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)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2007

The directors (the "Directors") of New World Mobile Holdings Limited (the "Company") announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended December 31, 2007 together with the comparative figures for the corresponding period in the previous year as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended December 31, 2007

	Note	Unaudited Six months ended December 31, 2007 HK$'000	2006 HK$'000
Turnover	2	**318**	9,483
Cost of sales		**(677)**	(5,277)
Gross (loss)/profit		**(359)**	4,206
Other incomes	3	**927**	1,371
Selling expenses		**(68)**	(2,120)
Administrative expenses		**(6,267)**	(21,414)
Operating loss before finance costs	4	**(5,767)**	(17,957)
Finance costs	5	**–**	(52,763)
Operating loss		**(5,767)**	(70,720)
Share of results of associated companies		**–**	62,577
Loss before income tax		**(5,767)**	(8,143)
Income tax expense	6	**–**	–
Loss attributable to equity holders of the Company		**(5,767)**	(8,143)
Loss per share for loss attributable to the equity holders of the Company			
– basic	7	**(HK$0.06)**	(HK$0.09)
– diluted	7	**(HK$0.06)**	N/A

CONDENSED CONSOLIDATED BALANCE SHEET
As at December 31, 2007

	Note	**Unaudited As at December 31, 2007** *HK$'000*	Audited As at June 30, 2007 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**4,835**	5,383
Investments in associated companies		**–**	–
		4,835	5,383
Current assets			
Trade receivables	*8*	**42**	1,185
Prepayments and other receivables		**1,025**	1,556
Amount due from a related company		**813**	813
Cash and bank balances		**48,641**	55,481
		50,521	59,035
Total assets		**55,356**	64,418
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital		**97,692**	97,692
Other reserves		**13,886**	12,901
Accumulated losses		**(60,674)**	(54,907)
Total equity		**50,904**	55,686
LIABILITIES			
Current liabilities			
Trade payables	*9*	**155**	190
Accrued charges, other payables, deposits received and deferred income		**4,297**	8,542
Total liabilities		**4,452**	8,732
Total equity and liabilities		**55,356**	64,418
Net current assets		**46,069**	50,303
Total assets less current liabilities		**50,904**	55,686

NOTES:

1. Basis of preparation and accounting policies

The condensed consolidated interim accounts (the "Interim Accounts") for the six months ended December 31, 2007 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The Interim Accounts should be read in conjunction with the annual financial statements for the year ended June 30, 2007.

The accounting policies and basis of preparation used in the preparation of the Interim Accounts are consistent with those used in the annual financial statements for the year ended June 30, 2007.

The HKICPA has issued a number of new and revised HKFRSs and HKASs (collectively the "new HKFRSs") which are effective for accounting periods beginning on or after January 1, 2007. The adoption of these new and revised HKFRSs has no material impact on the results and financial positions of the Group.

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective. The Directors anticipated that these new HKFRSs are either irrelevant to the Group's operation or adoption of which will not have material impact on the results and the financial position of the Group.

HKAS 1 (Revised)	Presentation of Financial Statements [1]
HKAS 23 (Revised)	Borrowing Costs [1]
HKFRS 8	Operating Segments [1]
HK (IFRIC) – INT 12	Service concession arrangements [2]
HK (IFRIC) – INT 13	Customer loyalty programmes [3]
HK (IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction [2]

[1] Effective for annual periods beginning on or after January 1, 2009.
[2] Effective for annual periods beginning on or after January 1, 2008.
[3] Effective for annual periods beginning on or after July 1, 2008.

2. **Turnover and segment information**

Primary reporting format – business segments

The segment results for the period ended December 31, 2007

	Technology related services *HK$'000*	**Unallocated items** *HK$'000*	**Total** *HK$'000*
Turnover	**318**	**–**	**318**
Segment results	**(4,718)**	**(1,976)**	**(6,694)**
Other incomes	**7**	**920**	**927**
Operating loss			**(5,767)**
Finance costs	**–**	**–**	**–**
Loss before income tax expense			**(5,767)**
Income tax expense	**–**	**–**	**–**
Loss attributable to equity holders of the Company			**(5,767)**
Other segment information			
Depreciation	**588**	**55**	**643**
Capital expenditures	**436**	**–**	**436**

Unallocated items represent corporate expenses.

