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NEW WORLD MOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



The Board announced that after trading hours on 4 December 2007, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, and the Placing Agent has conditionally agreed to procure the Placees to subscribe for, the 12,000,000 Placing Shares at a price of HK\$6.00 per Placing Share on a best effort basis.

The 12,000,000 Placing Shares represent (i) approximately 12.28% of the existing issued share capital of the Company and (ii) approximately 10.94% of the Company's issued share capital as enlarged by the Placing.

The net proceeds to be received by the Company from the Placing (assuming the Placing Shares are fully placed) will amount to approximately HK\$70 million. The Directors consider that the Placing will enhance general working capital of the Group and will provide the Group with financial resources to finance any possible investment when opportunities arise. As at the date of this announcement, no specific investment projects have been identified by the Group.

The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Placing Shares.

Completion of the Placing is subject to the satisfaction of the conditions precedent to the Placing Agreement.

As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

The Board announced that after trading hours on 4 December 2007, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, and the Placing Agent has conditionally agreed to procure the Placees to subscribe for, the 12,000,000 Placing Shares at a price of HK\$6.00 per Placing Share on a best effort basis.

Date

4 December 2007

Issuer

The Company

Placing Agent

The Placing Agent has conditionally agreed to place up to 12,000,000 Placing Shares on a best effort basis and will receive a placing commission of 2% on the gross proceeds of the Placing. The Directors (including the independent non-executive Directors) are of the view that the placing commission is a normal market rate and therefore it is fair and reasonable.

Mr. Lo Lin Shing, Simon, is a substantial Shareholder and an executive Director. He is also the deputy chairman of Taifook Securities Group Limited, the holding company of the Placing Agent, the shares of which are listed on the Stock Exchange. Nevertheless, the Placing Agent is an Independent Third Party.

Placees

The Placing Agent has agreed to place the Placing Shares on a best effort basis, to no less than six Placees who and whose ultimate beneficial owners are Independent Third Parties. None of the Placees will become a substantial Shareholder (as defined in the Listing Rules) immediately after the Placing.

Placing Shares

The 12,000,000 Placing Shares represent (i) approximately 12.28% of the existing issued share capital of the Company and (ii) approximately 10.94% of the Company's issued share capital as enlarged by the Placing.

Placing Price

The Placing Price of HK\$6.00 represents:

- (i) a discount of approximately 13.04% to the closing price of HK\$6.9 per Share as quoted on the Stock Exchange on 4 December 2007, being the date of the Placing Agreement;
- (ii) a discount of approximately 9.64% to the average closing price of approximately HK\$6.64 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 3 December 2007; and

- (iii) a discount of approximately 8.95% to the average closing price of approximately HK\$6.59 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 3 December 2007.

The net Placing Price, after deduction of placing commission payable to the Placing Agent and all other fees and expenses, is approximately HK\$5.83 per Share.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing are on normal commercial terms and are fair and reasonable and the Placing is in the interests of the Group and the Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares, when issued and allotted, shall rank pari passu in all respects with all then existing Shares.

Conditions of the Placing

Completion of the Placing is conditional upon:–

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of and permission to deal in the Placing Shares (such permission and listing not subsequently revoked prior to the delivery of definitive Share certificates representing the Placing Shares);
- (ii) the compliance of the requirements under the Listing Rules and the Takeovers Code (if any) or otherwise as may be required by the Stock Exchange and the SFC in relation to the Placing; and
- (iii) the obtaining of all consents, approvals or waivers from any relevant persons which are necessary or desirable in connection with the Placing (and, where such consents, approvals or waivers are given subject to conditions, such conditions to be on such terms as may be reasonably acceptable to the Placing Agent and the Company).

If any of the conditions precedent to the Placing Agreement is not fulfilled on or before 31 January 2008 or such later date as may be agreed by the Company and the Placing Agent, the Placing will not proceed.

Completion of the Placing will take place on the third business day after the fulfillment of the conditions precedent to the Placing Agreement or such other date as may be agreed by the Company and the Placing Agent.

