation employs location based technologies to provide mobile phone users with targeted advertisements from nearby merchants at the Group’s Web portals, such as *Apple Daily*. As at the Latest Practicable Date, there were no other share option schemes put in place by ADEC.

The shares to be issued upon an exercise of the options granted under the Subsidiary Share Option Scheme will be the shares in ADEC, not the Company’s Shares. The shares of ADEC are not listed.

None of the Directors are trustees of the Subsidiary Share Option Scheme or have a direct or indirect interests in the trustee.

No Shareholder is required to abstain from voting under the Listing Rules on the ordinary resolution in respect of the adoption of the Subsidiary Share Option Scheme at the EGM.

The board of directors of ADEC has given its approval for the adoption of the Subsidiary Share Option Scheme conditional on the approval by the Shareholders at the EGM. A summary of the principal terms of the Subsidiary Share Option Scheme is set out

LETTER FROM THE BOARD

in the Appendix to this circular. Copies of the Subsidiary Share Option Scheme's documents will be available for inspection at the Company's registered office at 1st Floor, 8 Chun Ying Street, Tseung Kwan O Industrial Estate, Tseung Kwan O, New Territories, Hong Kong from (and including) Tuesday, 1 September 2015 and up to and including Monday, 5 October 2015 and at the EGM.

The Subsidiary Share Option Scheme complies with the applicable requirements under Chapter 17 of the Listing Rules.

EXTRAORDINARY GENERAL MEETING

The EGM Notice is set out on pages 16 to 18 of this circular. A special resolution in respect of the Change of the Company Name and an ordinary resolution in respect of the adoption of the Subsidiary Share Option Scheme will be proposed at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, 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 EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM 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 EGM will therefore demand voting on the resolutions set out in the EGM Notice be taken by way of poll pursuant to article 61 of the Articles of Association.

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

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the Change of the Company Name and the adoption of the Subsidiary Share Option Scheme are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

The Controlling Shareholder has indicated that he intends to vote in favour of all the resolutions to be proposed at the EGM in respect of his holding of the Shares.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief that the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL INFORMATION

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

Yours faithfully,
By order of the Board
Cheung Ka Sing, Cassian
Interim Chairman and Chief Executive Officer

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

1. The purpose of the Subsidiary Share Option Scheme is to provide the Subsidiary Share Option Scheme Participant(s) (as described in paragraph 3 below) with the opportunity to acquire proprietary interests in ADEC and to encourage them to work towards enhancing the value of ADEC and its shares for the benefit of ADEC and its shareholders as a whole. The Directors believe that the authority given to the board of directors of ADEC under the Subsidiary Share Option Scheme to determine the eligibility of any Subsidiary Share Option Scheme Participant of any option based on his or her contribution and specify any minimum holding period and/or performance target as conditions in any option granted and the requirement for a minimum exercise price will serve to protect the value of ADEC and achieve the purpose stated above.
2. The Subsidiary Share Option Scheme is to be administered by the board of directors of ADEC, and the decisions of the board of directors of ADEC shall be final and binding on all parties. The board of directors of ADEC shall have the rights to (i) interpret and construe the provisions of the Subsidiary Share Option Scheme; (ii) determine the persons who will be offered options under the Subsidiary Share Option Scheme, and the number of shares and exercise price within the terms of the Subsidiary Share Option Scheme, subject to the terms described in paragraphs 6, 7 and 11 below, in relation to such options; (iii) subject to the terms described in paragraph 21 below, make such appropriate and equitable adjustments to the terms of the options granted under the Subsidiary Share Option Scheme as it deems appropriate (including the minimum period for which an option must be held or performance target); and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the Subsidiary Share Option Scheme.
3. The Subsidiary Share Option Scheme Participant(s) include:
 - (i) any full-time employee(s) of ADEC or any of its subsidiaries;
 - (ii) directors of ADEC or any of its subsidiaries; and
 - (iii) any person(s) whether or not an employee(s) or officer(s) of ADEC or any of its subsidiaries who the board of directors of ADEC considers to be able to enhance the operations or value of ADEC.
4. The life of the Subsidiary Share Option Scheme is not more than ten years. The board of directors of ADEC is entitled, at any time on a Business Day during the life of the scheme within the period commencing from the adoption date of the Subsidiary Share Option Scheme and expiring on the earlier of (a) the date of Listing; or (b) the tenth anniversary of the adoption date of the Subsidiary Share Option Scheme, to make an offer to any Subsidiary Share Option Scheme Participant in its absolute discretion to take up an option, pursuant to which such