The segment results for the period ended December 31, 2006

	Technology related services *HK$'000*	Unallocated items *HK$'000*	Total *HK$'000*
Turnover	9,483	–	9,483
Segment results	(5,952)	(13,376)	(19,328)
Other incomes	786	585	1,371
Operating loss before finance costs			(17,957)
Finance costs	–	(52,763)	(52,763)
Operating loss			(70,720)
Share of results of associated companies	–	62,577	62,577
Loss before income tax expense			(8,143)
Income tax expense			–
Loss attributable to equity holders of the Company			(8,143)
Other segment information			
Depreciation	563	196	759
Capital expenditures	35	361	396

Unallocated items represent corporate expenses.

The segment assets and liabilities as at December 31, 2007 are as follows:

	Technology related services ***HK$'000***	**Unallocated items** ***HK$'000***	**Total** ***HK$'000***
Segment assets	**6,937**	**48,419**	**55,356**
Segment liabilities	**3,111**	**1,341**	**4,452**

The segment assets and liabilities as at June 30, 2007 are as follows:

	Technology related services *HK$'000*	Unallocated items *HK$'000*	Total *HK$'000*
Segment assets	9,050	55,368	64,418
Segment liabilities	7,624	1,108	8,732

Segment assets consist primarily of tangible assets and receivables. They exclude cash and cash equivalents for the corporate use.

Segment liabilities comprise operating liabilities.

Secondary reporting format – geographical segments

The Group is operating in two main geographical areas:

Hong Kong: Technology related services

Mainland China: Technology related services

There are no sales or other transactions between the geographical segments.

	Segment assets	
	As at December 31, 2007 ***HK$'000***	As at June 30, 2007 *HK$'000*
Hong Kong	**48,680**	55,318
Mainland China	**6,676**	9,100
	55,356	64,418

	Turnover Six months ended December 31,		Capital expenditure Six months ended December 31,	
	2007	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**–**	–	**–**	361
Mainland China	**318**	9,483	**436**	35
	318	9,483	**436**	396

3. Other incomes

	Six months ended December 31,	
	2007	2006
	HK$'000	*HK$'000*
Bank interest income	**927**	597
Recovery of bad debt	**–**	769
Others	**–**	5
	927	1,371

4. Operating loss before finance costs

The following items have been charged to the operating loss before finance costs during the period:

	Six months ended December 31,	
	2007	2006
	HK$'000	*HK$'000*
Auditors' remuneration		
– audit services	**450**	453
– non-audit services	**100**	200
Depreciation of property, plant and equipment	**643**	759
Provision for impairment of trade receivable	**401**	–
Staff costs, including directors' emoluments	**5,180**	10,868

5. Finance costs

	Six months ended December 31, 2007 HK$'000	2006 HK$'000
Interest on loans from a fellow subsidiary	–	5,476
Interest on promissory note issued to a fellow subsidiary	–	22,501
Interest on convertible bond	–	436
Interest on subscription note	–	24,350
	–	52,763

6. Income tax expense

Taxation on profits in Mainland China has been calculated on the estimated assessable profits at tax rates ranging from 15% to 33% (2006: 15% to 33%). Hong Kong profits tax has been calculated at 17.5% (2006: 17.5%).

No provision for Mainland China taxation and Hong Kong profits tax has been made for the period as the Company and a number of its subsidiaries have no estimated assessable profit for the period and certain subsidiaries have sufficient tax losses brought forward to offset their estimated assessable profits for the period.

Share of taxation of associated companies for the six months ended December 31, 2006 of HK$15,857,000 is included in the consolidated income statement as share of results of associated companies.

7. Loss per share

The calculations of basic and diluted loss per share are based on the following data:

	Six months ended December 31, 2007 HK$'000	2006 HK$'000
Loss attributable to equity holders	**5,767**	8,143
Number of shares		
Weighted average number of ordinary shares in issue for calculation of basic loss per share *(Note)*	**97,692,069**	95,510,118
Effect of dilutive potential ordinary shares:		
Share options	**179,466**	–
Weighted average number of ordinary shares in issue for diluted loss per share	**97,871,535**	95,510,118

Note:

No diluted loss per share is presented for the six months ended December 31, 2006 as the conversion of convertible bond, subscription note and exercise of outstanding share options would not have dilutive effect on the loss attributable to equity holders.

