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This announcement is not an offer of securities for sale in the United States. Securities of TOM Online Inc. may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities of TOM Online Inc. to be made in the United States will be made by means of a prospectus to be issued by TOM Online Inc. that will contain detailed information on TOM Online Inc. and its management, as well as its financial statements. TOM Online Inc. intends to register a part of its proposed offering of securities in the United States.

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TOM.COM LIMITED

(Incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT UNDER RULE 17.10 OF THE GEM LISTING RULES

POSSIBLE MAJOR TRANSACTION IN RELATION TO THE PROPOSED SPIN-OFF OF TOM ONLINE INC. BY WAY OF SEPARATE LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED AND/OR THE NASDAQ NATIONAL MARKET

The Board is pleased to announce that the Stock Exchange has on 19 December 2003 granted approval for the Company to proceed with the Proposed Spin-Off, subject to (1) the provision to Shareholders of assured entitlements to TOM Online Shares, either by way of a dividend in specie of existing TOM Online Shares or by way of preferred application in any offering of existing or new TOM Online Shares; and (2) the publication of an announcement on the proposed listing of TOM Online.

It is currently expected that the Proposed Spin-Off will involve both a separate listing of TOM Online Shares on GEM and/or a quotation of American depositary shares representing TOM Online Shares on Nasdaq. To this end, the Board is also pleased to announce that a formal application was made to the Stock Exchange on 24 December 2003 for the separate listing of, and permission to deal in, the TOM Online Shares in issue and to be issued under the Global Offering on GEM. **No assurance can be given that the application for listing of, and permission to deal in, such TOM Online Shares will be approved by the GEM Listing Committee in due course.**

TOM Online is a wholly-owned subsidiary of the Company whose primary business activities comprise wireless value-added services (including the wireless interactive voice response services of the Puccini Group conducted through LTWJi), online advertising and commercial enterprise solutions in the PRC.

The Proposed Spin-Off will require approval of the Shareholders as a major transaction of the Company under Chapter 19 of the GEM Listing Rules. As TOM Online is a major subsidiary (as defined in the GEM Listing Rules) of the Company and the Proposed Spin-Off will constitute a material dilution of the Company's interest, the Proposed Spin-Off will also require approval of the Shareholders under Rule 17.39 of the GEM Listing Rules. Cranwood will voluntarily abstain from the voting at such Shareholders' meeting. A circular providing full details of the Proposed Spin-Off and its effect on the Company and a notice convening an extraordinary general meeting to approve the Proposed Spin-Off will be dispatched to Shareholders in due course.

The Board also noted a press article appearing in newspapers on 22 December 2003 regarding the Proposed Spin-Off and wishes to clarify that no final decision has yet been made as to whether and when the Global Offering will be launched. The Proposed Spin-Off and the Global Offering will be conditional upon, among other things, the approval of Shareholders, a final decision of the Board and of the board of directors of TOM Online, the GEM Listing Committee granting approval for the listing of, and permission to deal in, all the TOM Online Shares in issue and to be issued pursuant to the Global Offering on GEM and the Nasdaq Stock Market granting approval for the inclusion of the ADSs for quotation on Nasdaq. There can be no assurance that any of the conditions will be satisfied.

As the listing of TOM Online Shares and/or ADSs pursuant to the Proposed Spin-Off and the Global Offering is subject to, among others, the state of the equity markets, the approvals of the GEM Listing Committee and the Nasdaq Stock Market, the relevant United States regulatory process, and the final decision of the Board and Shareholders, Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

INTRODUCTION

The Board is pleased to announce that the Stock Exchange has on 19 December 2003 granted approval for the Company to proceed with the Proposed Spin-Off, subject to:

- (1) the provision to Shareholders of assured entitlements to TOM Online Shares, either by way of a dividend in specie of existing TOM Online Shares or by way of preferred application in any offering of existing or new TOM Online Shares; and
- (2) the publication of an announcement on the proposed listing of TOM Online.

It is currently expected that the Proposed Spin-Off will involve both a separate listing of TOM Online Shares on GEM and/or a quotation of American depositary shares representing TOM Online Shares on Nasdaq. To this end, the Board is also pleased to announce that a formal application was made to the Stock Exchange on 24 December 2003 for the separate listing of, and permission to deal in, the TOM Online Shares in issue and to be issued under the Global Offering on GEM. **No assurance can be given that the application for listing of, and permission to deal in, such TOM Online Shares will be approved by the GEM Listing Committee in due course.**

TOM Online is currently a wholly-owned subsidiary of the Company. In contemplation of the Proposed Spin-Off, the Group has completed a corporate reorganisation whereby its core Internet business in the PRC has been transferred to TOM Online. TOM Online's primary business activities comprise wireless value-added services (including the wireless interactive voice response services of the Puccini Group conducted through LTWJi), online advertising and commercial enterprise solutions in the PRC.

