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Asia Logistics Technologies Limited 亞洲物流科技有限公司*

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:

Mr. Lo Lin Shing, Simon (*Chairman*)
Mr. Chan Ki (*Vice Chairman*)
Mr. Chan Wai Keung, Ringo (*Chief Executive Officer*)
Mr. Yu Ben Ansheng
Mr. Lo Lin Kwong
Mr. Zhao Rui

Registered Office:

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Non-Executive Directors:

Dr. Cheng Kar Shun, Henry
Mr. Ho Hau Chong, Norman

Principal place of business in Hong Kong:

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Asia Orient Tower
Town Place
33 Lockhart Road
Wanchai, Hong Kong

Independent Non-Executive Directors:

Mr. To Hin Tsun, Gerald
Mr. Wei Chi Kuan, Kenny

30 April 2003

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES

INTRODUCTION

At the forthcoming annual general meeting of Asia Logistics Technologies Limited (the "Company") convened to be held on 28 May 2003 (the "Annual General Meeting"), an ordinary

* For identification only

resolution will be proposed to approve the granting of a general mandate to the directors of the Company (the “Directors”) to repurchase shares of the Company (the “Shares”) up to a maximum of 10% of the issued share capital of the Company at the date of passing the resolution (the “Repurchase Mandate”). In addition, an ordinary resolution will be proposed to provide the Directors with a general mandate to allot and issue new Shares up to an amount not exceeding 20% of the issued share capital of the Company at the date of passing such resolution and adding to such general mandate by a separate ordinary resolution any Shares repurchased by the Company pursuant to the Repurchase Mandate. Details of these resolutions are set out in the notice convening the Annual General Meeting which is contained in the accompanying 2002 Annual Report.

This circular serves as an explanatory statement required by the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the Repurchase Mandate.

SHARE CAPITAL

As at 25 April 2003, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular (the “Latest Practicable Date”), the issued share capital of the Company comprised 3,641,555,700 Shares. Subject to the passing of the relevant ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 364,155,570 Shares.

REASONS FOR REPURCHASE

The Directors believe that it is in the best interest of the Company and its shareholders (the “Shareholders”) to have general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of net assets of the Company and/or its earnings per share and will only be made when the Directors consider that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

Repurchases must be funded out of funds legally available for the purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands. It is envisaged that the funds required for any repurchase would be derived from internal resources of the Company.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts as at 31 December 2002) in the event that the Repurchase Mandate were to be exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTEREST

None of the Directors and, to the best of their knowledge having made all reasonable enquiries, their respective associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to repurchase Shares in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Golden Infinity Co., Ltd. beneficially owned approximately 31.02% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the shareholding of Golden Infinity Co., Ltd. will be increased to approximately 34.47% of the issued share capital of the Company. Accordingly, such an increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. However, the Directors has no present intention to exercise the Repurchase Mandate to such an extent that would result in such takeover obligation.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2002		
April	0.123	0.096
May	0.136	0.098
June	0.125	0.096
July	0.103	0.074
August	0.098	0.082
September	0.092	0.078
October	0.083	0.073
November	0.079	0.072
December	0.076	0.066
2003		
January	0.075	0.066
February	0.073	0.050
March	0.072	0.061

SHARE PURCHASES MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries purchased any of the Company's Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

RECOMMENDATION

The Directors consider that the granting of the general mandates to repurchase and to issue Shares are in the best interests of the Company and the Shareholders as a whole and accordingly, recommend you to vote in favour of the relevant ordinary resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
Lo Lin Shing, Simon
Chairman