



**PROPOSED ACQUISITION OF NEW WORLD PCS HOLDINGS LIMITED
BY ASIA LOGISTICS TECHNOLOGIES LIMITED**

Hong Kong, 1 April 2004, New World Telephone Holdings Limited (“NWTHL”) announced to enter into a Sale & Purchase Agreement with Asia Logistics Technologies Limited (“ALT”) (Hong Kong stock code: 0862). The proposed transaction involves the sale of New World PCS Holdings Limited (“NWPCS”) by NWTHL to ALT for a consideration of HK\$1,250 million. Assumed borrowings of NWPCS immediately before the completion of the subscription agreement amounted to HK\$1,250 million, implying an aggregate enterprise value of NWPCS of around HK\$2,500 million.

NWTHL is an investment holding company and a wholly-owned subsidiary of New World Development Company Limited (“NWD” and together with its subsidiaries, the “Group”) (Hong Kong stock code: 0017). NWPCS is a wholly owned subsidiary of NWTHL. NWPCS is principally engaged in offering a host of quality mobile services including voice service and customized value-added services. Since its launch in August 1997, NWPCS has become one of Hong Kong’s fastest growing mobile operators. Through the provision of superb quality mobile network, the introduction of the value-added data services, and the development of advance and innovative multi-media mobile solutions, NWPCS has further reinforced its position in the industry. As at 30 June 2003, the audited consolidated net profit attributable to the shareholders of NWPCS amounted to approximately HK\$202 million.

ALT is principally engaged in the provision of supply chain and logistics related solutions and data services, including research and development, consultancy, offering of software solutions, implementation and turnkey solutions.

The aggregate consideration will be satisfied by the proceeds to be obtained from a subscription agreement made between NWD and ALT whereby NWD has agreed to subscribe for (i) 4,166,666,667 new ALT shares at an issue price of HK\$0.012 per share, and (ii) a convertible note at a principal value of HK\$1,200 million bearing a coupon rate of 0.75% issued by ALT. The issue price of the new ALT shares is at a discount of approximately 72.7% to HK\$0.044, being the closing price of the existing ALT shares on the Stock Exchange on 25 March 2004, being the last trading day of the ALT shares before the suspension.

Immediately after the issue of the new ALT shares at completion of the subscription agreement but before any exercise of the conversion rights under the convertible note, the aggregate shareholding of NWD Group in ALT will increase from approximately 5.6% to approximately 55.27%.

The ALT board also proposes that, conditional upon completion taking place, ALT will change its name to “New World Mobile Holdings Limited - 新世界移動控股有限公司”. The change of name will reflect the business focus of the ALT after completion.



Commenting on the transaction, Dr. Henry Cheng, Managing Director of New World Development Company Limited, said,

“The transaction will allow the mobile businesses and the other businesses of the Group to be run by separately listed companies, each focusing on its particular businesses. As a separately listed company, New World Mobile Holdings Limited will be able to provide investors, research analysts and rating agencies with greater clarity on its business and financial position. NWD Board believes that the transaction will be beneficial to NWD and ALT and their respective shareholders.”

The transaction is subject to approval by the independent shareholders of ALT at the Extraordinary General Meeting.

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About New World Development Company Limited

New World Development Company Limited (Hong Kong stock code: 0017), established in Hong Kong in 1970 as a property development company, has gradually developed into one of Hong Kong's leading conglomerates. The Group, listed in Hong Kong in 1972, now has total assets exceeding HK\$116 billion. Through acquisitions and start-ups, the Group expanded its core businesses to include property, service, infrastructure and telecommunications. As at the date of this press release, the Group has an effective interest of approximately 54% in NWS Holdings Limited (Hong Kong stock code: 0659), 70% in New World China Land Limited (Hong Kong stock code: 0917), and 54% in New World TMT Limited (Hong Kong stock code: 0301).

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This press release can be downloaded from NWD's website at www.nwd.com.hk