8. Trade receivables

The Group allows an average credit period of thirty to sixty days to its subscribers and other customers. The ageing analysis of the trade receivables was as follows:

	As at December 31, 2007	As at June 30, 2007
	HK$'000	*HK$'000*
1 – 30 days	**27**	137
31 – 60 days	**10**	245
61 – 90 days	**1**	329
Over 90 days	**4**	474
	42	1,185

9. Trade payables

The ageing analysis of trade payables was as follows:

	As at December 31, 2007	As at June 30, 2007
	HK$'000	*HK$'000*
1 – 30 days	**13**	55
31 – 60 days	**14**	–
61 – 90 days	**29**	–
Over 90 days	**99**	135
	155	190

10. Subsequent events

(a) On December 27, 2007, the Company and International Entertainment Corporation ("IEC") entered into the conditional sale and purchase agreement (the "Transaction") in relation to the sale and purchase of the entire issued share capital of Cyber On-Air Group Limited ("COAG") in which the Company has conditionally agreed to purchase and IEC agreed to sell the entire issued share capital of COAG at cash consideration of HK$2,000,000. The COAG Group is principally engaged in the provision of network solutions and project services. The Transaction is subject to the fulfillment of certain conditions and has not been completed as at the date of this results announcement.

(b) On December 4, 2007, the Company has entered into placing agreement with Tai Fook Securities Company Limited ("Placing Agent") to place 12,000,000 shares of the Company at HK$6.00 each per share. The Placing Agent informed the Company that there was no placee has been identified due to the volatile stock market situation. The placing has not become unconditional on January 31, 2008 and accordingly the placing agreement was automatically lapsed at the same date.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

For the last six months the wireless value added services regulatory environment and telecom operators policies continues to tighten causing the overall business environment of the Service Provider ("SP") to be affected greatly. Thus our SP business continues to slow down and the scale of the operation has been restructured accordingly.

As at end of this reporting period, the Chinaquest commercial business (a business unit to offer web based city infotainment service) signed up 10 distributors covering over 20 China cities. Although sign up rate of distributors is positive, however due to fierce competition and slow take up rate of end users, the business have not been able to deliver results as planned.

In response to the current tough business environment, management in the last three months has continued to downsize the operations to control costs further. We are also in the process of seeking new business opportunities and sourcing other acquisition that may help the business positively. For instance, the Group signed an agreement on December 27, 2007 to purchase the entire issued share capital of Cyber On-Air Group Limited and its subsidiaries ("COAG") for a cash consideration of HK$2 million. COAG is principally engaged in the provision of network solutions and project services.

Financial resources

1. *Results analysis*

   As stated in the 2006/07 annual report, the Company's mobile value added business had been negatively impacted by the environmental changes of China's wireless market and the management did not foresee any significant improvement in the near term. For the six months period ended December 31, 2007, the turnover was dropped approximately 96.8% to HK$0.3 million (2006: HK$9.5 million). The significant shrinkage in the turnover was directly attributable to the continue downturn in the mobile value added business. During this difficult period, the Group conducted effective measures in controlling costs. The operating loss before finance costs was trimmed to HK$5.8 million (2006: HK$18.0 million). No finance costs were incurred for the six months reporting period because the Group has no gearing and owned sufficient financial resources to support its continuing operations. (2006: HK$52.8 million).

   The loss attributable to the shareholders of the Company for the period ended December 31, 2007 was HK$5.8 million (2006: HK$8.1 million). One of the key contributors to the improvement was the reduction of selling and administrative expenses.

2. *Liquidity and financial resources*

As at December 31, 2007, the capital and reserves attributable to the equity holders of the Company was HK$50.9 million (At June 30, 2007: HK$55.7 million) and the net asset value per share was HK$0.52 (At June 30, 2007: HK$0.57). As at December 31, 2007, the Group had no bank or other borrowings (At June 30, 2007: Nil) and the Group's cash balances was HK$48.6 million (At June 30, 2007: HK$55.5 million). With abundant cash balances and no gearing, the Group has sufficient liquidity and financial resources to meet the daily operational needs and investment opportunities (if any).