As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Termination and force majeure

The Placing Agreement may be terminated by the Placing Agent if at any time on or prior to 4:00 p.m. on the business day immediately before the date for completion of the Placing:–

- (A) there shall have come to the attention of the Placing Agent:–
- (i) any material breach of, or any event rendering untrue or incorrect in any material respect, any of the representations, warranties or undertakings of the Company as set out in the Placing Agreement; or
 - (ii) any material breach of, or failure to perform, any of the other obligations of the Company which are required to be performed at or before completion of the Placing; or
- (B) there shall have occurred or come to the attention of the Placing Agent:–
- (i) any adverse change in the market conditions (including without limitation suspension or material restriction on trading in securities generally) which in the reasonable opinion of the Placing Agent materially and prejudicially affects the Placing and makes it inadvisable or inexpedient to proceed therewith; or
 - (ii) any new law or government regulation or other occurrence of any nature whatsoever which, in the reasonable opinion of the Placing Agent will materially and adversely affect the business or financial or trading position or prospect of the Group or any part thereof or the Placing; or
 - (iii) any event or change (whether or not forming part of a series of events or changes occurring or continuing before, on and/or after the date of the Placing Agreement) in local, national, international, financial, political, military, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which in the reasonable opinion of the Placing Agent will materially and adversely affect the business or the financial or trading position or prospect of the Group or any part thereof or the Placing; or
 - (iv) the declaration of a banking moratorium in Hong Kong which in the reasonable opinion of the Placing Agent materially and prejudicially affects the Placing and makes it inadvisable or inexpedient to proceed therewith; or
 - (v) any adverse announcement, determination or ruling of any governmental or other regulatory body (including but not limited to the absence of reasonable prospect for obtaining a clearance or approval of the announcement in relation to the Placing from the Stock Exchange).

The Directors are not aware of the occurrence of any of the above events as at the date of this announcement.

General Mandate

The Placing Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the issued share capital of the Company as at the date of the AGM, being 19,538,413 Shares (representing 20% of 97,692,069 Shares in issue as at the date of the AGM).

The General Mandate has not been utilised prior to the entering into of the Placing Agreement and the Company has not undertaken any equity fund raising activities in the 12 months immediately prior to the date of this announcement.

Reasons for the Placing and the use of proceeds

The net proceeds to be received by the Company from the Placing (assuming the Placing Shares are fully placed) will amount to approximately HK\$70 million. The Directors consider that the Placing will enhance general working capital of the Group while at the same time broadening its shareholders and capital base and will provide the Group with financial resources to finance any possible investment when opportunities arise. As at the date of this announcement, no specific investment projects have been identified by the Group.

Effects on shareholding structure

The following table sets out the shareholding structure of the Company as at the date of this announcement and the shareholding structure of the Company immediately upon completion of the Placing (assuming the Placing Shares are fully placed):

	As at the date of this announcement		Upon completion of the Placing	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Moral Glory International Limited (<i>Note 1</i>)	55,355,406	56.66	55,355,406	50.46
Mr. Ho Hau Chong, Norman (<i>Note 2</i>)	<u>78,000</u>	<u>0.08</u>	<u>78,000</u>	<u>0.07</u>
	55,433,406	56.74	55,433,406	50.53
Public:				
Places	–	–	12,000,000	10.94
Other public Shareholders	<u>42,258,663</u>	<u>43.26</u>	<u>42,258,663</u>	<u>38.53</u>
	<u><u>97,692,069</u></u>	<u><u>100.00</u></u>	<u><u>109,692,069</u></u>	<u><u>100.00</u></u>

Notes:

1. Moral Glory International Limited is wholly-owned by Mr. Lo Lin Shing, Simon, an executive Director.
2. Mr. Ho Hau Chong, Norman is an executive Director.

General

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

Application will be made to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

Definitions

“AGM”	the annual general meeting of the Company held on 28 November 2007
“Board”	the board of Directors
“Company”	New World Mobile Holdings Limited (Stock Code: 862), a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM, among other things, to allot, issue and deal with up to 20% of the then issued share capital of the Company at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	person(s) or company(ies) who/which is(are) (a) third party(ies) independent of the Company and connected person(s) of the Company (as defined under the Listing Rules)

“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	placing of up to 12,000,000 new Shares on best effort basis pursuant to the terms of the Placing Agreement
“Placing Agent”	Taifook Securities Company Limited, a licensed corporation under the Securities and Futures Ordinance to carry on Types 1, 3 and 4 regulated activities
“Placing Agreement”	the placing agreement dated 4 December 2007 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$6.00 per Placing Share
“Placing Shares”	up to 12,000,000 new Shares to be placed under the Placing
“PRC”	the People’s Republic of China
“Shares”	ordinary share(s) of HK\$1.00 each in the issued share capital of the Company
“Shareholders”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 4 December 2007

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. Lau Wai Piu and Mr. Lee Kee Wai, Frank are independent non-executive Directors.