

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The board of directors (the "Board") of New World Mobile Holdings Limited (the "Company") present herewith the interim report and condensed accounts of the Company and its subsidiaries (the "Group") for the six-months ended 30 June 2004. The consolidated results, consolidated cash flow statement and consolidated statement of changes in equity for the Group for the six-months ended 30 June 2004, and the consolidated balance sheet as at 30 June 2004 of the Group, all of which are unaudited and condensed, along with selected explanatory notes, are set out as below. This financial information relates to the Group's logistics business for the six months ended 30 June 2004 prior to completion of the acquisition of mobile telecommunications business of New World PCS Holdings Limited ("NWPCS") and its subsidiaries (collectively the "NWPCS Group") on 6 July 2004.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 June 2004

	Note	Unaudited Six months ended 30 June	
		2004 HK\$'000	2003 HK\$'000
Turnover	2	392	3,116
Cost of sales		(1,689)	(3,195)
Gross loss		(1,297)	(79)
Other revenue		348	331
Selling and distribution costs		(3)	(3,202)
Administrative expenses		(9,285)	(14,590)
Provision for impairment of investment in an associated company		(34,685)	—
Other operating income/ (expenses)		37	(2,788)
Operating loss	3	(44,885)	(20,328)
Finance costs	4	(423)	(594)
Share of losses of:			
A jointly controlled entity		—	(149)
Associated companies		(2,584)	(14,719)
Loss before taxation		(47,892)	(35,790)
Taxation	6	—	—
Loss attributable to shareholders		(47,892)	(35,790)
Dividend	7	38,410	—
Basic loss per share	8	HK\$(1.28)	HK\$(0.98)*

* The basic loss per share for the six months ended 30 June 2003 has been restated for the effect of share consolidation as detailed in note 20(e) of these condensed accounts.