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MOBILE TELECOM NETWORK (HOLDINGS) LIMITED

流動電訊網絡（控股）有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8266)

PRELIMINARY DISCUSSIONS TO ACQUIRE AN INTEREST IN A COMPANY

The Board announces that the Company has begun preliminary discussions with Vodatel, a connected person of the Company, to acquire not more than 10% interest in the Target Company, of which Vodatel, through its indirect wholly-owned subsidiary, conditionally agreed to acquire 60% equity interest.

As the terms and conditions of the Proposed Acquisition have not been determined and the Proposed Acquisition may or may not proceed, shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

The Board of directors (the “Board”) of Mobile Telecom Network (Holdings) Limited (the “Company”) hereby announces that the Company has begun preliminary discussions with Vodatel Networks Holdings Limited (“Vodatel”) to acquire (the “Proposed Acquisition”) not more than 10% interest in a company (the “Target Company”), of which Vodatel, through its indirect wholly-owned subsidiary, conditionally agreed to acquire 60% equity interest. The Target Company, through its subsidiaries, will be engaged in the provision of multi-media value-added services such as content and campaign management, distribution and billing via a number of platforms, such as interactive voice response, interactive internet solutions and premium short message services focused on media, enterprise communications, entertainment for consumers and direct marketing markets. As at the date of this announcement, Vodatel, through its subsidiary, is interested in 7.3% of the shares of the Company and holds a convertible notes of the Company in the principal amount of HK\$1,600,000 and is one of the initial management shareholders of the Company. If the Proposed Acquisition materialised, further announcement pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”) will be made by the Company as and when appropriate. **As at the date of this announcement, the terms and conditions of the Proposed Acquisition have not been determined and the Proposed Acquisition may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.**

Save for the above, the Board confirms that there are no other negotiations or agreements relating to proposed acquisitions or realisations which are discloseable under Chapters 19 and 20 of the GEM Listing Rules. The Board is not aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

By order of the Board
Mobile Telecom Network (Holdings) Limited
Yip Heung Yin, Alex
Company Secretary

Hong Kong, 30 March 2004

This announcement, for which the directors (the “Directors”) of the Company 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 the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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 “Latest Company Announcements” page of the GEM website for at least seven days from the day of its posting.

* *for identification purpose only*