NEW TIMES ENERGY CORPORATION LIMITED

新時代能源有限公司*

(incorporated in Bermuda with limited liability)

(Stock code: 166)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

The directors (the "Directors") of News Times Energy Corporation Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2009 together with comparative figures for the corresponding period in 2008. The results were unaudited but have been reviewed by the auditor and the Audit Committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2009

		Unaudited Six months ended 30 June	
		2009	2008
	Notes	***HK$'000***	*HK$'000* (Restated)
CONTINUING OPERATIONS			
Turnover	*3*	**4,310**	20,397
Cost of sales		**(4,288)**	(19,552)
Gross profit		**22**	845
Other revenue, net income and operating income		**16,353**	1,885
Administrative expenses		**(8,113)**	(12,628)
Other operating expenses		**(8,238)**	(226)
Profit/(loss) from operations		**24**	(10,124)
Finance costs	*4*	**(448)**	(1)
Share of post-tax profit of jointly controlled entity		**1,906**	–
Profit/(loss) before taxation		**1,482**	(10,125)
Income tax	*6*	**(15)**	(242)
Profit/(loss) for the period from continuing operations		**1,467**	(10,367)

	Notes	Unaudited Six months ended 30 June **2009** ***HK$'000***	 2008 *HK$'000* (Restated)
DISCONTINUED OPERATIONS			
Loss for the period from discontinued operations		**–**	(4,394)
Profit/(loss) for the period	*5*	**1,467**	(14,761)
OTHER COMPREHENSIVE INCOME			
Exchange differences arising on translation of foreign operations		**(89)**	845
Total comprehensive income for the period		**1,378**	(13,916)
Profit/(loss) for the period attributable to:			
Owners of the Company		**1,924**	(14,761)
Minority interests		**(457)**	–
		1,467	(14,761)
Total comprehensive income for the period attributable to:			
Owners of the Company		**1,835**	(13,916)
Minority interests		**(457)**	–
		1,378	(13,916)
Earnings/(loss) per share	*8*		
From continuing and discontinued operations			
– basic		**0.16 cents**	(1.90 cents)
– diluted		**0.14 cents**	(1.90 cents)
From continuing operations			
– basic		**0.16 cents**	(1.33 cents)
– diluted		**0.14 cents**	(1.33 cents)
From discontinued operations			
– basic		**N/A**	(0.57 cents)
– diluted		**N/A**	(0.57 cents)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2009

	Notes	As at 30 June 2009 (Unaudited) HK$'000	As at 31 December 2008 (Audited) HK$'000
NON-CURRENT ASSETS			
Exploration and evaluation assets		**2,196,169**	–
Property, plant and equipment		**1,994**	2,309
Deposit paid for potential investment		**–**	54,600
Interest in jointly controlled entity		**17,034**	15,128
		2,215,197	72,037
CURRENT ASSETS			
Trade and other receivables	*9*	**32,525**	91,715
Cash and cash equivalents		**80,315**	154,085
		112,840	245,800
CURRENT LIABILITIES			
Trade and other payables	*10*	**5,870**	6,084
Obligation under finance leases		**12**	12
Current taxation		**75**	18
		(5,957)	(6,114)
NET CURRENT ASSETS		**106,883**	239,686
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,322,080**	311,723
NON-CURRENT LIABILITIES			
Obligation under finance leases		**19**	25
Promissory note payable		**33,893**	–
		(33,912)	(25)
NET ASSETS		**2,288,168**	311,698
CAPITAL AND RESERVES			
Share capital		**351,000**	78,197
Reserves		**1,938,370**	233,501
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**2,289,370**	311,698
MINORITY INTERESTS		**(1,202)**	–
TOTAL EQUITY		**2,288,168**	311,698

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2009

1. BASIS OF PREPARATION

The Company is a limited liability company incorporated in Bermuda and its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company is listed on the main board of The Stock Exchange of Hong Kong Limited. During the period, the Company changed its name from "New Times Group Holdings Limited" to "New Times Energy Corporation Limited" to accurately reflect the core business of the Company.

The interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. It was authorised for issuance on 22 September 2009.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2008 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2009 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of the events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2008. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The interim financial report is unaudited, but has been reviewed by the Audit Committee of the Company and by the independent auditor, CCIF CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2008 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for the financial year but is derived from those financial statements. The statutory financial statements for the year ended 31 December 2008 are available from the Company's registered office. The auditor has expressed an unqualified opinion on those financial statements in their report dated 24 April 2009.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 8, Operating Segments
- HKAS 1 (revised 2007), Presentation of financial statements
- Amendments to HKAS 27, Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate
- Amendments to HKFRS 7, Financial instruments: Disclosures – improving disclosures about financial instruments

The amendments to HKFRS 7 do not contain any additional disclosure requirements specifically applicable to the interim financial report. The impact of the remainder of these developments on the interim financial report is as follows:

- HKFRS 8 requires segment disclosure to be based on the way that the Group's chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group's chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. This contrasts with the presentation of segment information in prior years which was based on a disaggregation of the Group's financial statements into segments based on related products and services and on geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's most senior executive management. As it is the first period in which the Group has presented segment information in accordance with HKFRS 8, additional explanation has been included in the interim financial report which explains the basis of preparation of the information. Corresponding amounts have also been provided on a basis consistent with the revised segment information.

- HKAS 1 (Revised 2007) has introduced a number of terminology changes, including revised titles for the condensed consolidated financial statements, and has resulted in a number of changes in presentation and disclosure. The new format for the condensed consolidated statement of comprehensive income and the condensed consolidated statement of changes in equity has been adopted in this interim financial report and corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

- The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investment in the investee, rather than as income. As a result, as from 1 January 2009, all dividends receivable from subsidiaries and jointly controlled entities, whether out of pre- or post-acquisition profits, will be recognised in the Company's profit or loss and the carrying amount of the investment in the investee will not be reduced unless that carrying amount is assessed to be impaired as a result of the investee declaring the dividend. In such cases, in addition to recognising dividend income in profit or loss, the Company would recognise an impairment loss. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any dividends receivable in the current or future periods and previous periods are not restated.

3. SEGMENT INFORMATION

The Group manages its businesses by divisions which are organized by a mixture of both business lines (products and services) and geography. On first-time adoption of HKFRS 8 and in a manner consistent with the way in which information is reported internally to the Group's board of directors for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments. No operating segments have been aggregated to form the following reportable segments.

Continuing operations:

General trading	This segment includes trading of non-ferrous metal and frozen foods. Currently, the Group's general trading activities are carried out in Hong Kong.
Exploration of natural resources	This segment is engaged in the exploration of natural resources in Argentina. The activities carried out in Argentina are through a non-wholly owned subsidiary.

Discontinued operations:

Property investment and development	This segment is engaged in the leasing of properties to generate rental income and to gain from the appreciation in the properties' values in the long term and the development and sale of office premises. The Group's activities in this regard were carried out in Mainland China.
Financial services	This segment is engaged in the provision of financial services. The Group's activities in this regard were carried out in Hong Kong.

(a) Segment results, assets and liabilities

In accordance with HKFRS 8, segment information disclosed in the interim financial report has been prepared in a manner consistent with the information used by the Group's board of directors for the purposes of assessing segment performance and allocating resources between segments. In this regard, the Group's board of directors monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all non-current assets and current assets with the exception of interest in jointly controlled entity and certain assets unallocated to an individual reportable segment. Segment liabilities include non-current liabilities and current liabilities with the exception of current taxation and certain liabilities unallocated to an individual reportable segment.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortization of assets attributable to those segments.

The measure used for reporting segment profit/(loss) is "profit/(loss) from operations". In addition to receiving segment information concerning profit/(loss) from operations, the board of directors is provided with segment information concerning revenue, interest income, interest expenses, depreciation and additions to non-current segment assets used by the segments in their operations.

