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enewmedia

e-NEW MEDIA COMPANY LIMITED

安寧數碼科技有限公司

(incorporated in Hong Kong with limited liability)

FURTHER ANNOUNCEMENT ON PROPOSAL FOR ADJUSTMENT OF NOMINAL VALUE OF SHARES BY WAY OF REDUCTION OF CAPITAL

The Capital Reorganisation was already approved by the Shareholders at the EGM on 11th July 2002 and has been confirmed by the sanction of an order of the Court dated 6th August 2002. An office copy of the Court order and the minute approved by the Court are expected to be duly registered with the Registrar of Companies pursuant to section 61 of the Companies Ordinance before 9:30 a.m. on 7th August 2002, whereupon the Capital Reorganisation will become effective.

Trading in the New Shares on the Stock Exchange is expected to commence at 9:30 a.m. on 7th August 2002.

Reference is made to the announcement of the Company dated 27th May 2002 in respect of the proposal for adjustment of nominal value of shares by way of reduction of capital (the "Announcement"). Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless the context otherwise requires.

CAPITAL REORGANISATION

The Board is pleased to announce that the Capital Reorganisation was approved by a special resolution passed by the Shareholders at the EGM on 11th July 2002 and has been confirmed by the sanction of an order of the Court dated 6th August 2002. An office copy of the Court order and the minute containing the particulars required under section 61 of the Companies Ordinance are expected to be duly registered with the Registrar of Companies before 9:30 a.m. on 7th August 2002, whereupon all conditions of the Capital Reorganisation will be fulfilled and the Capital Reorganisation will become effective. Immediately upon the Capital Reorganisation becoming effective, the authorised capital of the Company will be HK\$1,000,000,000 divided into 100,000,000,000 New Shares of HK\$0.01 each, of which 1,650,658,676 New Shares will be in issue as at 7th August 2002.

ARRANGEMENT FOR FREE EXCHANGE OF CERTIFICATES FOR NEW SHARES

Shareholders may submit existing certificates for the Shares (with micro-print background in orange) to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for exchange, at the expense of the Company, for certificates for the New Shares (with micro-print background in light blue) during the period up to four weeks from the date of this announcement. After that period, Shareholders will incur a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) per certificate payable to the share registrar of the Company for any exchange of share certificates. All existing certificates for the Shares and the new certificates for the New Shares will be effective as documents of title for the New Shares and valid for trading, settlement and registration purposes.

The share registrar of the Company will issue certificates for the New Shares within 10 business days of the receipt of the relevant existing certificates for the Shares from Shareholders.

TRADING ARRANGEMENTS

Trading in the New Shares is expected to commence at 9:30 a.m. on 7th August 2002. The size of each board lot of the New Shares will remain the same as that of the Shares, namely 4,000 per board lot. There will not be any arrangement for parallel trading.

By Order of the Board
e-New Media Company Limited
James C. Ng
Chief Executive Officer

Hong Kong, 6th August 2002