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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)

CONTINUING CONNECTED TRANSACTION

The Company has entered into the Tenancy Agreement with NWTCL on 2 March 2005.

NWTCL is a wholly owned subsidiary of NWD, the controlling shareholder of the Company, and the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules. Given that the revenue and consideration ratios are more than 0.1% but less than 2.5%, the Tenancy Agreement is subject to the reporting, announcement and annual review requirements, and is exempt from independent shareholders' approval under the Listing Rules.

TENANCY AGREEMENT

Date: 2 March 2005

Parties:

Tenant: the Company

Landlord: New World Tower Company Limited ("NWTCL"), a property investment company and a wholly owned subsidiary of the controlling shareholder of the Company, New World Development Company Limited ("NWD").

Premises Leased: Room 2008, 20th Floor, New World Tower, 18 Queen's Road Central, Hong Kong.

Term of Lease: three years commencing from 1 February 2005 to 31 January 2008 (both dates inclusive).

Rental: HK\$150,920 per month, inclusive of air-conditioning and management charges, which is determined with reference to market rate.

MAXIMUM AGGREGATE ANNUAL VALUE

Taking into account of possible adjustment by the Landlord on air-conditioning and management charges, the annual cap in respect of the Tenancy Agreement will be HK\$1,860,000.

REASONS FOR THE TRANSACTION

The existing office space of the Company is rented from an independent third party and the relevant tenancy agreement will expire in April this year. Upon entering into of the new tenancy agreement with NWTCL, the Company will move to the new office premises which is much smaller in size. As compared with the existing monthly rental (inclusive of air-conditioning and management charges) of HK\$402,653, the new tenancy will result in monthly saving of about HK\$250,000.

The directors of the Company (including the independent non-executive directors) are of the view that the terms of the Tenancy Agreement are on normal commercial terms and are fair and reasonable and in the interests of the shareholders of the Company.

CONNECTION BETWEEN THE PARTIES

By virtue of being a wholly owned subsidiary of NWD, the controlling shareholder of the Company, NWTCL is a connected person of the Company and the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules. Given that the revenue and consideration ratios are more than 0.1% but less than 2.5%, the Tenancy Agreement is subject to the reporting, announcement and annual review requirements, and is exempt from the independent shareholders' approval under the Listing Rules.

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 comprises (i) three executive directors, namely Dr Cheng Kar-Shun, Henry, Mr Wong Chi-Chiu, Albert and Dr Wai Fung-Man, Norman; (ii) four non-executive directors, namely Mr Wilfried Ernst Kaffenberger (alternate director to Mr Wilfried Ernst Kaffenberger: Mr Yeung Kun-Wah, David), Mr Fu Sze-Shing, Mr Lee Sean, Sammy and Mr Lai Hing-Chiu, Dominic; and (iii) three independent non-executive directors, namely Dr Lam Man-Kit, Dominic, The Honourable Shek Lai-Him, Abraham and Mr Kong Chi-How, Johnson.

By Order of the Board
Wong Chi-Chiu, Albert
Chief Executive Officer

Hong Kong, 2 March 2005

* *For identification purposes only*

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