



BOT_{to} TMT

CHAIRMAN'S MESSAGE





In this financial year New World Infrastructure Ltd. (NWI) opened the door on a new era of development with the most significant reorganization in its eight years as a Hong Kong listed company. Working hand-in-hand with parent New World Development Co. Ltd. (NWD), a leading Hong Kong conglomerate, NWI has evolved from a traditional infrastructure company into a Telecommunications, Media and Technology (TMT) flagship. It is with great anticipation that we look forward to expanding the solid business foundation that has been carefully nurtured since the early days of China's technology and Internet boom.

From this point onward the NWI focus is entirely on the commercialization of technology solutions and services for high-growth TMT markets in China and around the world. We will leverage our substantial investment in cutting-edge global technology to offer advanced solutions through an integrated network of service providers in the thriving China arena. While each TMT investment adds shareholder value on a standalone basis, the synergies between various TMT projects multiplies value through the delivery of innovative Personalized Digital Information (PDI) solutions to consumers and enterprises.

To become a leading new economy enterprise and to support the development of TMT investments in a world where every technology has the potential to make a global impact, NWI is going through a cultural transformation. In recent years NWI has worked hard to make sure technology investments mature as quickly as possible, but now our prospects are even more intertwined with an industry ruled by innovation, creativity and entrepreneurial desire. Above all, our history as a first-mover operator and investor in Greater China allows us to compete, excel and deliver top quality solutions in the TMT arena to create substantial shareholder value.

PRC Synergies

Shareholder value is compounded by a proven Mainland track record in terms of government relations and alliances with leading TMT enterprises. The importance of these New World connections cannot be underestimated as a new generation of leaders takes the helm of the PRC. Currently, one of the major government initiatives is to push technology development higher on the priority list. The desire to see China progress faster in such areas as digital television, fibre optics, 3G and CDMA is logical. After all, China's technology market has a breadth and scale few can match. Already, the PRC boasts the world's largest market for mobile phones, CATV users, fixed line telecom and is rapidly approaching record numbers of Internet users.

China would sincerely like to see its vibrant technology market controlled more and more by homegrown solutions, ones in which local scientists and domestic companies can lead the way. To support this changing of the technology guard, the central government is bending over backwards to assist local talent to develop new technologies. Within this sensitive environment, Hong Kong is being looked to once again as a bridge between local and global forces. With the Closer Economic Partnership Arrangement (CEPA) coming into play between Hong Kong and the Mainland, NWI is perfectly positioned to benefit from its traditional intermediary role in the emerging technology value chain.

TMT Comes of Age

NWI took its first step into the TMT sector in 1996 with the purchase of a stake in China Internet Corp., the parent of chinadotcom. Few investors believed in the potential of the Internet in China at that time, as online users numbered in the thousands rather than in the many millions. When chinadotcom emerged as a darling investment on the NASDAQ stock market tremendous value was delivered to shareholders. On the heels of this success NWI concluded many more investments in the technology arena and significant resources were deployed to develop a value-added PDI vision.

In order to take advantage of opportunities in the competitive world of TMT, NWI began to gradually redeploy capital and human resources. The TMT evolution was accelerated this year with the reorganization of New World Group. In an effort to refocus assets and create greater synergies between divisions, New World Group separated Pacific Ports Co. Ltd. (PPC) from NWI and injected traditional infrastructure assets into PPC along with the service operations of NWD. This metamorphosis transformed NWI into a dedicated TMT business and the name of the Company will be changed to New World TMT Limited to reflect this evolution.

BOT to TMT

NWI emerged from the New World Group reorganization in a stronger financial position, ready to expand its core TMT business and better positioned to deliver rewards to a new community of shareholders. With the sale of traditional infrastructure projects to PPC (renamed NWS Holdings Ltd., NWSH), NWI eliminated a large portion of its debt. With a solid portfolio of TMT assets already in place NWI can focus on firmly establishing a PDI business model that generates significant revenue streams in the Greater China and global TMT markets.

Still, there is much work to be done to position NWI as a leading force in the TMT sector. NWI must rapidly evolve from a company focused on the BOT (build-operate-transfer) world of infrastructure to a TMT enterprise suited to meet the challenges of a new economy characterized by dynamism and entrepreneurialism. In the months that follow, NWI will introduce a comprehensive corporate strategy to the financial and business communities. This vision will clearly outline a corporate mission that will position NWI as a trendsetter in the TMT realm.

Many Thanks

The NWI management team and all our employees wish to welcome old and new shareholders into the TMT fold. As we turn the page in our corporate history, moving from BOT to TMT with confidence, we invite shareholders and employees to join us in building a leading new economy enterprise.

Dr. Cheng Kar-Shun, Henry

Chairman