Information regarding the Group's reportable segments as provided to the Group's board of directors for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Continuing operations						Discontinued operations							
	General trading		Exploration of natural resources		Sub-total		Property investment and development		Financial services		Sub-total		Total	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
For the six months ended 30 June														
Revenue from external customers	**4,310**	20,397	**–**	–	**4,310**	20,397	**–**	–	**–**	195	**–**	195	**4,310**	20,592
Reportable segment revenue	**4,310**	20,397	**–**	–	**4,310**	20,397	**–**	–	**–**	195	**–**	195	**4,310**	20,592
Reportable segment profit/(loss)	**(2,644)**	(869)	**(1,556)**	–	**(4,200)**	(869)	**–**	(6,506)	**–**	711	**–**	(5,795)	**(4,200)**	(6,664)
Depreciation	**180**	180	**–**	–	**180**	180	**–**	5	**–**	–	**–**	5	**180**	185
Interest income	**(269)**	(710)	**–**	–	**(269)**	(710)	**–**	–	**–**	–	**–**	–	**(269)**	(710)
Interest expense	**1**	1	**–**	–	**1**	1	**–**	700	**–**	84	**–**	784	**1**	785
As at 30 June 2009/31 December 2008														
Reportable segment assets	**38,782**	43,739	**2,198,796**	–	**2,237,578**	43,739	**–**	–	**–**	–	**–**	–	**2,237,578**	43,739
Additions to non-current segment assets during the period	**–**	7	**2,196,169**	–	**2,196,169**	7	**–**	–	**–**	–	**–**	–	**2,196,169**	7
Reportable segment liabilities	**(621)**	(2,554)	**(625)**	–	**(1,246)**	(2,554)	**–**	–	**–**	–	**–**	–	**(1,246)**	(2,554)

(b) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Revenue		
Reportable segment revenue	**4,310**	20,592
Elimination of discontinued operations	**–**	(195)
Consolidated turnover	**4,310**	20,397
Profit		
Reportable segment profit/(loss)	**(4,200)**	(6,664)
Unallocated operating income and expenses	**4,224**	(9,255)
Finance costs	**(448)**	(1)
Share of post-tax profit of jointly controlled entity	**1,906**	–
Elimination of discontinued operations	**–**	5,795
Consolidated profit/(loss) before taxation from continuing operations	**1,482**	(10,125)

	As at 30 June 2009	As at 31 December 2008
	HK$'000	*HK$'000*
Assets		
Reportable segment assets	**2,237,578**	43,739
Interest in jointly controlled entity	**17,034**	15,128
Unallocated corporate assets	**73,425**	258,970
Consolidated total assets	**2,328,037**	317,837
Liabilities		
Reportable segment liabilities	**(1,246)**	(2,554)
Current taxation	**(75)**	(18)
Unallocated corporate liabilities	**(38,548)**	(3,567)
Consolidated total liabilities	**(39,869)**	(6,139)

4. FINANCE COSTS

	Six months ended 30 June					
	Continuing operations		Discontinued operations		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Restated)		(Restated)		(Restated)
Interest on other borrowing wholly repayable within five years	**447**	–	**–**	700	**447**	700
Interest on amount due to a securities dealer	**–**	–	**–**	84	**–**	84
Finance charges on obligation under finance leases	**1**	1	**–**	–	**1**	1
Total interest expenses on financial liabilities not at fair value through profit or loss	**448**	1	**–**	784	**448**	785

5. PROFIT/(LOSS) FOR THE PERIOD

Profit/(loss) for the period is arrived at after charging/(crediting):

	Six months ended 30 June					
	Continuing operations		Discontinued operations		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Restated)		(Restated)		(Restated)
Cost of inventories	**4,288**	19,540	**–**	–	**4,288**	19,540
Depreciation	**315**	533	**–**	6	**315**	539
Staff cost (including directors' emoluments)						
– Wages, salaries and other benefits	**2,244**	4,011	**–**	148	**2,184**	4,159
– Contributions to defined contribution retirement scheme	**40**	52	**–**	–	**40**	52
Operating lease charges for the leasing of property	**604**	2,465	**–**	–	**604**	2,465
Interest income	**(15,746)**	(1,095)	**–**	(1)	**(15,746)**	(1,096)
Net foreign exchange gain	**(173)**	(4,600)	**–**	(106)	**(173)**	(4,706)

6. INCOME TAX

	Six months ended 30 June					
	Continuing operations		**Discontinued operations**		**Consolidated**	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Restated)		(Restated)		(Restated)
Current tax						
– Hong Kong profits tax	**–**	141	**–**	–	**–**	141
– PRC Enterprise Income Tax	**22**	101	**–**	–	**22**	101
– Argentina Corporate Tax	**(7)**	–	**–**	–	**(7)**	–
Deferred taxation	**–**	–	**–**	–	**–**	–
	15	242	**–**	–	**15**	242

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profit arising in Hong Kong during the period. (2008: the provision of Hong Kong profits tax was calculated at 16.5% on the estimated assessable profit for the period.)