Subsidiary Share Option Scheme Participant may subscribe for such number of shares in ADEC as the board of directors of ADEC may determine the exercise price per share.

5. Each grant of options to any director, chief executive or substantial shareholder of ADEC or of the Company, or any of their respective associates (as defined in the Listing Rules), shall for so long as ADEC remains a subsidiary of the Company, be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the proposed grantee of the options). Where any grant of options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates (as defined in the Listing Rules), would result in the shares in ADEC which may be issued and to be issued upon exercise of all options already granted and to be granted (including options redeemed, exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may from time to time be specified by the Stock Exchange) of the number of the relevant class of shares in ADEC in issue.

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

6. The overall limit on the number of shares in ADEC which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Subsidiary Share Option Scheme and other share option schemes of ADEC must not exceed the Subsidiary Scheme Limit (being 30% of the total number of the relevant class of shares in ADEC in issue from time to time and as at the date of adoption of the Subsidiary Share Option Scheme, 30% of the total number of the relevant class of shares in issue of ADEC are 3,000,000 shares). No options will be granted under the Subsidiary Share Option Scheme at any time if such grant will result in the Subsidiary Scheme Limit being exceeded.

The total number of shares in ADEC which may be issued upon exercise of all options to be granted under the Subsidiary Share Option Scheme and all other share option schemes of ADEC shall not exceed the Subsidiary Scheme Mandate Limit (being 10% of the number of the relevant class of shares in ADEC in issue as at the adoption date of the Subsidiary Share Option Scheme, equivalent to 1,000,000 shares of ADEC), subject to refresher of the Subsidiary Scheme Mandate Limit as referred to below. Options lapsed in accordance with the terms

and conditions of the Subsidiary Share Option Scheme or any other share option schemes of ADEC shall not be counted for the purpose of calculating the Subsidiary Scheme Mandate Limit.

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

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

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

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

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

(ii) No option may be granted at an exercise price lower than the new issue price (if any) either after ADEC has resolved to seek a Listing or during the period commencing six months before the lodgement of an application with the relevant stock exchange for the Listing up to the date of Listing. In such event, the Board shall have the discretion to adjust the exercise price of options granted during such period to not lower than the new issue price (if any).

12. The shares in ADEC to be allotted upon the exercise of an option will be subject to all the provisions of the articles of association of ADEC for the time being in force and will rank *pari passu* with the fully paid shares in issue at the time when the name of grantee is registered in the register of members of ADEC. Prior to the grantee being registered in the register of members of ADEC, the grantee shall not have any voting rights, or rights to participate in any dividends, or any right of transfer, or any rights arising on a liquidation of ADEC, or any other rights, in respect of the shares to be issued upon the exercise of the option.
13. Subject to the provisions of the rules of the Subsidiary Share Option Scheme, the Subsidiary Share Option Scheme shall be valid and effective for the period set out in paragraph 4. After the Listing or the expiry of the ten-year period from the date of adoption of the Subsidiary Share Option Scheme, whichever is earlier, no further options shall be granted and no options shall be exercisable.
14. An option shall lapse automatically (to the extent not already exercised) on the earliest of:
 - (i) the expiry of the option period during which an option may be exercised;
 - (ii) the date of the commencement of the winding-up of ADEC;
 - (iii) on termination of the Subsidiary Share Option Scheme in accordance with paragraph 18 below;
 - (iv) the expiry of the Subsidiary Share Option Scheme in accordance with paragraph 13 above;
 - (v) the date when ADEC resolves to seek a Listing;
 - (vi) the date which is six months before the lodgement of an application by ADEC for a Listing;
 - (vii) the date on which the grantee commits a breach of paragraph 19 below;
 - (viii) the date on which the grantee (if an employee or director of ADEC) ceases to be the Subsidiary Share Option Scheme Participant by reason of the termination of his employment or directorship on the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which an employer would be entitled to terminate his employment summarily; and

