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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)

**CONTINUING CONNECTED TRANSACTION
AND
EXTENSION OF THE MATURITY DATE OF THE CONVERTIBLE BOND**

The Directors are pleased to announce that NWT has entered into an Agreement with NWPCS, a wholly-owned subsidiary of the Company, on 1 November 2004 for the provision of Transmission Links by NWT to NWPCS.	
NWT is a wholly-owned subsidiary of NWD, which is in turn the substantial shareholder holding approximately 66.02% interest in the issued share capital of the Company. Accordingly, NWT is regarded as an associate of NWD and the entering into of the Agreement constitutes a continuing connected transaction for the Company under Rule 14A.34 of the Listing Rules and is subject to announcement and reporting requirements.	
The Directors further announce that an extension agreement was entered into between the Company and NWCN on 1 November 2004 whereby NWCN has agreed to extend the Maturity Date of the Convertible Bond to the business day immediately preceding 2 November 2007.	

CONTINUING CONNECTED TRANSACTION Agreement

Date	:	1 November 2004
Parties	:	(1) NWPCS (2) NWT
Services provided	:	Provision of Transmission Links by NWT to NWPCS
Term	:	For portion of Transmission Links: 2 years and 5 months from 1 November 2004 to 31 March 2007 For other Transmission Links: 2 years from 1 April 2005 to 31 March 2007
Annual charge	:	The maximum aggregate annual charge for the leasing of Transmission Links for the year ending 31 December 2005 will not exceed HK\$2,000,000, which is determined with reference to the lowest offer price under the Tender. Invoices will be issued by NWT to NWPCS on a monthly basis for the charges in respect of the preceding calendar month.
Other charges	:	A relocation charge will be charged by NWT for relocation of Transmission Links on actual consumption basis at a price comparable with other tenderers.

Reasons for the Transaction

As stated in the announcement of the Company dated 2 June 2004, NWT and NWPCS have entered into the following Existing ISW Supplemental Agreements:

- (a) “Summary of terms and conditions for provision of inter-switch E1 links for data transmission dated 1 May 2002” for 41 Transmission Links with the original expiry date of 1 November 2004 and for 40 Transmission Links with the original expiry date of 1 April 2005.
- (b) “Supplemental agreement dated 31 March 2003 to summary of terms and conditions for provision of inter-switch E1 links for data transmission” for 260 Transmission Links with the original expiry date of 1 April 2005.

The Existing ISW Supplemental Agreements have been further revised by another supplemental agreement dated 31 May 2004, which extended the term of the Existing ISW Supplemental Agreements from their respective original expiry dates of 1 November 2004 and 1 April 2005 to 30 June 2006, with right to terminate the Transmission Links by either NWT or NWPCS serving no less than 30 days prior written notice to the other party as from the said original expiry dates.

Due to the price erosion for Transmission Links, the Directors wish to announce that NWPCS has decided to exercise its right to terminate the Existing ISW Supplemental Agreements by notice and to source for new suppliers on Transmission Links by way of the Tender.

Upon completion of the Tender process, NWT has successfully won the Tender by offering the lowest price on leasing of Transmission Links amongst the tenderers. The Existing ISW Supplemental Agreements will be terminated upon signing of the Agreement on 1 November 2004. The maximum aggregate annual charge for the leasing of Transmission Links is determined with reference to the successful bid price under the Tender.

The Directors (including the independent non-executive Directors) consider that the transaction is on normal commercial terms and in the ordinary and usual course of business of the Company. They are also of the view that the terms of the Agreement and the maximum aggregate annual charge are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Listing Rules Implications

NWT is a wholly-owned subsidiary of NWD, which is in turn the substantial shareholder holding approximately 66.02% interest in the issued share capital of the Company. Accordingly, NWT is regarded as an associate of NWD and the entering into of the Agreement constitutes a continuing connected transaction for the Company under Rule 14A.34 of the Listing Rules.

As each of the applicable percentage ratios for the transaction under the Agreement is, on an annual basis, less than 2.5%, the entering into of the Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

Information on the Group

The Group is principally engaged in offering a host of quality mobile services including voice service and customized data services tailored to the specific needs of individual customer groups via advanced mobile technology. Operating under the brand name of New World Mobility, the Group has emerged to become a leading mobile operator since its inauguration in 1997. Through provision of superb quality mobile network and introduction of various innovative mobile data services, the Group has further reinforced its position in the marketplace.

