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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)

**LETTER OF INTENT IN RELATION TO
THE ACQUISITION OF AN ENVIRONMENTAL ELECTROPLATING
RECYCLING PROJECT**

The Board announces that the Company has entered into the Letter of Intent with an Independent Third Party in relation to the proposed acquisition of not less than the controlling equity interest in an environmental electroplating recycling project. Within 20 days of the signing of the Letter of Intent, an amount of HK\$5 million will be paid to the Independent Third Party as earnest money, which will be refunded to the Company within 5 days upon termination of the Letter of Intent.

The Proposed Acquisition is subject to conditions, including among others, the completion of a due diligence review and the finalisation of the legal documentation. **Shareholders and investors should exercise caution in dealing in the shares of the Company as the Proposed Acquisition is subject to fulfillment of conditions and may or may not proceed.**

The board (“Board”) of directors of New Universe International Group Limited (the “Company”) announces that on 15 October 2007, the Company has entered into a letter of intent (the “Letter of Intent”) with a third party (the “Independent Third Party”) independent of and not connected with the connected persons of the Company (within the meaning of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited) in relation to the acquisition of the entire or a majority of the equity interest of two wholly foreign owned enterprises (the “WFOEs”) established in Zhenjiang City and Danyang City in the People’s Republic of China to engage in the business of environmental electroplating recycling, including but not limited to environmental treatment of electroplating waste water and residue and recycling of metallic substance and resources (the “Project”) (the “Proposed Acquisition”).

The Proposed Acquisition is subject to conditions, including among others:

- (a) the completion of due diligence review of the affairs of the WFOEs and the Project to the satisfaction of the Company during a period of six months commencing from the date of the Letter of Intent (or such longer period as the parties may agree) (the “Due Diligence Review Period”); and

(b) finalisation of the legal documentation for the Proposed Acquisition.

During the Due Diligence Review Period, the Company has the exclusive right to negotiate with the Independent Third Party in respect of the Proposed Acquisition.

The Company shall inform the Independent Third Party as to whether or not the Company will proceed with the Proposed Acquisition in writing within seven days of the end of the Due Diligence Review Period (“Written Notice”).

Within 20 days of the signing of the Letter of Intent, an amount of HK\$5 million will be paid to the Independent Third Party as earnest money (to be combined as part of the consideration of the Proposed Acquisition), which will be refunded to the Company within 5 days upon termination of the Letter of Intent together with interest at an annual rate of 7%. The Letter of Intent will be terminated on the earlier of: (i) notice to the Independent Third Party is given by the Company that it will not proceed with the Proposed Acquisition during the Due Diligence Review Period; or (ii) no Written Notice is given by the Company to the Independent Third Party within seven days after the end of the Due Diligence Review Period.

Shareholders and investors should exercise caution in dealing in the shares of the Company as the Proposed Acquisition is subject to fulfillment of conditions and may or may not proceed.

By Order of the Board
New Universe International Group Limited
CHEUNG Siu Ling
Director

Hong Kong, 15 October 2007

As at the date of this announcement, the Board comprises Mr. XI Yu, 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.