Provision for Foreign Enterprise Income Tax in the People's Republic of China ("PRC") has been calculated based on total operating expenses of the PRC representative office in accordance with the provisions of the Circular of the State Administration of Taxation Concerning the Related Matters about Reinforcing the Collection and Administration of Taxes of Permanent Establishments of Foreign Enterprises (Guo Shui Fa [1996] No. 165) and the Circular of the State Administration of Taxation Concerning the Related Matters about the Tax Administration of the Permanent Establishments of Foreign Enterprises (Guo Shui Fa [2003] No. 28, issued by the State of Administration of Taxation of the PRC on 13 September 1996 and 12 March 2003 respectively.

Argentina Corporate Tax is provided at 35% on the estimated assessable profit for the period.

The Company did not carry out any business in other jurisdictions other than stated above.

7. DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2009. (For the six months ended 30 June 2008: Nil).

8. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to the owners of the Company for the six months ended 30 June 2009 and 2008 is based on the following data:

Earnings/(loss)

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
		(Restated)
Profit/(loss) for the period attributable to owners of the Company		
– For continuing operations	**1,924**	(10,367)
– For discontinued operations	**–**	(4,394)
– For continuing and discontinued operations	**1,924**	(14,761)

Weighted average number of ordinary shares

	Six months ended 30 June	
	2009	2008
		(Restated)
Issued ordinary shares at 1 January	**781,971,030**	777,638,030
Effect of share options exercised	**–**	595,192
Effect of conversion of convertible note	**419,733,253**	–
Effect of consideration shares issued	**30,041,436**	–
Weighted average number of ordinary shares	**1,231,745,719**	778,233,222
Effect of deemed issue of shares under the Company's share option scheme for nil consideration	**–**	18,708,573
Effect of conversion of convertible notes	**155,650,619**	–
Weighted average number of ordinary shares (diluted) at 30 June	**1,387,396,338**	796,941,795

Diluted loss per share for the six months ended 30 June 2008 was the same as the basic loss per share as the potential ordinary shares outstanding during the period had an anti-dilutive effect on the basic loss per share for the period.

9. TRADE AND OTHER RECEIVABLES

Trade and other receivables comprise:

	As at 30 June 2009 *HK$'000*	As at 31 December 2008 *HK$'000*
Trade receivables	**3,109**	5,212
Other receivables	**28,907**	51,718
Loan and receivables	**32,016**	56,930
Prepayments and deposits	**509**	34,785
	32,525	91,715

All of the trade and other receivables are expected to be recovered within one year.

An ageing analysis of the Group's trade receivables as of the balance sheet date is as follows:

	As at 30 June 2009 *HK$'000*	As at 31 December 2008 *HK$'000*
Less than 90 days	**3,109**	5,212

Trade receivables are due within 90 days from the date of billing.

10. TRADE AND OTHER PAYABLES

Trade and other payables comprise:

	As at 30 June 2009 *HK$'000*	As at 31 December 2008 *HK$'000*
Trade payables *(note (a))*	**590**	2,504
Other payables and accruals	**5,013**	2,942
Amounts due to directors *(note (b))*	**267**	638
Financial liabilities measured at amortised cost	**5,870**	6,084

All of the trade and other payables (including amounts due to directors) are expected to be settled within one year or are repayable on demand.

Notes:

(a) The following is an ageing analysis of trade payables as at the balance sheet date:

	As at 30 June 2009 *HK$'000*	As at 31 December 2008 *HK$'000*
Less than 90 days	**590**	2,504

(b) The amounts are unsecured, interest free and repayable on demand.

11. COMMITMENTS

(a) Capital commitments

Capital commitments not provided for in the interim financial report are as follows:

	As at 30 June 2009 *HK$'000*	As at 31 December 2008 *HK$'000*
Contracted for		
– Investment cost of potential investment	**–**	2,045,400

In addition, as at 30 June 2009, the Group has the following obligations and commitments:

(i) An annual fee of AR$917,652 (equivalent to approximately HK$1,877,000) in relation to the exploration permits of the Concessions payable in advance to the government of Salta Province of Argentina;

(ii) To perform committed work units over Tartagal and Morillo license areas during the first 4-year exploration periods;

(iii) To indemnify the surface owners for any damages caused by the activities conducted by the Consortium; and

(iv) To take an environmental liability insurance in favour of the government of Salta Province of Argentina and/or third persons to cover any damage that the work may cause in the Tartagal and Morillo license areas.