3. *Financial risk management*

The key operations of the Group are located in Hong Kong and the Mainland China. Therefore, the Group's assets and liabilities are mainly denominated in either Hong Kong dollars, United States dollars or Renminbi (RMB). The Group does not conduct any foreign currency hedging activities since no significant exposure to foreign currency risks are expected.

4. *Pledge of assets*

As at December 31, 2007, no assets are under pledge (At June 30, 2007: bank balances denominated in RMB of certain subsidiaries of the Group in the amount of HK$0.8 million have been frozen under the PRC court order in relation to claims filed against these subsidiaries).

5. *Contingent liabilities*

The Group has no material contingent liabilities as at December 31, 2007 and June 30, 2007.

Outlook

As a continuous effort, the Board will conduct a detailed review of its business portfolio and strategies with an aim to deploy the Group's resources in an optimal way. It may lead to scale down or adjust area of operations where appropriate.

As an investment holding company, the Group will actively look into other new business opportunities in order to broaden its revenue basis. During the reporting period, the Group has entered into an agreement to acquire a company engaged in the provision of network solutions and project services. Barring for unforeseen circumstances, the acquisition will be completed in the second half of this financial year.

INTERIM DIVIDEND

The Directors have resolved not to declare any interim dividend for the six months ended December 31, 2007. (2006: Nil)

Employees

As at December 31, 2007, the Group had a total of 82 full-time employees (At June 30, 2007: 79) in Hong Kong and PRC. Remuneration packages are structured to take into account the level and composition of pay and the general market conditions in the respective geographical locations and businesses in which the Group operates. The remuneration policies of the Group are reviewed on periodic basis. Apart from retirement schemes, year-end bonuses and share options will be awarded to the employees according to the assessment of individual performance and industry practice. Appropriate training programs are also offered for staff training and development.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended December 31, 2007.

CORPORATE GOVERNANCE

The board of directors of the Company (the "Board") recognizes the importance of maintaining a high standard of corporate governance to protect and enhance the benefits of shareholders and has applied the principles of the code provisions of the Code on Corporate Governance Practices contained in Appendix 14 (the "CG Code") of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

For the period ended December 31, 2007, the Company has complied with the code provisions of the CG Code with deviations from the code provision A.2.1, A.4.1, A.4.2 and E.1.2 of the CG Code as summarized below:

i. In accordance with CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer ("CEO") should be separated and should not be performed by the same individual. The Company dose not at present has any officer with the title CEO. Mr. Lo Lin Shing, Simon is the chairman of the Company and has also carried out the responsibility of CEO. Mr. Lo possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company's strategies.

ii. Under the code provision A.4.1 and A.4.2 of the Code, (a) non-executive directors should be appointed for a specific term and subject to re-election; and (b) all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

    None of the existing non-executive directors of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the Code. However, they are subject to the retirement by rotation in accordance with the provisions of the Company's articles of association. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

iii. The code provision E.1.2 of the CG Code stipulates that the chairman of the Board should attend the annual general meeting ("AGM") of the Company. The chairman did not attend the 2007 AGM due to an urgent business engagement. An executive Director had chaired the 2007 AGM and answered questions from shareholders. The chairman of the audit and remuneration committee was also available to answer questions at the 2007 AGM.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding securities transactions by directors and employees who are likely to be in possession of unpublished price sensitive information of the Company on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules.

Upon specific enquiry by the Company, all Directors of the Company have confirmed that they have complied with the required standards set out in Model Code during the six months ended December 31, 2007.

AUDIT COMMITTEE

The audit committee currently comprises Mr. Tsui Hing Chuen, William *JP*, Mr. Lee Kee Wai, Frank and Mr. Lau Wai Piu (chairman of the committee), the three independent non-executive Directors of the Company.

The audit committee has reviewed the unaudited interim accounts of the Group for the six months ended December 31, 2007.

By Order of the Board
New World Mobile Holdings Limited
Lo Lin Shing, Simon
Chairman

Hong Kong, March 12, 2008

As at the date hereof, the Board comprises five Directors, of which Mr. Lo Lin Shing, Simon and Mr. Ho Hau Chong, Norman are executive Directors, Mr. Tsui Hing Chuen, William JP, Mr. Lee Kee Wai, Frank and Mr. Lau Wai Piu are independent non-executive Directors.