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NEW WORLD MOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

DISCLOSEABLE TRANSACTION

ACQUISITION OF THE ENTIRE INTEREST IN IDEAL HONOUR LIMITED

On 14 April 2008, the Company entered into the Agreement with the Vendor whereby the Company conditionally agreed to purchase, and the Vendor conditionally agreed to sell, the entire issued share capital of, and the related shareholder's loan in the amount of approximately HK\$5,800,000 extended to, IHL for an aggregate consideration of HK\$7,700,000.

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular, containing further details of the Acquisition and other information as required under the Listing Rules, will be despatched to the Shareholders as soon as practicable.

THE AGREEMENT

Date: 14 April 2008

Parties:

Purchaser: the Company

Vendor: Mr. Ng Chun Ping, Brendan

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is independent of the Company and connected persons of the Company.

Assets to be acquired:

The entire issued share capital of, and the related shareholder's loan in the amount of approximately HK\$5,800,000 extended to, IHL. The shareholder's loan was on-lent to LPL for the purpose of acquiring the Property.

Consideration

Pursuant to the Agreement, the Consideration of HK\$7,700,000 shall be paid by the Company to the Vendor in the following manner:–

- (1) a cash deposit of HK\$770,000 has been paid upon signing of the Agreement; and
- (2) the remaining balance of HK\$6,930,000 will be paid in cash upon Completion.

The Consideration was determined between the Company and the Vendor after arm's length negotiations with reference to (a) the estimated market value of the Property (by direct comparison approach based on market information) of approximately HK\$7,370,000 as at 31 March 2008 as appraised by RHL Appraisal Limited (a third party valuer independent of the Company and connected persons of the Company) and (b) the net assets of IHL excluding the value of the Property.

Conditions precedent

Completion is subject to the following conditions:

- (a) the Company having received a legal opinion from a reputable law firm in the PRC in respect of the title and rights of LPL over the Property and such other matters as the Company may require in such form and contents to the satisfaction of the Company;
- (b) the Company being satisfied with its due diligence review of the legal and financial affairs of IHL, LPL and the title to the Property;
- (c) the representations, warranties, undertakings or indemnities made or given by the Vendor remaining true and accurate and not misleading in any material respect; and
- (d) all necessary regulatory, statutory, governmental and third party consents and waivers having been obtained in respect of the transactions contemplated under the Agreement.

If the above conditions are not fulfilled or (in respect of the conditions set out in paragraphs (a) to (c) above) waived by the Company by 30 June 2008, all rights, obligations and liabilities of the parties to the Agreement shall cease and terminate, and neither parties to the Agreement shall have any claim against the other save for antecedent breaches and the deposit paid by the Company to the Vendor shall be returned to the Company forthwith.

Completion

Completion shall take place on the third business day after the fulfilment or waiver (as the case may be) of the last of the conditions precedent to the Agreement or such other date as the parties to the Agreement may agree in writing.

INFORMATION ON IHL

IHL is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company. It has a wholly-owned subsidiary, LPL, which is a company incorporated in Hong Kong with limited liability and is the registered and beneficial owner of the Property.

The Property comprises a 3-storey detached villa house with private garden and carport. The villa house was completed in 1996 and has a lot area of approximately 4,200 sq. ft. and a gross floor area of approximately 3,375 sq. ft. The Property is currently subject to a tenancy with monthly rental at US\$4,700. Such tenancy will expire on 30 June 2008.

Set out below is the unaudited consolidated financial information of IHL for each of the two years ended 31 March 2007 and 2008 prepared in accordance with HKFRS:

	Year ended 31 March	
	2008	2007
	HK\$'000	HK\$'000
Turnover	439	438
Profit before taxation	197	243
Profit after taxation and minority interest	153	200
	As at 31 March	
	2008	2007
	HK\$'000	HK\$'000
Total assets	8,256	6,042
Total liabilities (including shareholder's loan)	6,388	6,744
Net assets/(liabilities) <i>Note</i>	1,868	(702)

Note:

The increase in the net assets position of IHL group was mainly attributable to the revaluation of the Property from book cost to estimated market value as at 31 March 2008 in accordance with the requirement of HKFRS. A revaluation surplus of approximately HK\$2,417,000 was recorded for the year ended 31 March 2008.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the provision of Internet content services and telecommunication value-added services in the PRC.

As stated in the 2006/07 annual report of the Company, the mobile Internet value added business, being a major revenue generator of the Group's business, was badly hit by the environmental changes of the PRC's wireless market. The management did not see a significant improvement to this situation in the near term and therefore, the Group has been looking for other investment opportunities in order to maximise the return to the Shareholders. For example, in December 2007, the Company entered into a sale and purchase agreement with International Entertainment Corporation for the acquisition of the entire issued share capital of Cyber On-Air Group Limited. With a view to further broadening the income stream of the Company, the Company entered into the Agreement to acquire IHL.

The management of the Company is very optimistic about the future of the PRC property market, especially in prime cities such as Beijing and Shanghai, the PRC. The management is confident that the demand for high-quality residential properties in these prime cities would increase in line with the booming economic development in the PRC. Accordingly, the Directors consider the Acquisition will enhance the assets base of the Group while at the same time, the rental income from the Property will contribute to the future revenue and income growth of the Group. After Completion, the Property will be held by the Company for investment purposes to earn rental income.

Given that the Consideration reflects the fair market value of the Property, the Directors consider the terms of the Acquisition to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Upon Completion, IHL will become a wholly-owned subsidiary of the Company and its results will be consolidated into the accounts of the Group.

LISTING RULES IMPLICATION

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular, containing further details of the Acquisition and other information as required under the Listing Rules, will be despatched to the Shareholders as soon as practicable.

TERMS USED IN THIS ANNOUNCEMENT

“Acquisition”	the proposed acquisition of the entire issued share capital of, and the related shareholder's loan extended to, IHL by the Company in accordance with the terms and conditions of the Agreement and the performance of the transactions contemplated under the Agreement
“Agreement”	the conditional sale and purchase agreement dated 14 April 2008 entered into between the Vendor as vendor and the Company as purchaser in relation to the sale and purchase of the entire issued share capital of, and the related shareholder's loan extended to, IHL
“Board”	the board of Directors
“Completion”	completion of the Acquisition

“Company”	New World Mobile Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 862)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$7,700,000, being the aggregate consideration for the sale of the entire issued share capital of, and the related shareholder’s loan extended to, IHL
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IHL”	Ideal Honour Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LPL”	Lipro Prosper Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of IHL
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this announcement
“Property”	House No. 2B of Beijing Riviera, 1 Xiang Jiang North Road, Chaoyang District, Beijing, the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Mr. Ng Chun Ping, Brendan, the sole legal and beneficial owner of IHL
“HK\$”	Hong Kong dollars

“sq. ft.” square feet

“US\$” United States dollars

By order of the board of
New World Mobile Holdings Limited
Tang Chi Kei
Company Secretary

Hong Kong, 15 April 2008

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

Executive Directors:

Lo Lin Shing, Simon (*Chairman*)

Ho Hau Chong, Norman

Independent non-executive Directors:

Tsui Hing Chuen, William *JP*

Lau Wai Piu

Lee Kee Wai, Frank