(b) Commitments under operating leases

The Group had commitments for future minimum lease payments under non-cancellable operating leases payable as follows:

	As at 30 June 2009 *HK$'000*	As at 31 December 2008 *HK$'000*
Within one year	**713**	1,215
In the second to fifth year, inclusive	**–**	102
	713	1,317

The Group leases its office under an operating lease arrangement. The lease for properties is negotiated for a term of three years.

12. EVENTS AFTER THE BALANCE SHEET DATE

(a) On 4 August 2009, the Company made an application to the High Court of Hong Kong (the "Court") for interpleader relief for the purpose of seeking an order or direction from the Court concerning the allotment and issue of the second tranche consideration shares pursuant to the acquisition agreement for the Company's acquisition of the entire issued share capital of Jade Honest. First hearing in relation to the interpleader relief is fixed to be held on 23 September 2009.

(b) Up to the date of this report, convertible notes totalling HK$336,000,000 were converted into 1,050,000,000 ordinary shares of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OVERVIEW

For the six months ended 30 June 2009, the Group's turnover was HK$4,310,000 (for the six months ended 30 June 2008: HK$20,397,000) representing a decrease of 79%. During the period under review, the Group recorded a profit attributable to owners of the Company of approximately HK$1,924,000 as compared to a loss of HK$14,761,000 for the corresponding period in 2008. The profit was mainly resulted from a non-cash income from the initial recognised at fair value of promissory notes and share of profit from a jointly controlled entity.

REVIEW OF BUSINESS AND OUTLOOK

General trading business

Recovery of economy is very slowly and at a still uncertain pace in the first half of the year 2009. During the period under review, global financial environment remained weak as did in the Group's end market. Trading business amounted to HK$4,310,000 as a result of the global financial crisis and volatility of non-ferrous metal price (for the six months ended 30 June 2008: HK$20,397,000) with a gross profit of approximately HK$22,000 (for the six months ended 30 June 2008: HK$845,000).

During the period, a profit of approximately HK$1,906,000 was contributed from a jointly controlled entity which was mainly resulted from gain in foreign currency on an Australian dollar loan.

Oil field exploration and exploitation business

During the period under review, the Group has completed the acquisition of 100% shareholding in Jade Honest Limited, which is interested in the 100% of the entire issued share capital of High Luck Group Limited ("High Luck"). High Luck is the beneficiary and registered owner of a 60% interest in the exploration and potential exploitation permits granted by the Government of Argentina in Tartagal and Morillo blocks covering a surface area of approximately 7,065 km^2 and 3,518 km^2 respectively. High Luck entered into a Temporary Union of Enterprises (the "UTE") agreement with Maxipetrol – Petroleros de Occidente S.A. and JHP International Petroleum Engineering Limited and is responsible for the arrangement of the required capital commitment, human resources and equipment for the exploration and exploitation projects in Tartagal and Morillo. An exploration plan was agreed by members of the UTE. Airborne geophysical survey work and further 3D seismic survey for oil wells drilling will commence shortly. For the wells repaired in last year for due diligence purposes, the UTE shall install additional equipment to resume production as soon as possible.

FUTURE PROSPECTS

In 2009, international crude oil prices rose sharply from its lows and demands for oil products stopped falling and gradually went up, bouncing from the bottom of the fourth quarter last year. Consumption of petroleum and natural gas has been a global trend and for which there is a shortage of this irreplaceable form of energy. Hence, price for crude oil will rise in the future.

The Board believes that despite of the global financial crisis, natural resources will have its sustained demand. The Group's strategy is to focus on its business development not only on oil exploration and exploitation but also on businesses in other natural resources such as coal, non-ferrous and precious metal. The Group will keep on developing more new businesses in natural resources so as to capture new opportunities with potential in bringing strong returns to the shareholders of the Company in the long run.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

On 4 May 2009, the Company issued 93,750,000 new shares of HK$0.10 each and HK$1,832,400,000 convertible notes at a conversion price of HK$0.32 per share pursuant to the agreement of acquisition of 100% interest in Jade Honest Limited. Upon full conversion of all convertible notes, the number of ordinary shares will be increased by 5,726,250,000. As at 30 June 2009, HK$842,970,000 convertible notes were converted into 2,634,281,250 shares of the Company and the remaining principal of convertible notes was HK$989,430,000.

