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TOM Group Limited

TOM集團有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8001)



TOM Online Inc.

TOM在線有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8282)

### ADVANCES TO AN ENTITY

The board of directors of TOM Online announces the details of the trade receivables of the TOM Online Group due from the Internet Customer as at 30<sup>th</sup> April, 2004 pursuant to Rule 17.15 of the GEM Listing Rules.

Reference is made to the announcement of TOM Group dated 26<sup>th</sup> August, 2003 whereby TOM Group announced the details of the trade receivables due from the Internet Customer (as defined in the said announcement) pursuant to Rule 17.16 of the GEM Listing Rules.

Prior to the listing of TOM Online on 11<sup>th</sup> March, 2004, it was a wholly-owned subsidiary of TOM Group. In compliance with Rules 17.15 and 17.16 of the GEM Listing Rules, TOM Group had disclosed the trade receivables due from the Internet Customer to a subsidiary of TOM Online if it exceeds the relevant thresholds specified in the GEM Listing Rules. Upon the spin-off of TOM Online by TOM Group earlier this year, TOM Online is now a GEM listed company itself and is also required to comply with the aforesaid GEM Listing Rules. In this respect, the trade receivables due from the same Internet Customer is now discloseable by TOM Online if any one of the percentage ratios of which amount exceeds 8%. As such, TOM Online makes its disclosure in respect of the details of the trade receivables due from the Internet Customer pursuant to Rule 17.15 of the GEM Listing Rules as follows:

### ADVANCES TO AN ENTITY

The board of directors of TOM Online announces the details of the trade receivables of the TOM Online Group due from the Internet Customer as at 30<sup>th</sup> April, 2004 (the Revenue Ratio of which exceeds 8%) pursuant to Rule 17.15 of the GEM Listing Rules as follows:

**Balance of trade receivables  
as at 30<sup>th</sup> April, 2004 (Note 3)**

Internet Customer

HKD69,674,000

*Notes:*

1. The above trade receivables resulted from fees due to the TOM Online Group from the Internet Customer in the ordinary course of business and on normal commercial terms.
2. The above trade receivables are unsecured and in accordance with terms specified in the contracts governing the relevant transactions (such as delivery periods, payment periods (the above trade receivables are expected to be settled on or before 31<sup>st</sup> July, 2004), rights and obligations of the Internet Customer in respect of its performance under the contracts). No collateral is required to be made by the Internet Customer and no interest is charged on any of the trade receivables.
3. Due to the nature of the transactions, the trade receivables are billed at the end of each month and which balance needs to be verified and confirmed by the TOM Online Group pursuant to the normal trading practices in respect of such receivables and the relevant contracts governing the transactions. Normally, the month-end balance of the trade receivables can only be verified and confirmed by the TOM Online Group within one or two weeks after the end of each month which immediately gives rise to a disclosure obligation under Rule 17.15 of the GEM Listing Rules, TOM Online therefore issues this announcement so as to comply with the GEM Listing Rules.
4. The Internet Customer is engaged in providing mobile communications and related services in the PRC and is one of the largest telecommunication operators in the PRC. As at 30<sup>th</sup> April, 2004, the fees due to the TOM Online Group from the Internet Customer are approximately 11.6% of the total revenue of the TOM Online Group for the year ended 31<sup>st</sup> December, 2003. It has a good track record for settlement of its trade receivables due to the TOM Online Group. The board of directors of TOM Online considers that the disclosure of the customer's name might prejudice TOM Online's business interests.

Save as disclosed above, as at 30<sup>th</sup> April, 2004, no other advance (including trade receivables and other receivables) which would give rise to disclosure obligation pursuant to Rules 17.15, 17.16 and 17.18 of the GEM Listing Rules.

For avoidance of doubt, as none of the percentage ratios of the amount of the trade receivables due from the Internet Customer as at 30<sup>th</sup> April, 2004 (calculated on TOM Group's level) exceeds the relevant thresholds specified in Rules 17.15 or 17.16 of the GEM Listing Rules, TOM Group has no disclosure obligations to make this announcement.

## **DEFINITIONS**

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“HKD”	Hong Kong dollars
“PRC”	the People's Republic of China
“Revenue Ratio”	has the meaning as set out in Rule 19.07(3) of the GEM Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“TOM Group”	TOM Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on GEM. As at the date hereof, TOM Group owns approximately 71.86% of the issued share capital of TOM Online
“TOM Online”	TOM Online Inc., a company incorporated in the Cayman Islands with limited liability and whose shares are listed on GEM
“TOM Online Group”	TOM Online and its subsidiaries

By Order of the Board  
**TOM GROUP LIMITED**  
**Angela Mak**  
*Company Secretary*

By Order of the Board  
**TOM ONLINE INC.**  
**Angela Mak**  
*Company Secretary*

Hong Kong, 28<sup>th</sup> May, 2004

*As at the date hereof, Mr. Frank Sixt (Chairman), Ms. Debbie Chang, Mrs. Susan Chow, Mr. Edmond Ip, Mr. Holger Kluge, Mr. James Sha and Mr. Wang Lei Lei are non-executive directors of TOM Group; Mr. Sing Wang and Ms. Tommei Tong are executive directors of TOM Group; and Mr. Henry Cheong, Mrs. Angelina Lee and Ms. Anna Wu are the independent non-executive directors of TOM Group.*

*As at the date thereof, Mr. Frank Sixt (Chairman), Mr. Sing Wang (Vice Chairman) and Ms. Tommei Tong are non-executive directors of TOM Online; Mrs. Susan Chow is an alternate Director to Mr. Frank Sixt; Mr. Wang Lei Lei, Mr. Xu Zhiming, Mr. Peter Schloss, Mr. Wu Yun, Ms. Elaine Feng and Mr. Fan Tai are executive directors of TOM Online; and Mr. Ma Wei Hua and Mr. Gordon Kwong are independent non-executive directors of TOM Online.*

*This announcement, for which the respective directors of TOM Group and TOM Online 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 Group and TOM Online. The respective directors of TOM Group and TOM Online, 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](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the websites of TOM Group and TOM Online at [www.tomgroup.com](http://www.tomgroup.com) and [www.tom.com](http://www.tom.com) respectively.*

*\* for identification purpose*