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KARL THOMSON HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code : 7

PROPOSED ISSUE OF CONVERTIBLE NOTE APPLICATION FOR WHITEWASH WAIVER EXTENSION OF THE DATE FOR COMPLETION OF THE CN SUBSCRIPTION

Reference is made to the Joint Announcement dated 6 February 2004 and Circular dated 27 February 2004, the Board wishes to announce that the date for Completion will be extended from 31 March 2004 to 31 May 2004.

Terms defined in the Joint Announcement have the same meaning in this announcement.

EXTENSION OF THE DATE FOR COMPLETION OF THE CN SUBSCRIPTION

Reference is made to the joint announcement issued by the Company and ATNT dated 6 February 2004 (the "Joint Announcement") and circular issued by the Company dated 27 February 2004 (the "Circular") in relation to, among other things, the CN Subscription Agreement. Terms used in this announcement shall have the same meanings as those defined in the Joint Announcement as well as in the Circular.

It is a term of the CN Subscription Agreement between the Company and ATNT that if all of the conditions of Completion ("Conditions") have not been satisfied on or before 31 March 2004 (or such later date as the parties may agree in writing between the Company and ATNT), the CN Subscription Agreement shall lapse and become null and void.

Up to the date of this announcement, only Conditions (c) has been fulfilled whereby the Independent Shareholders of the Company has approved the transactions contemplated under the CN Subscription Agreement at a special general meeting on 23 March 2004 and Conditions (a), (b), (d), (e) and (f) have not been satisfied due to the delay of dispatch of ATNT's circular in relation to this transactions. Given the reasons that all other unfulfilled conditions for completing the CN Subscription Agreement are in progress as ATNT has dispatched its circular in relation to the transaction on 27 March 2004 and neither ATNT nor the Company intends to terminate the CN Subscription as a result of the delay, the parties therefore agreed in writing to extend the date of Completion from 31 March 2004 to 31 May 2004 to allow extra time for the satisfaction of the Conditions.

By order of the Board
Karl Thomson Holdings Limited
Nam Kwok Lun

Deputy Chairman & Managing Director

Hong Kong, 30 March 2004