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**NEW
WORLD
TMT**

新世界信息科技有限公司*

New World TMT Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 301)

DISCLOSEABLE TRANSACTION

The directors of the Company announce that on 15 September 2004, Milestone (a subsidiary of the Company) and Supreme View (a wholly owned subsidiary of the Company) entered into a conditional Share Purchase Agreement with LinkAir regarding the disposal of the Series A Sale Shares and Series B Sale Shares by Milestone and Supreme View respectively to LinkAir for a total consideration of US\$6.5 million (HK\$50.7 million).

The Transaction constitutes a discloseable transaction for the Company under the Listing Rules. The Company will send a circular containing further details on the Transaction to its shareholders as soon as practicable after the date hereof.

THE SHARE PURCHASE AGREEMENT

Date: 15 September 2004

Parties: (i) Milestone
(ii) Supreme View
(iii) LinkAir

LinkAir and its shareholders are independent third parties not connected with the directors, chief executive and substantial shareholders of the Company and any of its subsidiaries or any of their respective associates.

Transaction

Pursuant to the Share Purchase Agreement which is subject to the conditions set out below, LinkAir agreed to purchase from (i) Milestone, Series A Sale Shares and (ii) Supreme View, Series B Sale Shares, at a consideration of US\$5.0 million (HK\$39.0 million) and US\$1.5 million (HK\$11.7 million) respectively.

Consideration

The total consideration payable in cash by LinkAir to Milestone and Supreme View would be in US\$, RMB or a combination thereof upon Completion. For any portion of the consideration paid in RMB, the currency exchange rate shall be RMB8.3 to US\$1.0.

Conditions

Completion is conditional upon:

- (a) the approval by the Ministry of Commerce of the PRC of the injection of funding equivalent to the total consideration into Beijing Founder LinkAir by Founder Group Corp. as set forth in the Founder Purchase Agreement;

* For identification purposes only

- (b) the receipt by Beijing Founder LinkAir of funding under the Founder Purchase Agreement that is equivalent to the total consideration;
- (c) the approval by LinkAir's board of directors and preferred shareholders of the transactions contemplated in the Share Purchase Agreement and the Founder Purchase Agreement; and
- (d) the amendment or re-execution of the shareholders' agreement made between LinkAir and certain of its shareholders.

Completion

Completion shall occur within 60 calendar days following the delivery of notice of satisfaction of all the above conditions by LinkAir to Milestone and Supreme View, but no later than 15 November 2004.

BASIS FOR DETERMINATION OF THE CONSIDERATION

The total consideration payable under the Share Purchase Agreement has been arrived at after arm's length negotiations with reference to the financial prospect of LinkAir and having regard to relevant factors including the prevailing business conditions and environment in which LinkAir operates. The Transaction is on normal commercial terms which are considered by the directors of the Company (including the independent non-executive directors) to be fair and reasonable insofar as the shareholders of the Company are concerned and in the best interests of the Company taken as a whole.

INFORMATION ON LINKAIR

LinkAir focuses its business to develop, manufacture, market and distribute wireless LAS-CDMA chipset equipment, software products and related services in the PRC.

The Series A Sale Shares (representing approximately 19.8% of LinkAir's issued share capital) comprise the entire interest of Milestone in LinkAir.

The Series B Sale Shares (representing approximately 1.4% of LinkAir's issued share capital) comprise part of the interest of Supreme View in LinkAir.

There is no difference between Series A Sale Shares and Series B Sale Shares except for the difference in issue price.

After Completion, Supreme View will hold a remaining interest of approximately 5% in LinkAir as strategic investment. There is no current intention to dispose of the remaining 5% interest.

The aggregate carrying value of Series A Sale Shares and Series B Sale Shares as at 30 June 2003 was HK\$66.6 million. There was no revenue attributable to these shares for the financial years of 2002 and 2003 as LinkAir is still in its early stage of development of a patented technology.

REASONS FOR THE TRANSACTION

The Series A Sale Shares and Series B Sale Shares were subscribed by the Group in January 2000 and July 2000 respectively at the aggregate cost of HK\$66.6 million. It was decided to dispose of the Series A Sale Shares and Series B Sale Shares since LinkAir is in the early stage of developing patented technology and does not fit into the current business strategy of the Group to focus on projects with cash flow. The disposal will provide capital for investments more in line with the Group's business direction.

On Completion, the Group will incur a net loss of approximately HK\$15.9 million based on the total consideration less the aggregate carrying value of the Series A Sale Shares and Series B Sale Shares as at 30 June 2003. The net sale proceeds will be used for internal working capital of the Group.

DISCLOSEABLE TRANSACTION

Applying the consideration test to the Transaction, the percentage ratio computed exceeds 5% but is less than 25% of the total market capitalization of the Company determined in accordance with Rule 14.07(4) of the Listing Rules. Accordingly, the Transaction constitutes a discloseable transaction for the Company under the Listing Rules. The Company will send a circular containing further details on the Transaction to its shareholders as soon as practicable after the date hereof.

INFORMATION ON THE COMPANY

The Company is principally engaged in the development, investment, operation and/or management of telecommunications, media and technology businesses in Hong Kong and the PRC.

As at the date of this announcement, the board of directors of the Company comprises (i) three executive directors, namely Dr. Cheng Kar-Shun, Henry, Mr. Wong Chi-Chiu, Albert and Dr. Wai Fung-Man, Norman; (ii) three non-executive directors, namely Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun-Wah, David), Mr. Fu Sze-Shing and Mr. Lee Sean, Sammy; and (iii) two independent non-executive directors, namely Mr. Lai Hing-Chiu, Dominic and Dr. Lam Man-Kit, Dominic.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Beijing Founder LinkAir”	Beijing Founder LinkAir Communications, Inc., a Sino-foreign equity joint venture majority owned by LinkAir
“Company”	New World TMT Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the Transaction pursuant to and in accordance with the Share Purchase Agreement
“Founder Purchase Agreement”	the stock purchase agreement dated 15 September 2004 entered into between LinkAir, Founder Group Corp. (an existing shareholder of LinkAir) and its wholly owned subsidiary Founder Information (Hong Kong) Limited
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“LinkAir”	LinkAir Communications, Inc., a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“Milestone”	Milestone Overseas Limited, a company incorporated in the British Virgin Islands with limited liability and a 66.66% subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Share Purchase Agreement”	the share purchase agreement dated 15 September 2004 made between Milestone, Supreme View and LinkAir regarding the sale and purchase of Series A Sale Shares and Series B Sale Shares
“Series A Sale Shares”	515,159 shares of Series A preferred shares of US\$0.01 each held by Milestone in LinkAir
“Series B Sale Shares”	35,994 shares of Series B preferred shares of US\$0.01 each held by Supreme View in LinkAir
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme View”	Supreme View Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company
“Transaction”	the transactions contemplated under the Share Purchase Agreement
“US\$”	United States dollars, the lawful currency of the United States of America

By Order of the Board
Chow Oi-Wah, Fergus
Company Secretary

Hong Kong, 15 September 2004

“Please also refer to the published version of this announcement in The Standard.”