INFORMATION ON THE PROPOSED SPIN-OFF

The exact structure of the Proposed Spin-Off will be decided by the Directors in due course, but it is currently proposed that the Proposed Spin-Off will be by way of the Global Offering. TOM Online would remain a subsidiary of the Company immediately after completion of the Global Offering.

As part of the Proposed Spin-Off, Shareholders will be given assured entitlements to TOM Online Shares, either by way of a dividend in specie of existing TOM Online Shares or by way of preferred application in any offering of existing or new TOM Online Shares. Further details on such assured entitlements will be set out in a circular providing full details of the Proposed Spin-Off which will be circulated to Shareholders in due course if the Proposed Spin-Off is proceeded with.

The Board also noted a press article appearing in newspapers on 22 December 2003 regarding the Proposed Spin-Off and wishes to clarify that no final decision has yet been made as to whether and when the Global Offering will be launched. The Proposed Spin-Off and the Global Offering will be conditional upon, among other things, the approval of Shareholders, a final decision of the Board and of the board of directors of TOM Online, the GEM Listing Committee granting approval for the listing of, and permission to deal in, all the TOM Online Shares in issue and to be issued pursuant to the Global Offering on GEM and the Nasdaq Stock Market granting approval for the inclusion of the ADSs for quotation on Nasdaq. There can be no assurance that any of the conditions will be satisfied.

APPROVAL REQUIRED FROM SHAREHOLDERS

The Proposed Spin-Off will require approval of the Shareholders as a major transaction of the Company under Chapter 19 of the GEM Listing Rules. As TOM Online is a major subsidiary (as defined in the GEM Listing Rules) of the Company and the Proposed Spin-Off will constitute a material dilution of the Company's interest, the Proposed Spin-Off will also require approval of the Shareholders under Rule 17.39 of the GEM Listing Rules. Cranwood will voluntarily abstain from the voting at such Shareholders' meeting. A circular providing full details of the Proposed Spin-Off and its effect on the Company and a notice convening an extraordinary general meeting to approve the Proposed Spin-Off will be dispatched to Shareholders in due course if the Proposed Spin-Off is proceeded with.

GENERAL

After the completion of the Proposed Spin-Off, save for the business carried out by TOM Online Group, the Remaining Group will continue in the outdoor media, publishing, sports and entertainment, broadcasting and other telecommunications businesses.

Shareholders and potential investors should note that the decisions of the Board and the board of directors of TOM Online to proceed with the Proposed Spin-Off and the Global Offering are dependent on, inter alia, market conditions during the period leading up to the Global Offering.

In connection with the Global Offering, the price of the TOM Online Shares may be stabilised in accordance with the Securities and Futures (Price Stabilising) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) will be contained in the prospectus to be issued by TOM Online in connection with the Global Offering.

As the listing of TOM Online Shares and/or ADSs pursuant to the Proposed Spin-Off and the Global Offering is subject to, among others, the state of the equity markets, the approvals of the GEM Listing Committee and the Nasdaq Stock Market, the relevant United States regulatory process, and the final decision of the Board and Shareholders, Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

A further announcement will be made in relation to the Proposed Spin-Off and the Global Offering by the Company if and when required.

DEFINITIONS

“ADS”	American depositary shares, each of which will represent the right to receive a certain number of TOM Online Shares
“Board”	the board of Directors
“Company”	TOM.COM LIMITED
“Cranwood”	Cranwood Company Limited, a company incorporated in the Republic of Liberia, which owns 952,683,363 Shares (representing approximately 24.57% of the issued share capital of the Company) as at the date of this announcement
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Global Offering”	the proposed global offering of TOM Online Shares and ADSs (which will include an offer of TOM Online Shares to the public in Hong Kong, an offering of ADSs to international investors outside the United States and Canada and an offering of ADSs in the United States and Canada)
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“LTWJi”	Beijing Leitingwuji Network Technology Company Limited (北京雷霆無極網絡科技有限公司), a domestic company established in Beijing, the PRC
“Nasdaq”	the Nasdaq National Market
“PRC”	the People’s Republic of China excluding for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Spin-Off”	the proposed spin-off by the Company of TOM Online by way of separate listing of the TOM Online Shares on GEM and/or quotation of the ADSs on Nasdaq
“Puccini Group”	Puccini International Limited (a company incorporated in the Cayman Islands and acquired by a subsidiary of TOM Online on 19 November 2003) and its subsidiaries
“Remaining Group”	the Group other than TOM Online Group
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the same meaning as in section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“TOM Online”	TOM Online Inc., a wholly-owned subsidiary of the Company, which was incorporated in the Cayman Islands with limited liability on 28 August 2001
“TOM Online Group”	TOM Online and its subsidiaries
“TOM Online Shares”	shares of HK\$0.01 each in the capital of TOM Online
“United States”	the United States, as defined in Regulation S under the United States Securities Act of 1933, as amended from time to time
“%”	per cent.

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

Hong Kong, 24 December 2003

This announcement, for which the Directors 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 the Company. The Directors, 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 statement 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 the Company at www.tomgroup.com.