



**NEW WORLD MOBILE HOLDINGS LIMITED**

**新世界移動控股有限公司**

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

**(Stock Code: 862)**



**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)**

## **JOINT ANNOUNCEMENT CONTINUING CONNECTED TRANSACTION**

On 21 June 2005, NWPCS entered into a Call Centre Management Agreement with XLC pursuant to which XLC would provide call centre facilities and management services to NWPCS.

XLC is a wholly-owned subsidiary of NWTMT and NWD, together with its subsidiaries, currently holds approximately 54.6% of the issued share capital of NWTMT. Immediately upon completion of the acquisition of NWPCSH, the immediate holding company of NWPCS, by NWM on 6 July 2004, NWD became the controlling shareholder of NWM and currently holds approximately 71.81% of the issued share capital of NWM. Accordingly, both NWPCS and XLC are regarded as associates of NWD and the Transaction constitutes a continuing connected transaction for both NWM and NWTMT.

The Cap for the Transaction is less than 25% of each of the applicable percentage ratios of NWM and NWTMT and is less than HK\$10 million. Pursuant to Rule 14A.34 of the Listing Rules, the Transaction is subject to announcement, reporting and annual review requirements, but is exempt from independent shareholders' approval requirements.

### **INTRODUCTION**

On 21 June 2005, a Call Centre Management Services Agreement ("Call Centre Management Agreement") was entered into between New World PCS Limited ("NWPCS"), an indirect wholly-owned subsidiary of New World Mobile Holdings Limited ("NWM"), and Shenzhen Xiang Long Communication Co., Ltd. ("XLC"), a company incorporated in the People's Republic of China with limited liability and wholly-owned by New World TMT Limited ("NWTMT"), pursuant to which NWPCS would use the call centre facilities located in Guangzhou and the management services (such as IT support, system maintenance, human resources and administration services) of XLC ("Transaction").

### **CALL CENTRE MANAGEMENT AGREEMENT**

|               |                                                                                                                                                            |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date          | : 21 June 2005                                                                                                                                             |
| Parties       | : NWPCS and XLC                                                                                                                                            |
| Term          | : Twenty-five (25) months from 1 June 2005 to 30 June 2007                                                                                                 |
| Services fee  | : NWPCS will pay XLC a monthly services fee based on the number of workstations used and upon normal commercial terms negotiated on an arm's length basis. |
| Payment Terms | : Services fee will be payable monthly in arrears.                                                                                                         |

In addition, NWPCS will reimburse XLC in full for expenses actually incurred by XLC for and on behalf of NWPCS including staff costs, leased lines and utilities costs, sundry office expenses and any taxes arising therefrom.

Annual cap : The maximum aggregate annual value (“Cap”) of the monthly services fee (excluding disbursements which will be reimbursed by NWPCS in full as aforementioned) for the Transaction for the financial years ending 30 June 2005, 2006 and 2007 are HK\$2,000,000, HK\$2,500,000 and HK\$3,000,000 respectively.

Basis of the Annual Cap : NWPCS has been using the call centre management services provided by XLC since August, 2003 and services fee paid for the year ended 30 June 2004 amounted to approximately HK\$743,000.

The Cap is determined after taking into account of various factors such as the costs of XLC in providing the services, the content and quality of the services required, the flexibility available for NWPCS to increase the number of workstations at its discretion, the existing quantity of workstations used, the expected increase in workstations based on estimated growth in subscribers’ base, the continuous enhancement in customers’ services and the gradual migration of part of the call centre operations of NWPCS in Hong Kong to XLC. Based on the estimation of NWPCS, the number of workstations to be used by NWPCS for the financial years ending 30 June 2006 and 2007 will increase by approximately 25% and 20% respectively.

XLC will take into account the same kind of business and economic factors if approached by independent third parties for similar services.

## **REASONS FOR THE TRANSACTION**

NWM considers that the engagement of XLC in the provision of call centre facilities and management services to NWPCS will enhance its operational efficiency by taking advantage of the relatively lower cost of operations in Mainland China. NWTMT considers that the provision of call centre facilities and management services to NWPCS enables XLC to fully utilize the capacity of its existing call centre.

The respective directors of NWM and NWTMT (including their respective independent non-executive directors) consider that the Transaction is on normal commercial terms and in the ordinary and usual course of business of both NWM and NWTMT. They are also of the view that the terms of the Call Centre Management Agreement as well as the amount of the Cap are fair and reasonable and in the interests of the respective companies and their shareholders as a whole.

## **CONTINUING CONNECTED TRANSACTION**

XLC is a wholly-owned subsidiary of NWTMT and New World Development Company Limited (“NWD”), together with its subsidiaries, currently holds approximately 54.6% of the issued share capital of NWTMT. Immediately upon completion of the acquisition of New World PCS Holdings Limited (“NWPCSH”), the immediate holding company of NWPCS, by NWM on 6 July 2004, NWD became the controlling shareholder of NWM and currently holds approximately 71.81% of the issued share capital of NWM. Accordingly, both XLC and NWPCS are regarded as associates of NWD and the Transaction constitutes a continuing connected transaction for both NWM and NWTMT.

As the Cap for the Transaction is, on an annual basis, less than 25% of each of the applicable percentage ratios of NWM and NWTMT and is less than HK\$10 million, the Transaction is subject to announcement, reporting and annual review requirements but is exempt from independent shareholders’ approval requirements pursuant to Rule 14A.34 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Details will be disclosed in the respective annual reports of NWM and NWTMT.

## **INFORMATION ON NWM**

NWM is principally engaged in offering superior mobile services including voice service and customized data services tailored to the specific needs of individual customer groups via advanced mobile technology.

## INFORMATION ON NWTMT

NWTMT is principally engaged in the development, investment, operation and/or management of telecommunications, media and technology businesses in Hong Kong and Mainland China.

By Order of the Board  
**Ho Pui Sin**  
Company Secretary  
**New World Mobile Holdings Limited**

By Order of the Board  
**Richard Poon**  
Company Secretary  
**New World TMT Limited**

Hong Kong, 21 June 2005

\* *For identification purposes only*

*As at the date of this announcement, the board of directors of NWM comprises (i) five executive directors namely Dr Cheng Kar-Shun, Henry, Mr Doo Wai-Hoi, William, JP, Mr Chow Yu-Chun, Alexander, Mr To Hin-Tsun, Gerald and Dr Wai Fung-Man, Norman; (ii) two non-executive directors namely Mr Ho Hau-Chong, Norman and Mr Lo Lin-Shing, Simon; and (iii) three independent non-executive directors namely Mr Hui Chiu-Chung, JP, Mr Kwong Che-Keung, Gordon and Mr Wei Chi-Kuan, Kenny.*

*As at the date of this announcement, the board of directors of NWTMT 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.*

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