Information on NWT

Established in 1995, NWT strives to provide unparalleled integrated communications, managed services and business solutions for its customers and business partners in Hong Kong, Greater China and beyond. Services provided by NWT include broadband, International Private Leased Circuit (IPLC), Virtual Private Network (VPN), managed network and services, fixed line telephony, IDD 009 and International Calling Card services.

EXTENSION OF THE MATURITY DATE OF THE CONVERTIBLE BOND

Reference is made to the announcement of the Company dated 16 October 2001 in relation to the issue of the Convertible Bond by the Company to NWCN as part of the consideration for the acquisition of shares in New World CyberBase Limited.

On 5 December 2003, a portion of the principal amount of the Convertible Bond at HK\$11,000,000 was converted into 110,000,000 new Shares of HK\$0.01 each in the then authorized share capital of the Company at the initial conversion price of HK\$0.10 per Share. Pursuant to the terms of the Convertible Bond, the outstanding principal amount of the Convertible Bond of HK\$28,286,000 (with adjusted conversion price of HK\$1.22 per Share) together with interest accrued thereon shall be repaid to NWCN on the Maturity Date.

The Directors are pleased to announce, pursuant to Rule 13.09 of the Listing Rules, that an extension agreement was entered into between the Company and NWCN on 1 November 2004 whereby NWCN has agreed to extend the Maturity Date of the Convertible Bond to the business day immediately preceding 2 November 2007. The extension of the Maturity Date of the Convertible Bond will enable the Company to retain its funds for general working capital purpose. Save for the extension of the Maturity Date, other terms of the Convertible Bond remain unchanged.

DEFINITIONS

In this announcement, the following expressions shall have the respective meanings set opposite thereto:

“Agreement”	the “Agreement for Provision of Transmission Links” signed between NWPCS and NWT for NWT to provide Transmission Links to NWPCS dated 1 November 2004
“Board”	the board of Directors of the Company
“Company”	New World Mobile Holdings Limited (formerly known as Asia Logistics Technologies Limited), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“Convertible Bond”	the convertible bond in an aggregate principal amount of HK\$39,286,000 issued by the Company to NWCN on 2 November 2001
“Directors”	the directors of the Company
“Existing ISW Supplemental Agreements”	two supplemental agreements to the interconnection agreement dated 30 June 2000 regarding the provision of Transmission Links by NWT to NWPCS, details of which have been disclosed in the announcement of the Company dated 2 June 2004 and in the section “Reasons for the Transaction” of this announcement
“FTNS Operators”	the fixed telecommunications networks service operators with applicable licences issued by Office of the Telecommunications Authority
“Group”	the Company and its subsidiaries
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	1 November 2004, being the original maturity date for the repayment of the outstanding principal amount of the Convertible Bond
“NWCN”	New World CyberBase Nominee Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of NWD
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange
“NWPCS”	New World PCS Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“NWT”	New World Telecommunications Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of NWD
“Shares”	share(s) of HK\$1.00 each (or HK\$0.01 each prior to the consolidation of the Company’s shares becoming effective on 7 July 2004, as the case may be) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	an invitation to tender issued by NWPCS to five FTNS Operators including NWT inviting them to submit tender proposals in relation to the provision of Transmission Links to NWPCS
“Transmission Links”	E1 transmission links provided by NWT for the purpose of inter-connecting the switches in the NWPCS network between any two exchanges

By Order of the Board
Ho Pui Sin
Company Secretary

Hong Kong, 1 November 2004

As at the date of this announcement, the Board comprises:

Executive Directors:

Dr. Cheng Kar Shun, Henry (*Chairman*), Mr. Doo Wai Hoi, William, *JP* (*Vice Chairman*), Dr. Wai Fung Man, Norman (*Chief Executive Officer*), Mr. To Hin Tsun, Gerald and Mr. Chow Yu Chun, Alexander

Non-executive Directors:

Mr. Lo Lin Shing, Simon and Mr. Ho Hau Chong, Norman

Independent Non-executive Directors:

Mr. Wei Chi Kuan, Kenny, Mr. Kwong Che Keung, Gordon and Mr. Cheng Ming Fun, Paul, *JP*