- (ix) the date on which the grantee ceases to be the Subsidiary Share Option Scheme Participant.
15. In the event of any capitalisation issue, rights issue or reduction of capital of ADEC, while any option granted remains exercisable, such corresponding adjustment (if any) shall be made to (a) the number of shares subject to any option so far as such option remains unexercised and subject to the Subsidiary Share Option Scheme; and/or (b) the exercise price, provided that any such adjustment shall be on the basis that the proportion of the issued share capital of ADEC to which a grantee is entitled after such adjustment shall remain the same as that to which he/she was previously entitled and no such adjustments shall be made to the extent that would enable any share in ADEC to be issued at less than its nominal value (if any) and no such adjustments will be required in circumstances where there is an issue of shares in ADEC as consideration in a transaction. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the ADEC's Auditor must confirm to the directors of ADEC in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules. In addition, any adjustment must comply with Chapter 17 of the Listing Rules, the supplemental guidance issued on 5 September 2005 by the Stock Exchange entitled "Supplemental Guidance on Main Board Listing Rules 17.03(13)/GEM Listing Rule 23.03(13) and the note immediately after the Rule" and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.
16. Any options granted but not exercised may be cancelled with consent of the grantees and new options may be granted to the grantee provided that such new options fall within the limits prescribed by the provisions of the Subsidiary Share Option Scheme, excluding the cancelled options, and are otherwise granted in accordance with the terms and conditions of the Subsidiary Share Option Scheme. The grantee shall not be entitled to any redemption or compensation or benefits whatsoever and shall have no claim against ADEC.
17. The shares issued on exercise of the options will on issue be identical to the then existing issued shares of ADEC.
18. ADEC by ordinary resolution of its shareholder(s) or the board of directors of ADEC may at any time terminate the operation of the Subsidiary Share Option Scheme and in such event no further options will be offered. Options which are granted during the life of the Subsidiary Share Option Scheme and remain unexpired immediately prior to such termination shall lapse immediately upon termination of the Subsidiary Share Option Scheme.

19. An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any option. Any breach of the foregoing shall entitle ADEC to cancel any outstanding option or part thereof granted to such grantee without incurring any liability on the part of ADEC.
20. ADEC shall, subject to the grantee having fulfilled the terms and conditions of the options (if any), redeem and cancel a particular option by paying the grantee in cash at the exercise price in the earliest of any the following circumstances before the Listing:
- (i) upon the grantee ceasing to be the Subsidiary Share Option Scheme Participant for any reason (other than his or her resignation or on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the board of directors of ADEC) on any other grounds on which ADEC or its relevant subsidiaries would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the grantee's service contract with ADEC or its relevant subsidiaries or as a result of mandatory dismissal under the relevant laws and regulations);
 - (ii) upon the change in control of ADEC (other than pursuant to a reorganisation for the Listing) and for the purpose of this paragraph 20(ii), "change in control" occurs when ADEC ceases to be a subsidiary of the Company; and
 - (iii) in such other circumstances as the board of directors of ADEC considers appropriate either generally or on a case-by-case basis provided that if the grantee is a connected person or an associate of a connected person of the Company (within the meaning of the Listing Rules) and for so long as ADEC remains a subsidiary of the Company, such redemption shall be approved both by, (a) a resolution of the board of directors of ADEC and (b) the independent non-executive Directors of the Company or a board committee of the Company with the majority of which is independent non-executive Directors of the Company.
21. The Subsidiary Share Option Scheme may be altered in any respect by resolution of the board of directors of ADEC except those specific provisions of the Subsidiary Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules, as amended from time to time, including but not limited to the definitions of "Option Period", "Participant" and "Grantee" and the provisions in the rules of the Subsidiary Share Option Scheme in relation to matters set out in paragraphs 1, 3, 6 to 17, 19 and 21 in this Appendix, which

