

Next's Commitments

Investor Relations

As the most established and influential Chinese print media group, Next Media fulfils its responsibilities by producing quality newspapers and publications. Likewise, as a listed company, Next Media is also committed to cultivating high standards of investor relations to cement its cordial relationship with the financial community, increase its transparency and maximize shareholder value.

During the year under review, the Group demonstrated this commitment by involving senior management in frequent meetings in the form of briefings, luncheons and company visits, with research analysts and institutional investors.

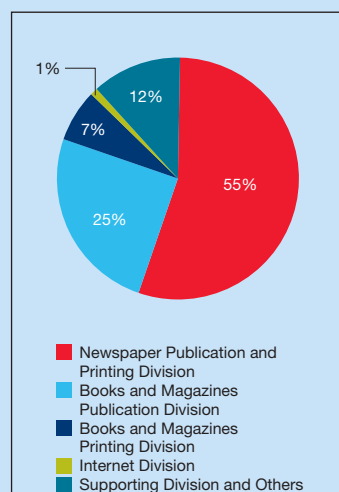
Next Media strives to enhance its disclosure of corporate information to its shareholders and the investment community. Its corporate website, www.nextmedia.com, which is updated on a regular basis allows the effective dissemination of information. In addition to the latest interim and annual reports, the Group also posted the archives on all announcements and press releases on its website, which gives the investment community an easy access to the most up-to-date information of the Group's business activities.

Employee Relations

Next Media's beautiful photos, the eye-catching graphics, layout and content are all crucial elements in attracting readers. However, the colourful pages and in-depth coverage reflect the commitment and sweat of our dedicated employees as they strive to deliver first hand information, the best photos and to be the first with the facts.

As always, our publications focus on preserving the truth, to inform, to reveal and to report matters that are close to our readers' hearts. Our workforce of 2,972 (2002: 2,037) have been selected for their energy, courage, integrity and dynamism. These are the qualities needed to create publications that appeal to the mass market and understand our customers. The Group has generous performance-based employment and remuneration policies to recognize and reward every individual's unique and valuable contribution to the Group's success.

Number of Staff as at
31 March 2003



In January 2003, the Group implemented a new salary scheme for staff in Hong Kong in a bid to realign resources and enhance efficiency. The new scheme adjusted staff's annual income from a 14-month salary per year to a 13-month salary per year. At the same time, the Group introduced a new incentive bonus scheme called the "special year end bonus". This bonus is based on 50% of its 13th month salary expenses to reward staff with commendable performance. To align employees' interests with the shareholders, profit sharing schemes and share option schemes continue to be in place. Total staff cost including retirement benefits, amounted to approximately HK\$729.6 million (2002: approximately HK\$409.2 million) for the year.

For an industry demanding round-the-clock alertness and quick reflexes, Next Media aims to offer a congenial working atmosphere for its committed and dedicated employees. In addition to basic facilities, including staff cafeteria and a fitness centre, it has a swimming pool and a multi-function athletic court to promote our staff's physical and mental health. At Next Media, we believe it is important to foster a sense of belonging amongst the staff, because we are the leader of an industry that requires teamwork to succeed.

The Group organized various activities throughout the year for its staff so as to promote their health awareness, social life and personal development.

- Sales bazaar during festive seasons
- Health talks & seminars
- Activities – cruise for fishing squid, yoga class
- Fun day at top club on every Saturday and Sunday during summer
- Community projects i.e. blood donation, Apple's tours
- Health checking program including cholesterol test and body health test
- Educational activities – mandarin courses and law seminar
- Personal financial planning

A pleasant and amicable working environment is pivotal to maximizing efficiency and promoting staff loyalty, which is one of the reasons why Next Media remains No. 1 in the market. An employment in Next Media is not only a career, but also an opportunity for staff to realize the same dreams, to voice out their messages and to raise their concerns, about matters that relate closely to the lives of people.

Community at Heart

Through its newspapers and publications, Next Media serves as a window for its readers to take a closer look into their community, because it is our responsibility to reveal truths and report the happenings of our world.

Next Media responds to the community through offering administrative support and charitable donations to Apple Daily Charitable Foundation (the “Foundation”) as well as publicizing events organized by the Foundation in *Apple Daily*. We provide assistance with the aim of sustaining and arousing interests amongst the general public in the vast array of community and charitable activities organized by the Foundation. The fundamental aim of the activities organized by the Foundation is to help the less fortunate and underprivileged members of the society through direct financial assistance or sponsor to various social welfare projects. Apart from designating an editorial column in *Apple Daily* for appealing to its readers for donations, Apple Daily Limited donates 1% of its profit to the Foundation on a monthly basis. *Taiwan Apple Daily* also donated an amount of NT\$15,000,000 for the establishment of similar charitable foundation in Taiwan serving the underprivileged and less fortunate during the year.

After year end, Next Media donated part of the proceeds derived from the retail sales of its one newspaper and four magazines in Hong Kong to the Foundation, in an effort to assist those underprivileged members of the society affected by the outbreak of SARS. In addition, the Foundation donated an amount equivalent to 50% of the total funds raised by Next Media, and hence, the total funds raised from this initiative amounted to over approximately HK\$1.2 million.

Next Media has a bold commitment to grow alongside with the society that we are operating in, and will continue with our initiatives in the years ahead.