寰宇國際控股有限公司*

# UNIVERSE INTERNATIONAL HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

## PROFIT WARNING

The directors of the Company expect that the Company will record an operating loss for the year ended 30 June 2003.

**Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.**

This announcement is made pursuant to paragraph 2 of the Listing Agreement.

The board of directors of Universe International Holdings Limited (the "Company", which together with its subsidiaries are collectively referred to as the "Group") wishes to inform the shareholders of the Company and investors that due to additional provision required to be made on certain film rights and reduction in turnover as a result of poor operating environment in the film industry, in particular, after the outbreak of Severe Acute Respiratory Syndrome in the second quarter of this year, the directors of the Company expect that the Group will record an operating loss for the year ended 30 June 2003. It is expected that the operating loss of the Group for the year ended 30 June 2003 will not have material adverse impact on the business operation of the Group as a whole. For information only, the audited profit attributable to shareholders of the Company for the year ended 30 June 2002 was approximately HK$10 million.

The Company is presently unable to quantify precisely the extent of the losses for the year. The Company intends to release its audited annual results for the year ended 30 June 2003, which will contain further details of these losses, by the end of October 2003, being the latest time required for the release of the annual results of the Company for the year ended 30 June 2003.

**Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.**

By order of the board
**Lam Shiu Ming, Daneil**
*Chairman*

Hong Kong, 7 August 2003

* *For identification purposes only*

Please also refer to the published version of this announcement in the International Herald Tribune.