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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)

PROGRESS OF THE CAPITAL REORGANISATION AND EXPECTED TIME TABLE FOR THE CAPITAL REORGANISATION AND THE RIGHTS ISSUE

Financial adviser to the Company



博大資本國際有限公司

Partners Capital International Limited

The Board is pleased to announce that the order for the Capital Reduction has been granted by the Cayman Islands Court on 8 December 2006. Upon registration by the Registrar of Companies in the Cayman Islands of a copy of the court order and the minutes containing the particulars required under the Companies Law, the Capital Reorganisation is expected to become effective on 18 December 2006.

Details of the expected timetable for the Capital Reorganisation and the Rights Issue is set out below.

Reference is made to the announcements of the Company dated 3 August 2006 and 25 August 2006 and the circular of the Company dated 25 August 2006 (the “Circular”). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Circular.

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EXPECTED TIMETABLE

The expected timetable for the Capital Reorganisation and the Rights Issue is set out below:

2006

Expected effective date of the Capital Reorganisation (<i>Note</i>)	Monday, 18 December
First day of free exchange of existing share certificates for new share certificates	Tuesday, 19 December
Closure of original counter for trading in Shares in board lot of 20,000	9:30 a.m. on Tuesday, 19 December
Establishment of temporary counter for trading in Adjusted Shares in board lot of 2,000	9:30 a.m. on Tuesday, 19 December
Last day of dealings in Shares on a cum-entitlement basis	Tuesday, 19 December
First day of dealings in Shares on an ex-entitlement basis	Wednesday, 20 December
Latest time and date for lodging transfers of Shares to qualify for the Rights Issue	4:00 p.m. on Thursday, 21 December
Register of members of the Company closes (both dates inclusive)	Friday, 22 December to Thursday, 28 December
Record Date	Thursday, 28 December
Despatch of the Prospectus Documents	Thursday, 28 December
Register of members re-opens	Friday, 29 December

First day of dealings in nil-paid Rights Shares	Tuesday, 2 January
Latest time for splitting nil-paid Rights Shares	4:00 p.m. on Thursday, 4 January
Original counter for trading in Adjusted Shares in board lot of 20,000 re-opens	9:30 a.m. on Friday, 5 January
Parallel trading commences	9:30 a.m. on Friday, 5 January
First day of operation of odd lot trading facility	Friday, 5 January
Last day of dealings in nil-paid Rights Shares	Tuesday, 9 January
Latest time for acceptance of, and payment for, the Rights Issue	4:00 p.m. on Friday, 12 January
Latest time for termination of the Underwriting Agreement	5:00 p.m. on Wednesday, 17 January
Expected time for all conditions to which the Rights Issue is subject are fulfilled and the Rights Issue becomes unconditional	5:00 p.m. on Wednesday, 17 January
Announcement of results of the Rights Issue appears on the Stock Exchange's website	Thursday, 18 January
Certificates for the Rights Shares to be dispatched on or before	Friday, 19 January
Despatch of refund cheques in respect of excess unsuccessful applications	Friday, 19 January
Dealings in fully-paid Rights Shares commence on	Tuesday, 23 January
Closure of temporary counter for trading in Adjusted Shares in board lot of 2,000	4:00 p.m. on Friday, 26 January
Parallel trading ends	4:00 p.m. on Friday, 26 January
Last day of operation of odd lot trading facility	Friday, 26 January
Last day of free exchange of existing share certificates for new share certificates	Wednesday, 31 January

Notes:

1. As there is a time difference between Hong Kong and the Cayman Islands, the timing for completion of the filing of the relevant registration documents by the Registrar of Companies in the Cayman Islands and the Capital Reorganisation becoming effective will be after 4:00 p.m. on 18 December 2006 (Hong Kong time).
2. All times in this announcement refer to Hong Kong time.

TRADING ARRANGEMENTS FOR ADJUSTED SHARES

The Shareholders may, on or after Tuesday, 19 December 2006 until Wednesday, 31 January 2007, submit existing share certificates in respect of the Shares by them to the Company's branch share registrar and transfer office in Hong Kong, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong to exchange at the expense of the Company, for the new share certificates for the Adjusted Shares. After the expiry of such period, existing share certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules) per existing certificate or new certificate, by reference to the higher number of certificates may be.

In order to distinguish between the existing and the new certificates, certificates for the Adjusted Shares will be yellow in colour, which is different from the existing certificates for the Shares, which are gold in colour. It is expected that new share certificates for the Adjusted Shares will be available for collection on or after the 10th business day from the date of submission of the existing share certificates for the Shares to the Company's branch share registrar and transfer office in Hong Kong at the above address.

Subject to the Capital Reorganisation becoming effective on 18 December 2006, the arrangement for trading in the Adjusted Shares will be as follows:

- (a) from 9:30 a.m. on Tuesday, 19 December 2006, the original counter for trading in Adjusted Shares in board lots of 20,000 will be temporarily closed;
- (b) with effect from 9:30 a.m. on Tuesday, 19 December 2006, a temporary counter for trading in Adjusted Shares in board lots of 2,000, in the form of existing share certificates for the Shares, will be opened;
- (c) with effect from 9:30 a.m. on Friday, 5 January 2007, the original counter will be reopened for trading in Adjusted Shares in board lots of 20,000;
- (d) during the period from 9:30 a.m. on Friday, 5 January 2007 to 4:00 p.m. on Friday, 26 January 2007 (both days inclusive), parallel trading will be permitted at the above two counters;
- (e) the temporary counter for trading in Adjusted Shares in board lots of 2,000, in the form of existing share certificates, will be removed after the close of trading at 4:00 p.m. on Friday, 26 January 2007 and thereafter the existing share certificates for existing Shares will not be acceptable for trading and settlement purposes but will continue to be good and valid evidence of legal title for registration purpose; and
- (f) with effect from 9:30 a.m. on Monday, 29 January 2007, trading will only be done in Adjusted Shares in board lots of 20,000, in the form of new share certificates for the Adjusted Shares.

Arrangements will also be made to ensure that the Adjusted Shares are acceptable as eligible securities by HKSCC for deposit, clearance and settlement in CCASS upon the Capital Reorganisation becoming effective.

ODD LOTS MATCHING SERVICE

In order to alleviate Shareholders' difficulty in dealing in odd lots that may arise as a result of the Capital Reorganisation, the Company has appointed Partners Capital Securities Limited to stand in the market to provide matching services on a best effort basis for the odd lots of Adjusted Shares during the period from Friday, 5 January 2007 to Friday, 26 January 2007 (both dates inclusive). Shareholders who wish to take advantage of this matching facility either to dispose of odd lots of Adjusted Shares or to top up to a board lot of 20,000 Adjusted Shares, may contact Mr. Harold Kwan of Partners Capital Securities Limited at Unit 3905, 39/F, COSCO Tower, 183 Queen's Road Central, Hong Kong and telephone number at 2157 5427.

Shareholders should note that the matching service is on a "best efforts" basis only and successful matching of the sale and purchase of odd lots of Adjusted Shares is not guaranteed and will depend on there being adequate amounts of odd lots of Adjusted Shares available for such matching.

By Order of the Board
New Universe International Group Limited
XI Yu
Chairman

Hong Kong, 11 December 2006

As at the date of this announcement, the Board comprises Mr. XI Yu, Ms. KUNG May Lan, Ms. CHEUNG Siu Ling and Mr. HON Wa Fai as executive Directors; Mr. SUEN Ki as non-executive Director 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.