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TOM.COM LIMITED

(Incorporated in the Cayman Islands with limited liability)

CONNECTED TRANSACTION

On 7th February, 2001, Tom Sub entered into the Agreement with the Hutchison Subsidiaries to terminate the lease of the whole of the 19th Floor, One Harbourfront. As Hutchison Subsidiaries are the wholly-owned subsidiaries of HWL, a substantial shareholder of Tom, the signing of the Agreement constitutes a connected transaction of Tom under Chapter 20 of the GEM Listing Rules. As the aggregate amount under the Agreement is less than 3% of the latest net tangible assets of Tom, no independent shareholders' approval is required. Details of the Agreement will be included in the next published annual report of Tom.

In addition, the Agreement also constitutes a termination of a continuing connected transaction of Tom being the Lease of the Premises. The waiver in relation to the Lease granted by the Stock Exchange ceases to be applicable.

As disclosed in the Prospectus, the Lease has been entered into between Tom Sub and the Hutchison Subsidiaries whereby the Premises is leased by Tom Sub for a term of six years from 1st April, 2000 to 31st March, 2006 at a rental of HKD308,594 per month for the first 3 years and market rent for the remaining 3 years. The Lease also provides that, inter alia, the Compensation be payable to Hutchison Subsidiaries and that Tom Sub may sublet the whole or part of the Premises to any subsidiary of Tom and/or Hutchison Telecom at the same rate. As Hutchison Subsidiaries and Hutchison Telecom are the wholly-owned subsidiaries of HWL which is a substantial shareholder of Tom, the entering into of the Lease constituted a connected transaction of Tom under Chapter 20 of the GEM Listing Rules. As the aforesaid transaction is carried out on a continuing basis and in the ordinary and usual course of business of Tom, the Stock Exchange has granted a waiver to Tom from strict compliance with Rules 20.35 and 20.36 of the GEM Listing Rules up to the end of the term of the Lease and in case of the sublease agreement (if any) for the period up to 31st December, 2002 on the conditions as described in the Prospectus.

The Board announces that on 7th February, 2001, Tom Sub has entered into the Agreement to terminate the Lease. Details of which are set out below: –

AGREEMENT

Date: 7th February, 2001

Parties:

Landlord: Hutchison Subsidiaries

Tenant: Tom Sub

Premises: The whole of the 19th Floor, One Harbourfront, the total gross floor area rented is approximately 23,738 square feet.

Surrender dates: (1) 15th October, 2000 (approximately 10,985 square feet)
(2) 15th February, 2001 (approximately 12,753 square feet)

Other terms: As a result of arm's length negotiation, it was agreed that the Compensation is no longer required to be paid.

Reason and benefit for entering into the Agreement

The entering into the Agreement is in line with the realignment of resources exercise undertaken by Tom in year 2000 and reduces the operating expense of Tom.

The Directors, including the independent non-executive Directors, consider that the Agreement is contracted on normal commercial terms in the ordinary and usual course of business of Tom Group and that the terms of the Agreement are fair and reasonable and in the interests of the Tom Group so far as the independent shareholders are concerned.

Connected transaction and termination of continuing connected transaction

As Hutchison Subsidiaries are the wholly-owned subsidiaries of HWL, a substantial shareholder of Tom, the signing of the Agreement constitutes a connected transaction of Tom under Chapter 20 of the GEM Listing Rules. As the aggregate amount under the Agreement is less than 3% of the latest net tangible assets of Tom, no independent shareholders' approval is required. Details of the Agreement will be included in the next published annual report of Tom.

In addition, the Agreement also constitutes a termination of a continuing connected transaction being the Lease. The waiver in relation to the Lease granted by the Stock Exchange ceases to be applicable.

GENERAL

Tom Group is engaged in the operation of an Internet portal delivering Internet infotainment content and services, development of software and computer network systems, provision of related services and events production.

DEFINITIONS

“Agreement”	means an agreement entered into between Tom Sub and the Hutchison Subsidiaries in respect of the termination of the Lease on 7th February, 2001
“Board”	means board of Directors of Tom
“Compensation”	means HKD1,490,509, being the compensation required to be paid by Tom Sub to the Hutchison Subsidiaries on or before 29th February, 2000 to compensate the Hutchison Subsidiaries for losses incurred by early termination of a pre-existing tenancy agreement relating to the Premises pursuant to the Lease (such compensation has not yet been made as at 7th February, 2001)
“Director(s)”	means the director(s) of Tom
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	means Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange
“HKD”	means Hong Kong dollars
“Hutchison Subsidiaries”	means Rhine Office Investments Limited, Elbe Office Investments Limited and Hutchison Hotel Hong Kong Limited collectively, all being wholly-owned subsidiaries of HWL
“Hutchison Telecom”	means Hutchison Telecom Limited, a wholly-owned subsidiary of HWL
“HWL”	means Hutchison Whampoa Limited, a company incorporated under the laws of Hong Kong and is a substantial shareholder of Tom

“Lease”	means the lease dated 20th January, 2000 entered into between Tom Sub and the Hutchison Subsidiaries in connection with the lease of the Premises
“One Harbourfront”	means Office Tower One, The Harbourfront, 18-22 Tak Fung Street, Hung Hom, Kowloon, Hong Kong
“Premises”	means the whole of the 19th Floor, One Harbourfront
“Prospectus”	means the prospectus of Tom dated 18th February, 2000
“Tom”	means TOM.COM LIMITED
“Tom Group”	means Tom and its subsidiaries
“Tom Sub”	means TOM.COM INTERNATIONAL LIMITED (formerly known as “Super Channel Enterprises Limited”), a wholly-owned subsidiary of Tom

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

Hong Kong, 7th February, 2001

This announcement, for which the directors of Tom 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. The directors of Tom, 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 7 days from the date of its posting and on the website of Tom at www.tom.com.