cannot be altered to the advantage of the Subsidiary Share Option Scheme Participants and no changes to the authority of the directors or administrator of the Subsidiary Share Option Scheme in relation to any alteration of the terms of the Subsidiary Share Option Scheme shall be made, without the prior approval of shareholder(s) of ADEC and for so long as ADEC remains a subsidiary of the Company, the prior approval of the Shareholders in general meeting. Any alterations to the terms and conditions of the Subsidiary Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the shareholder(s) of ADEC and for so long as ADEC remains a subsidiary of the Company, approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the Subsidiary Share Option Scheme. The Subsidiary Share Option Scheme so altered must comply with Chapter 17 of the Listing Rules.

NOTICE OF EXTRAORDINARY GENERAL MEETING



NEXT MEDIA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00282)

NOTICE IS HEREBY GIVEN THAT the Extraordinary 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, 5 October 2015 at 3:00 p.m. for the purpose of considering and if thought fit, passing, with or without amendment, the following resolutions as resolutions of the Company:

To consider and if thought fit, passing the following special resolution:

SPECIAL RESOLUTION

1. **“THAT** subject to and conditional upon the approval of the Registrar of Companies in Hong Kong being granted, the name of the Company be and is hereby changed (the “Change of the Company Name”) from “Next Media Limited 壹傳媒有限公司” to “Next Digital Limited 壹傳媒有限公司” with effect from the date on which the certificate of change of name is issued by the Companies Registry in Hong Kong, and the directors of the Company be and are hereby authorised to execute such documents and take such action as they deem appropriate to implement and give effect to the Change of the Company Name.”

To consider and if thought fit, passing, with or without amendment, the following ordinary resolution:

ORDINARY RESOLUTION

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

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

Hong Kong, 1 September, 2015

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of the Company, any vote of member at the Extraordinary General Meeting of the Company must be taken by poll except where the chairman of the Extraordinary 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 Extraordinary General Meeting of the Company 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 the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding, the first named being the senior.
4. 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 at least 48 hours before the time for holding the Extraordinary General Meeting of the Company or any adjournment thereof.
5. The Register of Members of the Company will be closed from Wednesday, 30 September 2015 to Monday, 5 October 2015, both days inclusive, during which period no transfer of shares of the Company will be registered, for the purpose of ascertaining entitlement to attend the Extraordinary General Meeting of the Company. In order to be eligible to attend and vote at the Extraordinary General Meeting of the Company, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, 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 Tuesday, 29 September 2015.
6. If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force at or after 1:00 p.m. on 5 October 2015 and/or the Hong Kong Observatory has announced at or before 1:00 p.m. on 5 October 2015 that either of the above mentioned warnings is to be issued within the next two hours, the Extraordinary General Meeting shall automatically be postponed to the next Business Day on which no "black" rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted between the hours from 1:00 p.m. to 3:00 p.m. and in such case the Extraordinary General Meeting shall be held at 3:00 p.m. on that Business Day at the Conference Room on the 1st Floor, 3 Chun Kwong Street, Tseung Kwan O Industrial

NOTICE OF EXTRAORDINARY GENERAL MEETING

Estate, Tseung Kwan O, New Territories, Hong Kong. “Business Day”, in this context, shall mean a day (not being Saturday, Sunday or public holiday) on which banks in Hong Kong generally are open for business.