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IIN INTERNATIONAL LIMITED

國訊國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8128)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

SUMMARY

The Placing

On 14 May 2007, the Company entered into the Placing Agreement with the Placing Agent. Pursuant to the Placing Agreement, the Company has conditionally agreed to place an aggregate of 325,600,000 Placing Shares, through the Placing Agent, on a best endeavour basis, to not fewer than six places at a price of HK\$0.095 per Placing Share.

The Placing Shares represent approximately 20% of the existing issued share capital of the Company and approximately 16.67% of the Company's enlarged issued share capital immediately after completion of the Placing.

The Placing Price of HK\$0.095 represents (i) a discount of approximately 18.8% to the closing price of the Shares of HK\$0.117 as quoted on the Stock Exchange on 14 May 2007; and (ii) a discount of approximately 18.7% to the average closing price per Share of HK\$0.1168 as quoted on the Stock Exchange for the last five trading days immediately before and including 14 May 2007.

The gross proceeds from the Placing will be approximately HK\$30.9 million and the net proceeds after deducting the related placing fee, professional fees and all other related expenses incurred in connection with the Placing, which will be borne by the Company, are expected to be approximately HK\$30 million, representing a net Placing Price of approximately HK\$0.092 per Placing Share. The Company intends to apply the net proceeds for general working capital purpose.

* *For identification purpose only*

The Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Placing is conditional upon the Stock Exchange granting the listing of and permission to deal in the Placing Shares.

THE PLACING AGREEMENT

Date

14 May 2007

Issuer

The Company

Placing Agent

The Placing Agent has been appointed to place the Placing Shares on a best endeavour basis and will receive a placing commission of 1.5% on the gross proceeds of the Placing, which was arrived at after arm's length negotiations between the Company and the Placing Agent.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placee

It is expected that the Placing Shares will be placed to not less than six placees (being independent individual, corporate and/or institutional investors), and who and whose ultimate beneficial owners will be Independent Third Parties. It is expected that none of the placees will become a Substantial Shareholder of the Company immediately after the Placing.

Number of Placing Shares

325,600,000 new Shares representing approximately 20% of the existing issued share capital of the Company and approximately 16.67% of the Company's enlarged issued share capital immediately after completion of the Placing.

Placing Price

The Placing Price of HK\$0.095 per Placing Share represents:

- (i) a discount of approximately 18.8% to the closing price of the Shares of HK\$0.117 as quoted on the Stock Exchange on 14 May 2007; and
- (ii) a discount of approximately 18.7% to the average closing price per Share of HK\$0.1168 as quoted on the Stock Exchange for the last five consecutive trading days immediately before and including 14 May 2007.

The Placing Price was negotiated and determined on an arm's length basis between the Company and the Placing Agent with reference to the closing prices as shown above. Given the size of the Placing Shares involved (which represent approximately 20% of the existing Shares in issue) and the relative discount to the closing price as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 14 May 2007, the Directors consider that the terms of the Placing are fair and reasonable and in the interests of the Company and Shareholders as a whole.

Ranking of the Placing Shares

The Placing Shares, when fully paid and issued, will rank pari passu in all respects among themselves and with all other Shares in issue as at the date of allotment and issue.

Mandate to issue the Placing Shares

The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the Company's annual general meeting held on 7 February 2007 to allot, issue and deal with securities in the Company up to a total of 325,632,094 Shares (and no part of such general mandate has been exercised by the Directors since 7 February 2007).

Condition of the Placing

The Placing is conditional upon the Stock Exchange granting the listing of and the permission to deal in the Placing Shares.

In the event of the condition above is not fulfilled on or prior to 15 June 2007 (or such later date and time as may be agreed between the Company and the Placing Agent), the Placing Agreement shall terminate and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Placing Agreement).

Completion of the Placing

Completion of the Placing is expected to take place on the second Business Day following the fulfillment of the condition set out in the section headed “Condition of the Placing” above (or such other date and time as the Company and the Placing Agent shall agree).

APPLICATION FOR LISTING OF THE PLACING SHARES

Application will be made by the Company to the Stock Exchange for the granting of the listing of and permission to deal in the Placing Shares.

CHANGES IN SHAREHOLDING INTERESTS OF THE COMPANY

The shareholding interests of the Company as at the date of this announcement and immediately after the completion of the Placing (assuming there is no other change of shareholdings after the date of this announcement) are as follows:

Name of the Shareholders	Existing		Number of Shares	
	Number of Shares	%	immediately after the completion of the Placing	%
Mr. Wu Shu Min (<i>Note</i>)	141,023,000	8.66	141,023,000	7.22
The Placees	–	–	325,600,000	16.67
Public	1,487,137,470	91.34	1,487,137,470	76.12

Note: Mr. Wu Shu Min is the Director of the Company.

REASONS FOR THE PLACING AND USE OF NET PROCEEDS FROM THE PLACING

The Company is a limited liability company incorporated in Cayman Islands. The Company is a network solution provider in the PRC which principal activity is the provision of network solutions to the PRC telecommunications service providers.

The Board has been looking for opportunity to raise funds and believes that taking into account of the current market conditions, the Placing is a good opportunity to raise capital for the Group while strengthening the capital base of the Group.

The gross proceeds from the Placing will be approximately HK\$30.9 million and the net proceeds after deducting the related placing fee, professional fees and all other related expenses incurred in connection with the Placing, which will be borne by the Company, are expected to be approximately HK\$30 million, representing a net Placing Price of approximately HK\$0.092 per Placing Share. The Company intends to apply the net proceeds for general working capital purpose.

FUNDS RAISED BY THE COMPANY DURING THE PAST TWELVE MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

The Company had not conducted any fund raising exercise during the past twelve months immediately preceding the date of this announcement.

Definitions

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Business Day”	any day (excluding a Saturday) on which banks generally are open for business in Hong Kong
“Company”	IIN International Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM of the Stock Exchange
“Connected Person”	has the meaning attributed to it in the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party (Parties)”	third parties independent of the Company and Connected Persons of the Company
“Placing”	the placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement
“Placing Agent”	Quam Securities Company Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 4 (advising on securities) regulated activities under the SFO;
“Placing Agreement”	a conditional placing agreement entered into between the Placing Agent and the Company dated 14 May 2007

“Placing Price”	HK\$0.095 per Placing Share
“Placing Share(s)”	325,600,000 new Shares to be placed under the Placing
“PRC”	the People’s Republic of China
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Substantial Shareholder”	has the meaning attributed to it in the GEM Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Wu Shu Min and Mr. Xu Zhi Feng as executive Directors, Mr. Yukihiko Izutsu as non-executive Director, Mr. Liu Yang, Mr. Li Junlin and Mr. Jin Dunshen as independent non-executive Directors.

By order of the board of Directors
IIN International Limited
Wu Shu Min
Chairman

Hong Kong, 14 May 2007

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 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.