



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)

(Stock Code: 8068)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of New Universe International Group Limited (the “Company”) will be held at Rooms 2110-2112, Telford House, 16 Wang Hoi Road, Kowloon Bay, Kowloon, Hong Kong on Monday, 18 September 2006 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as special and ordinary resolutions:

ORDINARY RESOLUTION

- 1 “**THAT**, the entry into of the co-operative agreement between the Company and 鎮江市京口區人民政府 (The District Government of Jingkou, Zhenjiang City) and 江蘇省國營共青團農場 (State Owned Gongqingtuan Farm of Jiangsu Province) dated 18 July 2006 (the “Co-operation Agreement”) in relation to the investment in the docks project by the Company (the “Investment”), a copy of the Co-operation Agreement has been produced to the meeting marked “A” and signed by the chairman of the meeting for identification purposes, be and is hereby confirmed, ratified and approved and the investment contemplated therein, including but not limited to the acquisition of the land use rights of the parcel of vacant land situated at the 2,100 metres downstream of the intersection of Yangtze River and Hanjiang, northern part of the coastline of Yangtze River and western part of the planned Xinming Da Road, Xinmingzhou, Jingkou District, Zhenjiang City, Jiangsu Province, the People’s Republic of China for a consideration of not more than RMB73,500,000 and the construction of the docks infrastructure be and is hereby approved; and any one or more of the directors of the Company be and is hereby authorized to do all such acts and execute such documents as are necessary and appropriate to give effect and to implement the Investment and the matters contemplated under the Co-operative Agreement.”

SPECIAL RESOLUTION

- 2 “**THAT**, conditional upon: (i) the GEM Listing Committee granting approval of the listing of and permission to deal in the Adjusted Shares (as defined below); (ii) compliance with any condition which the Grand Court of the Cayman Islands (the “Court”) may impose; and (iii) the confirmation of the Capital Reduction (as defined below) by the Court and the registration by the Registrar of Companies in the Cayman Islands of a copy of the court order confirming the Capital Reduction (as defined below) and the minutes approved by the Court containing the particulars required under the Companies Law of the Cayman Islands:

- (A) all issued and unissued shares of HK\$0.05 each (“Shares”) in the capital of the Company be consolidated on the basis of every 10 Shares being consolidated into one share of HK\$0.50 (“Consolidated Share”) (the “Share Consolidation”) and any fractions of Consolidated Shares arising on the Share Consolidation shall not be allocated to the holders of Shares otherwise entitled thereto but such fractions shall be aggregated and sold for the benefit of the Company;
- (B) the issued share capital of the Company be and is hereby reduced from HK\$74,480,000 to HK\$1,489,600 on the basis of 148,960,000 Consolidated Shares in issue, by the cancellation of HK\$0.49 paid up capital on each issued Consolidated Share (the “Capital Reduction”) so that each issued share in the capital of the Company shall be treated as one fully paid up share of HK\$0.01 each in the capital of the Company (the “Adjusted Share”);
- (C) the share premium account of the Company be reduced by the amount of HK\$27,847,000, and the directors of the Company be and are hereby authorized to transfer the amount of approximately HK\$27,847,000 from the share premium account of the Company to the distribution reserve account of the Company and thereafter to apply such amount to set off against part of the accumulated loss of the Company;
- (D) the directors of the Company be and are hereby authorized to transfer the credit arising from the Capital Reduction in the amount of approximately HK\$72,990,400 to the distribution reserve account of the Company and thereafter to apply such amount to set off against part of accumulated loss of the Company;
- (E) the directors of the Company be and are hereby authorized to transfer the contributed surplus of the Company in the amount of HK\$58,078,000 as at 31 December 2005 to the distribution reserve account of the Company and thereafter to apply such amount to set off the remaining balance of the accumulated loss of the Company and to apply the remaining balance in the distribution reserve account for such use as permissible under the laws of Cayman Islands and the articles of association of the Company;
- (F) the 1,851,040,000 Consolidated Shares in the authorised and unissued share capital of the Company will be subdivided into 99,851,040,000 Adjusted Shares; and
- (G) any one or more of the directors of the Company be and is hereby authorized generally to do all things appropriate to effect and implement any of the matters in this Resolution.”

