



The Board of Directors of Universe International Holdings Limited (the "Company") announces the unaudited condensed consolidated profit and loss account and cash flow statement of the Company and its subsidiaries (the "Group") for the six months ended 31st December 2000, and the unaudited condensed consolidated balance sheet as at 31st December 2000 as follows:—

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Note	Unaudited six months ended 31st December	
		2000 HK\$'000	1999 HK\$'000
Turnover	2	144,769	115,730
Cost of sales		(96,926)	(75,193)
Gross profit		47,843	40,537
Other revenue		712	1,798
Other operating income		4,141	2,208
Selling expenses		(3,477)	(3,369)
Administrative expenses		(16,126)	(11,006)
Other operating expenses		(1,251)	(1,297)
Operating profit	3	31,842	28,871
Finance costs		(3,577)	(819)
Profit before taxation		28,265	28,052
Taxation	4(a)	(4,240)	(4,446)
Profit attributable to shareholders		24,025	23,606
Basic earnings per share (cents)	5(a)	2.54	2.71
Fully diluted earnings per share (cents)	5(b)	2.32	N/A



CONDENSED CONSOLIDATED BALANCE SHEET

		Unaudited	
		31st December	30th June
		2000	2000
	<i>Note</i>	HK\$'000	HK\$'000
Fixed assets		132,322	137,019
Film rights		9,180	4,880
Current assets			
Film rights		153,341	110,740
Inventories		23,460	15,069
Accounts receivable	6	30,718	31,733
Deposits and prepayments		7,823	4,197
Pledged bank deposit		6,000	4,000
Bank balances and cash		21,808	15,054
		243,150	180,793
Current liabilities			
Accounts payable and bills payable	7	10,879	10,761
Other payables and accrued charges		24,481	24,303
Due to ultimate holding company		219	220
Obligations under hire purchase contracts	8	11,550	10,704
Taxation	4(b)	5,148	7,554
Proposed dividends		5,670	5,670
Secured bank loans and overdrafts	8	7,075	14,985
		65,022	74,197
Net current assets		178,128	106,596
		319,630	248,495
Financed by:			
Share Capital	9	18,900	18,900
Reserves	10	200,714	176,689
		219,614	195,589
Long-term liabilities	8	97,993	50,883
Deferred taxation		2,023	2,023
		319,630	248,495



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Unaudited
Six months ended
31st December 2000
HK\$'000

Net cash outflow from operating activities	(10,003)
Returns on investments and servicing of finance	
Interest received	712
Interest paid	<u>(3,578)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(2,866)</u>
Taxation	
Hong Kong profits tax paid	(6,645)
Investing activities	
Purchase of fixed assets	(7,558)
Purchase of film rights - non-current portion	(5,380)
Proceeds from disposals of fixed assets	<u>97</u>
Net cash outflow from investing activities	<u>(12,841)</u>
Net cash outflow before financing	(32,355)
Financing	
New bank loans raised	3,288
Convertible notes raised	54,110
Payment of capital element of hire purchase contracts	(5,255)
Payment of bank loans	<u>(12,624)</u>
Net cash inflow from financing	<u>39,519</u>
Increase in cash and cash equivalents	7,164
Cash and cash equivalents at 30th June 2000	<u>14,403</u>
Cash and cash equivalents at 31st December 2000	<u><u>21,567</u></u>
Analysis of balances of cash and cash equivalents:	
Bank balances and cash	21,808
Bank overdrafts	<u>(241)</u>
	<u><u>21,567</u></u>