As at 30 June 2009, the total equity of the Group was approximately HK$2,288,168,000 (31 December 2008: HK$311,698,000) and the net asset value per share was approximately HK$0.65 (31 December 2008: HK$0.40). The debt ratio, calculated by total liabilities divided by total assets, was 1.71% as at 30 June 2009 (As at 31 December 2008: 1.93%).

As at 30 June 2009, working capital, calculated by deducting current liabilities from current assets, was approximately HK$106,883,000. (As at 31 December 2008: HK$239,686,000).

As at 30 June 2009, the balances of cash and cash equivalents of Group were approximately HK$80,315,000 (31 December 2008: HK$154,085,000) which were mainly denominated in Hong Kong dollars.

As at 30 June 2009, the gearing ratio, calculated on the basis of interest bearing borrowings to total equity, was 1.48% (31 December 2008: 0.01%).

CONTINGENT LIABILITY

As at 30 June 2009, the Group did not have any material contingent liabilities (31 December 2008: Nil).

CHARGES ON ASSETS

As at 30 June 2009, the Group had not charged any of its assets (31 December 2008: Nil).

CAPITAL INVESTMENTS AND COMMITMENTS

Details of the Company's capital commitments are set out in note 11 to the financial statements.

FOREIGN EXCHANGE AND INTEREST RATE EXPOSURE

Revenue and incurred costs of the Group are mainly denominated in Hong Kong Dollar and U.S. Dollar. Management of the Company will closely monitor the fluctuation in these currencies and take appropriate actions when needed. As at 30 June 2009, the Group does not currently have any hedging activities against its foreign exchange exposure nor does it adopt any formal hedging policies.

EMPLOYMENT, TRAINING AND REMUNERATION POLICY

As at 30 June 2009, the Group's operations engaged a total of about 18 staff and workers. The remuneration policy of the Group is 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. Benefits include 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.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period under review.

CODE OF CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors, the Company had complied with the Code Provisions on Corporate Governance (the "Code Provision(s)") as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2009 except for the following deviations:

Code Provision A.2.1

This code stipulates that the role of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

The Company does not at present have any office with the title "Chief Executive Officer".

Code provisions A.4.1

This code stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

The non-executive and independent non-executive directors of the Company are not appointed for a specific term but they are subject to retirement by rotation and re-election at the general meeting of the Company.

REVIEW BY INDEPENDENT AUDITOR

The 2009 interim report is unaudited, but have been reviewed by the Company's auditor, CCIF CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity" issued by the Hong Kong Institute of Certified Public Accountants.

AUDIT COMMITTEE

The 2009 interim report is unaudited, but has been reviewed by the Audit Committee which comprises of three independent non-executive directors of the Company, namely Mr. Chiu Wai On, Mr. Fung Chi Kin and Mr. Fung Siu To, Clement. The Audit Committee was established in accordance with the requirements of the Code, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls.

REMUNERATION COMMITTEE

The Remuneration Committee, comprising the three independent non-executive directors of the Company, namely Mr. Fung Chi Kin, Mr. Fung Siu To, Clement and Mr. Chiu Wai On. The committee is primarily responsible for reviewing and making recommendations to the Board on the remuneration packages of all executive directors and senior management.

MODEL CODE ON SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

By order of the Board
New Times Energy Corporation Limited
Cheng Kam Chiu, Stewart
Chairman

Hong Kong, 22 September 2009

As at the date of this announcement, the Board comprises nine Directors, of which two are executive Directors, namely Mr. Cheng Kam Chiu, Stewart and Mr. Cheng Chi Him; four non-executive Directors, namely Mr. Pei Cheng Ming, Michael, Mr. Wong Man Kong, Peter, Mr. Chan Chi Yuen and Mr. Tse On Kin; and three independent non-executive Directors, namely Mr. Fung Chi Kin, Mr. Fung Siu To, Clement and Mr. Chiu Wai On.

* *For identification purpose only*