NEW UNIVERSE INTERNATIONAL GROUP LIMITED

新宇國際實業(集團)有限公司*

(incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT ON MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO (1) THE PROPOSED OPEN OFFER TO QUALIFYING SHAREHOLDERS AND (2) LOAN CAPITALISATION, AND APPLICATION FOR WHITEWASH WAIVER TO MAKE A GENERAL OFFER

DESPATCH OF DOCUMENT

The Document containing further information on, amongst other things, the Open Offer, the Loan Capitalisation and the Whitewash Waiver, as well as the recommendation from the Independent Board Committee and the advice from First Shanghai as the independent financial adviser to the Independent Board Committee in relation to the Underwriting Agreement, the Open Offer, the Loan Capitalisation and the Whitewash Waiver, and the notice of the EGM was despatched to the Shareholders on 4th March, 2003.

The EGM is convened to be held on Thursday, 20th March, 2003 at 9:30 a.m. to seek approvals from the Independent Shareholders necessary for, inter alia, the Underwriting Agreement, the Open Offer, the Loan Capitalisation and the Whitewash Waiver by way of poll. Further announcement will be made by the Company regarding the results of the EGM and the despatch of the Prospectus Documents.

Reference is made to the announcement (the "Announcement") of the Company dated 11th February, 2003 in relation to the Underwriting Agreement, the Open Offer, the Loan Capitalisation and the Whitewash Waiver. Capitalised terms used herein shall have the same meanings as used in the Announcement unless otherwise defined.

DESPATCH OF DOCUMENT

The Board announces that a document (the "Document") containing further information on, amongst other things, the Open Offer, the Loan Capitalisation and the Whitewash Waiver, as well as the recommendation from the Independent Board Committee and the advice from First Shanghai as the independent financial adviser to the Independent Board Committee in relation to the Underwriting Agreement, the Open Offer, the Loan Capitalisation and the Whitewash Waiver, and the notice of the EGM was despatched to the Shareholders on 4th March, 2003.

PRO FORMA STATEMENT OF UNAUDITED ADJUSTED CONSOLIDATED NET TANGIBLE ASSET VALUE OF THE GROUP

The following is a pro forma statement of the unaudited adjusted consolidated net tangible assets of the Group following the completion of the Open Offer and the Loan Capitalisation. It is based on the audited consolidated financial statements of the Group as at 31st December, 2001 and the unaudited consolidated results of the Group for the nine months ended 30th September, 2002:

	HK$'000
Audited consolidated net tangible assets of the Group as at 31st December, 2001	43,583
Less: Unaudited consolidated loss after taxation and minority interests of the Group for the nine months ended 30th September, 2002	(16,413)
	27,170
Add: Capitalisation of the Remaining Shareholder's Loan pursuant to the Loan Capitalisation	10,000
Estimated net proceeds from the Open Offer	3,500
Unaudited pro forma adjusted consolidated net tangible assets of the Group immediately following the completion of the Open Offer and the Loan Capitalisation	40,670
Unaudited pro forma adjusted consolidated net tangible assets per Share prior to the completion of the Open Offer and the Loan Capitalisation based on 470,000,000 Shares in issue as at 28th February, 2003, being the latest practicable date prior to the printing of the Document for ascertaining certain information contained in the Document	HK$0.058 per Share
Unaudited pro forma adjusted consolidated net tangible assets per Share immediately following the completion of the Open Offer and the Loan Capitalisation (based on 764,000,000 Shares in issue upon completion of the Open Offer and the Loan Capitalisation as enlarged by the issue of (i) 94,000,000 Offer Shares; and (ii) 200,000,000 Subscription Shares)	HK$0.053 per Share

EGM

The EGM is convened to be held at Rooms 1802-1803, Telford House, 16 Wang Hoi Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 20th March, 2003 at 9:30 a.m. to seek approvals from the Independent Shareholders necessary for, inter alia, the Underwriting Agreement, the Open Offer, the Loan Capitalisation and the Whitewash Waiver by way of poll. Further announcement will be made by the Company regarding the results of the EGM and the despatch of the Prospectus Documents.

By Order of the Board
Hua Zhixiang
Chairman

Hong Kong, 4th March, 2003

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to NUEL) and confirm, having made all reasonable inquiries that, to the best of their knowledge, the opinions expressed in this announcement (other than the information relating to NUEL) have been arrived at after due and careful consideration and there are no other facts (other than the information relating to NUEL) not contained in this announcement, the omission of which would make any statement (other than the information relating to NUEL) in this announcement misleading.

The directors of NUEL jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Company or the Group), and confirm, having made all reasonable enquiries that, to the best of their knowledge, the opinions expressed in this announcement (other than the information relating to the Company or the Group) have been arrived at after due and careful consideration and there are no other facts (other than the information relating to the Company or the Group) not contained in this announcement, the omission of which would make any statement (other than the information relating to the Company or the Group) in this announcement misleading.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:—

(1) the information contained in this announcement (other than the information relating to NUEL) is accurate and complete in all material respects and not misleading;

(2) there are no other matters the omission of which would make any statement in this announcement (other than the information relating to NUEL) misleading; and

(3) all opinions expressed in this announcement (other than the information relating to NUEL) have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will appear and remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

* *For identification purpose only*