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TOM.COM LIMITED

(Incorporated in the Cayman Islands with limited liability)

DISCLOSEABLE TRANSACTION INVOLVING CASH CONSIDERATION AND ISSUANCE OF NEW SHARES

**in respect of
the acquisition of 50% of the equity interest in
河南新天明廣告信息傳播有限公司
(Henan New Tianming Advertising & Information Chuanbo Company Limited)
Adjustment of Consideration**

Based on the Tianming 2002 Accounts and pursuant to the adjustment mechanism as set out in the Amended Tianming Agreement, the Board announces that the aggregate consideration for the Tianming Acquisition is adjusted upward from RMB56,440,367 (approximately HKD53,245,629) to RMB121,700,000 (approximately HKD114,811,321). The Cash Consideration is adjusted upward from RMB16,000,000 (approximately HKD15,094,340) to RMB34,500,000 (approximately HKD32,547,170) and the number of Consideration Shares is adjusted upward from 6,924,009 to 14,929,894.

The fair value of the total number of the Consideration Shares (as booked in the accounts of TOM) is adjusted upward in the aggregate from approximately HKD27,966,072 to approximately HKD60,301,842 (being HKD4.039 per TOM Share) which is calculated based on the average closing price of the TOM Shares as quoted on the Stock Exchange for the month prior to the date of acquisition (i.e. 1st April, 2002). In this context, the date of acquisition means the date on which TOM started to have control over the operating and financial policies of Tianming PRC Co. thereby started to consolidate its operating results and balance sheet from that date under TOM's accounting policy.

Accordingly, the fair value of the aggregate consideration for the Tianming Acquisition is adjusted upward from RMB45,644,037 (approximately HKD43,060,412) to RMB98,419,953 (approximately HKD92,849,012).

Reference is made to the announcements of TOM.COM LIMITED (“TOM”) dated 13th March, 2002, 29th November, 2002 and 20th December, 2002, respectively (the “Announcements”) and the circular of TOM dated 3rd April, 2002 (the “Circular”) in respect of the Tianming Acquisition. Unless otherwise defined herein, terms used herein shall have the same meanings as defined in the Announcements and the Circular.

Background

On 25th December, 2002 (being the date of completion of the Tianming Acquisition), the TOM Group has successfully acquired 50% of the equity interest in 河南新天明廣告信息傳播有限公司 (Henan New Tianming Advertising & Information Chuanbo Company Limited) (“Tianming PRC Co.”) at an aggregate consideration of RMB56,440,367 (approximately HKD53,245,629) (subject to adjustment to a cap of RMB121,700,000 (approximately HKD114,811,321)).

Of the Consideration, (i) RMB16,000,000 (approximately HKD15,094,340) (subject to adjustment) is payable by cash (RMB12,000,000 (approximately HKD11,320,755) has been paid to Mr. Jiang on 11th April, 2002); and (ii) RMB40,440,367 (approximately HKD38,151,290) (subject to adjustment) is payable by way of issue and allotment of 6,924,009 Consideration Shares (credited as fully paid) at HKD5.51 per TOM Share (5,193,006 Consideration Shares have been issued to Mr. Jiang on 30th January, 2003).

Adjustment of Consideration

As disclosed in the announcement of TOM dated 20th December, 2002, the Consideration may be adjusted (subject to a cap of RMB121,700,000 (approximately HKD114,811,321)) by reference to the amount of the following items as shown in the Tianming 2002 Accounts and calculated in accordance with the relevant formulae as set out in the aforesaid announcement:

- (i) Tianming 2002 Outdoor Profits;
- (ii) Tianming 2002 Non-Outdoor Profits;
- (iii) Tianming Outdoor Receivables which cannot be collected on or before 30th June, 2003; and
- (iv) Tianming Non-Outdoor Receivables which cannot be collected on or before 30th June, 2003.

The Tianming 2002 Accounts were issued on 22nd August, 2003 which showed the following:

	RMB
(i) Tianming 2002 Outdoor Profits	16,003,372
(ii) Tianming 2002 Non-Outdoor Profits	6,691,282
(iii) Tianming Outdoor Receivables which cannot be collected on or before 30 th June, 2003	2,094,654
(iv) Tianming Non-Outdoor Receivables which cannot be collected on or before 30 th June, 2003	Nil

Based on the above and pursuant to the relevant adjustment mechanism as set out in the Amended Tianming Agreement, the Board announces that the aggregate consideration for the Tianming Acquisition is adjusted upward from RMB56,440,367 (approximately HKD53,245,629) to RMB121,700,000 (approximately HKD114,811,321). The amount of the Cash Consideration and the number of the Consideration Shares are accordingly adjusted proportionately as follows:

(i) Cash Consideration

The Cash Consideration is adjusted upward from RMB16,000,000 (approximately HKD15,094,340) to RMB34,500,000 (approximately HKD32,547,170). As RMB12,000,000 (approximately HKD11,320,755) has been paid to Mr. Jiang on 11th April, 2002, TOM Outdoor Media will pay an additional amount of RMB22,500,000 (approximately HKD21,226,415) to Mr. Jiang within 30 days after the later of: (i) the date of issue of the Tianming 2002 Accounts; or (ii) the date of receipt by TOM Outdoor Media of the Completion Documents from Mr. Jiang and Tianming (i.e. on or before 21st September, 2003).

(ii) Consideration Shares

The number of Consideration Shares is adjusted upward from 6,924,009 to 14,929,894. As 5,193,006 Consideration Shares have been issued to Mr. Jiang on 30th January, 2003, an additional 9,736,888 Consideration Shares will be issued and allotted (credited as fully paid) at HKD5.51 per TOM Share to Mr. Jiang and/or his nominee(s) within 90 days after the later of: (i) the date of issue of the Tianming 2002 Accounts; or (ii) the date of receipt by TOM Outdoor Media of the Completion Documents from Mr. Jiang and Tianming (i.e. on or before 20th November, 2003).

The fair value of the total number of the Consideration Shares (as booked in the accounts of TOM) is adjusted upward from approximately HKD27,966,072 to approximately HKD60,301,842 (being HKD4.039 per TOM Share) which is calculated based on the average closing price of the TOM Shares as quoted on the Stock Exchange for the month prior to the date of acquisition (i.e. 1st April, 2002). In this context, the date of acquisition means the date on which TOM started to have control over the operating and financial policies of Tianming PRC Co. thereby started to consolidate its operating results and balance sheet from that date under TOM's accounting policy.

Accordingly, the fair value of the aggregate consideration for the Tianming Acquisition is adjusted upward from RMB45,644,037 (approximately HKD43,060,412) to RMB98,419,953 (approximately HKD92,849,012).

By Order of the Board
TOM.COM LIMITED
Angela Mak
Company Secretary

Hong Kong, 15th September, 2003

This announcement, for which the Directors of TOM collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to TOM. The Directors of TOM, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statements in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of TOM at www.tomgroup.com.