



MANAGING DIRECTOR AND CEO'S REPORT



Financial Review

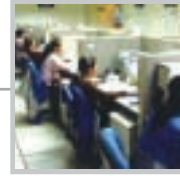
This year's results was a big turnaround compared with last year. The Group recorded a turnover of HK\$38.1 million, representing a 28% increase from HK\$29.7 million in 2004. The Group achieved an operating profit of HK\$19.3 million, a turnaround from an operating loss of HK\$23.4 million compared with last year.

The profit attributable to shareholders for the year ended 31 March 2005 amounted to HK\$15.2 million representing a turnaround from a loss attributable to shareholders of HK\$26.2 million in 2004.

Two main reasons contribute to these positive results: Firstly, the recovery in the business of technology related services; in particular the growth in the mobile Internet business sector contributed to the 68% IT revenue increase. The mobile Internet business has achieved an average of 40% monthly revenue growth. Secondly, Hong Kong's property market has benefited from the re-bounce of the local economy. This consequently positively impacted the Group's investment properties, thus recording a revaluation gain of HK\$29.6 million.



Yvette Ong
Managing Director and CEO



Mobile Internet Service As A Key Contributor to IT Revenue

Over the past 12 months of the fiscal year, NWCB continued to focus on mobile Internet services market and IT outsourcing.

During the first quarter, the Group successfully launched its first nationwide value-added wireless, MMS product. The services provide content with a combination of text, sounds and images to MMS capable handsets. Content includes music, photos, games and other entertainment services.

One of the key reasons for this success was the launch of an interactive mobile entertainment website platform www.ijcool.com in May in year 2004. This website provides the first cross platform forum for mobile users to enjoy interactive entertainment through a mobile Internet environment. Another key success factor was the adoption of a web alliance strategy through which ijcool.com built up a channel network in co-operation with leading online advertising agents, music and multimedia websites. The Group has established alliance relationship with over 800 popular web portals in China covering 50 million Internet users.



www.ijcool.com

The Group has had tremendous growth since the launch of the services, in which it achieved explosive popularity over a short period. In May 2005, the website had achieved an average daily hit rate of above 40 million and was ranked among the top 500 websites worldwide in terms of daily hit rates. All these results have meant that ijcool.com contributed to mobile Internet business which is one of the key contributors to the Group's new revenue growth this year.

Continue to Strengthen Market Presence

A key milestone of the Group was the acquisition of 100% equity of Nanjing Needfire in January 2005, a service provider with nationwide SMS service agreements with China



Mobile. The Jiangsu-based company strengthened our product portfolio, and the professional staff complemented our current product management and development team. Lastly, the local presence and experience of this successful service provider helped us

strengthen our sales coverage in the China Eastern province.



Signing ceremony of the acquisition of Nanjing Needfire

Moving forward, we believe that the key success factor is to continuously expand our product portfolio with innovative

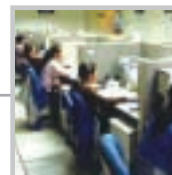
products and services. On the Mobile Entertainment front, in the last quarter of the fiscal year, we launched our first nationwide WAP service portfolio. By now, NWCB has successfully rolled out a total of 14 wireless application protocol (“WAP”) products. On the Infotainment front, ChinaQuest product suites, have been supported by our advanced search engine software combining with the capabilities of GIS & wireless Location Based Services (LBS) technology. During this year, we have launched a wide range of infotainment services with a comprehensive city information content for trendy “City Goers”.

The year was not without obstacles. Towards the end of the year 2004, the Chinese authorities’ tightened regulatory policies which affected tighter management control and requirements to the mobile service provider business. Although NWCB welcomes a more

regulated environment, the burden was on the businesses to invest more resources to comply with regulatory requirements from both government and mobile operators. This has unfortunately affected the rate of growth for the business towards the second half of the year. Nevertheless, NWCB, with an experienced management team and quality services, we will overcome the difficulties and continue to forge ahead.

As we have encountered the growing demand of mobile Internet services, during the last quarter of this year, we have now to plan our business expansion. We are determined to extend our on the ground coverage in China, we established four new sales offices in four major cities, Shenyang, Nanjing, Chengdu and Xian. Adding to the existing offices in Hong Kong, Shanghai, Beijing and Guangzhou, the Group has a total of seven offices in mainland China today. This strategic milestone enables us to strengthen our sales and marketing coverage by synergizing our already successful virtual sales channel network with a well covered on-the ground sales & marketing network.

Lastly, the Group’s IT Outsourcing Services has continued to be the infrastructure supporting our business expansion in China. This year with a fierce competitive market place we have maintained a steady business. We start to seek new business growth potentials in combining the synergy with the fast growing mobile Internet business. This will be one of our key strategic thrust to establish ourselves as one of our key differentiators in the market place in the longer term.



Moving Forward

The Group's strong presence in China continues to leverage on the fast and exciting development of the telecommunication and Internet markets. It is expected that execution of various management control systems from the operators will impact the growth rate of the business in the near future. However, the Group does not see that this will have a major impact on the continuous long term growth of this industry. The mobile subscriber base will grow to exceed 400 million and the Internet user base will exceed 100 million in China next year. The needs of wireless value added services will continue as the wireless subscriber base and the technology evolution will continue to have a natural growth pattern.

In the near future, we do expect the effect of our on-the ground coverage to take place, with our reach to customers greatly extended.

In the meantime, we see the continuous growth in MMS, WAP, interactive voice response ("IVR") and Internet markets and these trends will give the Group the market environment for business growth. NWCB will continue to enrich the product portfolio, leading up to the transition into the 3G market. In addition, we will continue to expand by building up multi-access delivery



channels, extending our services through the different delivery platform such as IVR, LBS and 3G. More importantly, we will increase our payment methodologies to increase the convenience for our customers, making it easier for them to enjoy our services.

Looking ahead, the expansion into the mobile Internet service continues to be one of the core focuses of the Group. With the dedication of our team, we will continue to leverage the fast and exciting development of the telecommunications and Internet markets and maintaining pace with the technology evolution into the future of the convergence of broadband fixed and wireless worlds.

IT outsourcing services will be the expansion of service offerings in value added call center services while maintaining its steady growth. The integration of multi-platform technology that spread from voice to data services has given the Group a competitive edge. The Group believes that with our growing competencies in both the consumer and enterprise markets, the integration of technology from voice to data and fixed line to wireless, will inevitably be the Group's core strength in winning market share in the area of the new integrated medium.

Yvette Ong

Managing Director and CEO