ORDINARY RESOLUTIONS

- 3 **“THAT**, conditional upon the passing of Resolutions Number 2 and 4 as set out in the notice convening this meeting (of which this Resolution forms part), the allotment and issue by way of a rights issue of 1,042,720,000 Adjusted Shares (the “Rights Shares”) to shareholders of the Company whose addresses are in Hong Kong as shown on the register of members of the Company as at the date by reference to which for determining

entitlements to participate in the rights issue (or such other date as New Universe Enterprises Limited (the “Underwriter”) may agree in writing with the Company) (the “Record Date”), other than shareholders whose names appear on the register of member of the Company as at the close of business on the Record Date but whose registered address in the register of members of the Company are in a place outside Hong Kong where, in the opinion of the directors of the Company, Rights Shares may not be offered without compliance with registration and/or other legal or regulatory requirements (the “Qualifying Shareholders”) (i) on the basis of seven Rights Share for every one Adjusted Share then held by the Qualifying Shareholders; and (ii) on and subject to the terms and conditions set out in a rights issue prospectus, the provisional allotment letter and the excess application forms for the Rights Shares (together the “Rights Issue Documents”) (the “Proposed Rights Issue”) and to be sent to the Qualifying Shareholders, such terms and conditions have been set out in a circular dated 25 August 2006 (the “Circular”), of which the notice convening this meeting form part, a copy of the Circular has been produced to the meeting marked “B” and signed by the Chairman of this meeting for the purpose of identification, be and is hereby approved and the directors of the Company be and are hereby authorized to issue and allot such Rights Shares and subject to the terms and conditions set out in the Rights Issue Documents.”

- 4 “**THAT**, conditional upon the passing of Resolutions Number 2 and 3 as set out in the notice convening this meeting (of which this Resolution forms part), the entry into of the underwriting agreement by the Underwriter and the Company dated 18 July 2006 (the “Underwriting Agreement”), in relation to the underwriting of 328,383,000 Rights Shares by the Underwriter on terms and conditions set out therein, a copy of the Underwriting Agreement has been produced to the meeting marked “C” and signed by the Chairman of this meeting for the purpose of identification, be and is hereby approved, confirmed and ratified and any one or more directors be and is hereby authorized to do all such acts and execute such documents as are necessary and appropriate to give effect and to implement the transactions contemplated under the Underwriting Agreement.”

SPECIAL RESOLUTION

- 5 “**THAT** the articles of association of the Company (the “Articles”) be altered in the following manner:
- (A) by inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange or” after the words “a show of hands unless” in the third sentence of Article 66; and by deleting the full stop at the end of Article 66(d) and replacing it with a semi-colon and inserting the word “or” after the semi-colon;
 - (B) by inserting the following wording after Article 66(d):
 - “(e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.”;

(C) by deleting the existing Article 68 in its entirety and substituting therefor the following:

“68 If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman shall be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”;

(D) by deleting the last sentence in the existing Article 86(3) and substituting therefor the following:

“86(3) Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at such general meeting.”;

(E) by deleting the term “special resolution” contained in the existing Article 86(5) and substituting therefor the term “ordinary resolution”;

(F) by substituting the existing article 87(1) with the following new article 87(1):

“(1) Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years.”;

(G) by deleting the existing Article 156 in its entirety and substituting it therefor with the following:

“156. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors may fill the vacancy and fix the remuneration of the auditor so appointed.””

By order of the Board
HON Wa Fai, Kenneth
Company Secretary

Hong Kong, 25 August 2006

Registered office:
Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681GT
George Town
Grand Cayman
British West Indies

*Head office and principal
place of business in Hong Kong:*
Rooms 2110-2112
Telford House
16 Wang Hoi Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxies to attend and to vote on a poll in his stead. On a poll, votes may be given either personally (or in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company's branch registrar in Hong Kong, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if shareholders so wish.

5. Pursuant to article 66 of the Articles of Association of the Company, a poll may be declared in relation to any resolution put to the vote of the meeting before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll:
- (a) by the chairman of the meeting; or
 - (b) by at least three shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
 - (c) by any shareholder or shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to attend and vote at the meeting; or
 - (d) by any shareholder or shareholders present in person or by a duly authorised corporate representative or by proxy having the right to attend and vote at the meeting, and in respect of whose shares, sums have been paid up in the aggregate equal to not less than one-tenth of the total sum paid up on all the shares having that right.
6. The resolutions numbered 3 and 4 will be conducted by way of poll.

Hong Kong, 25 August 2006

As at the date of this announcement, the Board comprises Mr. XI Yu, Ms. KUNG May Lan and Ms. CHEUNG Siu Ling as executive Directors and Dr. CHAN Yan Cheong, Mr. YUEN Kim Hung, Michael and Mr. HO Yau Hong, Alfred as independent non-executive Directors.

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 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 misleading; and*
- (3) all opinions expressed in this announcement 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.