DIRECTOR'S STATEMENT

On behalf of the Board of Directors (the "Board") of New Times Group Holdings Limited (the "Company"), I present herein the audited consolidated results of the Company and its subsidiaries (the "Group") for the nine-month ended 31 December 2006.

GENERAL REVIEW

The Group recorded a loss attributable to equity shareholders of the Company of approximately HK$26.12 million as compared to the loss of approximately HK$2.89 million for the twelve months ended 31 March 2006. The increase in loss was mainly due to impairment of goodwill, decease in fair value of investment properties and impairment loss on doubtful loan and receivables in the period under review. However, the substantial amount of net loss was of exceptional and non-recurring nature.

Carrying amount of goodwill approximately HK$10.20 million as at 31 December 2006 in relation to a subsidiary engaged in property development business was based on a business valuation by independent business valuer. Impairment of goodwill for approximately HK$6.52 million was charged to the Income Statement for the nine months ended 31 December 2006.

The unsecured loans and receivables for HK$14.62 million bearing interest at Hong Kong dollar prime rate per annum granted in the financial year 2005 were overdue. Although the Board is negotiating with the borrowers for the recovery of these loans, it is prudent to make a full provision against these loans.

Loss per share for the period under review was HK5.66 cents (year ended 31 March 2006: HK0.67 cents) and the Board does not recommend any final dividends for this financial year (year ended 31 March 2006: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

During the nine months ended 31 December 2006, turnover of the Group was amounted to HK$90.18 million (year ended 31 March 2006: HK$5.40 million) and the loss attributable to equity shareholders of the Company were HK$26.12 million (year ended 31 March 2006: HK$2.89 million). The current results only covered nine months ended 31 December 2006. Increase in turnover for the period was resulted from the Group had diversified its business from property investment and development business and commenced zinc ore concentrate and zinc ingots trading business in October 2006.

Review of Business Operations

Property Investments and Development

Gross rental income in certain commercial properties in Beijing, PRC for the nine months ended 31 December 2006 amounted to HK$3.49 million (year ended 31 March 2006: HK$4.54 million). Impairment loss on doubtful receivables of long outstanding rental for HK$7.64 million was charged to the Income Statement for the period under review on prudent basis. However, management of the Company is negotiating with debtors for the recovery of these receivables.

The pre-sale of the Group's development site in Shenzhen received a satisfactory response during the period under review. Sales deposit of HK$35.34 million was recorded as at 31 December 2006 (at 31 March 2006: HK$22.08 million) and the construction was progressing according to schedule.

DIRECTOR'S STATEMENT (Continued)

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Review of Business Operations *(Continued)*

Investments and Financial Services

The Group further downsized the investment and financial services business. In this connection, the Group had disposed all financial assets at fair value through profit and loss within the period under review. Gain on disposal of financial assets for the nine months ended 31 December 2006 amounted approximately HK$0.34 million (year ended 31 March 2006: loss of HK$1.4 million).

Interest income derived from provision of financial services business for the nine months ended amounted to HK$0.76 million (year ended 31 March 2006: HK$0.86 million).

Zinc ore concentrate and zinc ingots business

The Group commenced zinc ore concentrate and ingots trading business in October 2006. Turnover for the nine months ended 31 December 2006 amounted to HK$85.94 million with a gross profit for HK$4.55 million.

PROSPECTS

With the improvement in the macroeconomic outlook of Mainland, the official appreciation of the Renminbi, the urbanization program implemented by the Beijing municipal government and continually maturing market policies as well as the coming 2008 Olympics and 2010 World Expo, the management sees the PRC property market would grow steadily in the future. When opportunities arise and at reasonable terms, the management may dispose part of the properties so as to capitalize the appreciation of the value of the properties and release capital for further investments to strengthen the earning stream.

Zinc production and consumption in the PRC have increased significantly in recent years in line with the economic growth. The Group has commenced Zinc ore concentrate and zinc ingots trading business since October 2006. The Group expects to set up joint-ventures or wholly owned subsidiaries to strengthen the Group's sale network in the PRC. The Group is also seeking further business opportunity in the mining, ore processing, smelting and refining operation of Zinc. The Directors expect that zinc business will bring a high return and attribute to the performance of the Group in the coming year.

DIRECTOR'S STATEMENT (Continued)

LIQUIDITY AND FINANCIAL RESOURCES

Capital structure, liquidity and financial resources

As at 31 December 2006, the net asset value of the Group is approximately HK$144.28 million (at 31 March 2006: HK$133.43 million) and the total cash and bank balances is approximately HK$14.75 million. (at 31 March 2006: HK$1.72 million).

As at 31 December 2006, bank loan of approximately HK$9.97 million were dominated in Renminbi ("RMB"), bearing interest at 7.839% per annum and were secured by certain of the Group's leasehold land and land use rights in Mainland China with a net book value of approximately HK$37.69 million. As at 31 December 2006, the gearing ratio is 7% (total bank borrowings to shareholders' equities) (at 31 March 2006: 8%) and interest expenses is about HK$0.80 million (12 months ended 31 March 2006: HK$0.97 million).

Contingent liability

During the period under review, the Group did not have any material contingent liabilities as at 31 December 2006 (at 31 March 2006: Nil).

Capital investments and commitments

During the period under review, except for the construction expenditures in relation to the construction of properties on certain industrial land in Shenzhen, PRC, the Group did not incur any material capital investment or expenditure. As at 31 December 2006, the Group had capital commitment in respect of the construction cost in relation to certain industrial land in Shenzhen, PRC amount to HK$60.30 million (at 31 March 2006: HK$54.50 million).

Pursuant to a contractual arrangement with the constructor of the land, the constructor will recover the construction cost out of the net proceeds from the sale or rental generated from the properties constructed on the land in the 18-month period from completion of the construction of the properties on the land. In the event that the net proceeds from the sale or rental generated over the aforesaid period is insufficient to repay the constructor the full amount of the construction cost, the shortfall would be satisfied by the transfer of certain properties on the land with an equivalent market value (calculated on the basis of the then prevailing market price of those properties) to the constructor in full and final settlement of any liability of the Group towards the constructor in relation to the construction cost.

Foreign exchange and interest rate exposure

The Group does not currently have any hedging activities against its foreign exchange exposure nor does adopt any formal hedging policies. Revenue and incurred costs of the Group are mainly denominated in Hong Kong Dollar and Renminbi and the directors consider the impact of foreign exchange of the Group will be minimal and the management will closely monitor the fluctuation in this currency and take appropriate actions when condition arises.

DIRECTOR'S STATEMENT (Continued)

LIQUIDITY AND FINANCIAL RESOURCES *(Continued)*

Employment, training and remuneration policy

As at 31 December 2006, the Group's operations engaged a total of about 15 staffs and workers. The remuneration policy of the Group's employees are reviewed and approved by the executive directors based on individual experience and qualifications as well as the job responsibilities and market conditions at the relevant time. Discretionary bonus is linked to the profit performance of the Group as well as individual performance. During the period, no share option was granted to any director or employee of the group. Benefits include staff accommodation, medical schemes and Mandatory Provident Fund Scheme for Hong Kong employees, and state-sponsored retirement plans for employees in the People's Republic of China.

ACKNOWLEDGEMENTS

On behalf of the directors, I would like to express my heartfelt thanks to our shareholders for their continued support and to our staff for their valuable contributions in the past. We will carry on dedicating our efforts towards the Group's long term development.

Wu Jian Feng
Executive Director

Hong Kong
25 April, 2007