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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in New World Mobile Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank manager, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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**

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A letter from the board of directors of New World Mobile Holdings Limited is set out on pages 3 to 7 of this circular.

6 May 2008

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Acquisition”	the 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
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“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 purchase 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

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## DEFINITIONS

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“Latest Practicable Date”	2 May 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“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 circular
“Property”	House No. 2B of Beijing Riviera, 1 Xiang Jiang North Road, Chaoyang District, Beijing, the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“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
“%”	per cent.

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## LETTER FROM THE BOARD

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## NEW WORLD MOBILE HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 862)

*Executive Directors:*

Mr. Lo Lin Shing, Simon (Chairman)  
Mr. Ho Hau Chong, Norman

*Independent non-executive Directors:*

Mr. Tsui Hing Chuen, William, JP  
Mr. Lau Wai Piu  
Mr. Lee Kee Wai, Frank

*Registered office:*

P.O. Box 309  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

*Principal place of business in*

*Hong Kong:*  
Rooms 1502-5  
New World Tower I  
16-18 Queen's Road Central  
Hong Kong

6 May 2008

*To the Shareholders and, for information only,  
the holder of outstanding share options of  
the Company*

Dear Sir or Madam,

### **DISCLOSEABLE TRANSACTION ACQUISITION OF THE ENTIRE INTEREST IN IDEAL HONOUR LIMITED**

#### **INTRODUCTION**

On 15 April 2008, the Company announced that it had 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.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with (i) further particulars of the Acquisition; and (ii) other information required under the Listing Rules.

### THE AGREEMENT

#### Date:

14 April 2008

#### Parties:

Vendor: Mr. Ng Chun Ping, Brendan

Purchaser: the Company

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;

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## LETTER FROM THE BOARD

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- (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:

	<b>Year ended 31 March</b>	
	<b>2008</b>	<b>2007</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	439	438
Profit before taxation	197	243
Profit after taxation and minority interest	153	200

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## LETTER FROM THE BOARD

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	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) <sup>Note</sup>	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.

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.

### EFFECTS ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

Upon Completion, IHL will become a wholly-owned subsidiary of the Company and its results will be consolidated into the accounts of the Group. The Directors expect that the Acquisition will not have any immediate material impact on the assets and liabilities of the Group. After Completion, the Property will be held by the Group for investment purposes to earn rental income. It is expected that this will have a positive impact on the earnings of the Group in the long run.



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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of the Board of  
**New World Mobile Holdings Limited**  
**Tang Chi Kei**  
*Company Secretary*

## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

#### (i) The Company

As at the Latest Practicable Date, the interests of the Directors in the Shares were as follows:

Name of Director	Number of Shares			Total	Approximate percentage of issued capital as at the Latest Practicable Date
	Personal interests	Family interests	Corporate interests		
Lo Lin Shing, Simon	200,000	–	55,355,406 (Note 1)	55,555,406	56.75%
Ho Hau Chong, Norman	78,000	–	–	78,000	0.08%

#### Note:

- The corporate interest of Mr. Lo Lin Shing, Simon represents an interest in 55,355,406 Shares held by Moral Glory International Limited, a company wholly-owned by Mr. Lo Lin Shing, Simon.

*(ii) Interest in underlying Shares – share options of the Company*

As at the Latest Practicable Date, the following Director had personal interest in options to subscribe for the Shares granted under the share option scheme of the Company:

<b>Name of Director</b>	<b>Number of share options as at the Latest Practicable Date</b>	<b>Date of grant</b>	<b>Exercise price (HK\$)</b>	<b>Exercise period</b>
Lo Lin Shing, Simon	78,000	28-1-2005	1.26	28-1-2005 to 31-12-2010

As at the Latest Practicable Date, save as disclosed above, none of the Directors or chief executive of the Company had any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules to be notified to the Company and the Stock Exchange.

**(b) Persons who have interests or short positions which are discloseable under Divisions 2 and 3 of Part XV of the SFO**

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had an interest or short positions in the Shares and/or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group:

*Interests in the Shares and underlying Shares:*

Name	Capacity	Interests in the Shares	Interests in physically settled unlisted equity derivatives	Total	Approximate percentage of issued capital as at the Latest Practicable Date
Ku Ming Mei, Rousia Moral Glory International Limited ( <i>Note 1</i> )	Interest of spouse	55,555,406	78,000	55,633,406	56.83%
	Beneficial owner	55,355,406	-	55,355,406	56.54%

*Note:*

1. Mr. Lo Lin Shing, Simon, a Director, is also a director of Moral Glory International Limited.

As at the Latest Practicable Date, save as disclosed above, so far as was known to the Directors and chief executive of the Company, no other person (other than the Directors or chief executive of the Company) had, or was deemed or taken to have an interest or short positions in the Shares and/or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

Save as stated above, as at the Latest Practicable Date, according to the register of interests required to be kept by the Company under Section 336 of the SFO, no other persons were recorded to hold any long or short positions in the Shares or underlying Shares of the equity derivatives of the Company.

### 3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service agreement with any member of the Group nor were there any other service agreements proposed which would not expire or be determinable by the Group within one year without payment of compensation (other than statutory compensation).

### 4. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened by or against any member of the Group.

**5. COMPETING INTERESTS**

As at the Latest Practicable Date, to the best knowledge of the Directors, none of the Directors and their respective associates were considered to have any interests in businesses which compete or are likely to compete, either directly or indirectly, with the business of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Group.

**6. MISCELLANEOUS**

- (a) The registered office of the Company is at P.O. Box 309, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies.
- (b) The principal place of business of the Company in Hong Kong is at Rooms 1502-5, New World Tower I, 16-18 Queen's Road Central, Hong Kong.
- (c) The company secretary and qualified accountant of the Company is Mr. Tang Chi Kei, CPA.
- (d) The branch share registrars and transfer office of the Company in Hong Kong is Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.