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V.S. INTERNATIONAL GROUP LIMITED

威 鉞 國 際 集 團 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(stock code: 1002)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a substantial increase in its loss for the year ended 31 July 2011 as compared to that of the Group for the year ended 31 July 2010.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by V.S. International Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules of Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors of the Company (the “**Board**”) wishes to inform its shareholders and potential investors that the Group is expected to record a substantial increase in its loss for the year ended 31 July 2011 as compared to that of the Group for the year ended 31 July 2010.

The increase in the level of losses was mainly attributable to the substantial increase in the cost of sales and administrative expenses incurred by the Group during the year ended 31 July 2011. The increase in the cost of sales and administrative expenses was, in turn, contributed by a number of factors, which include, among others, increase in raw material costs, labour costs and reversal of prior year deferred tax benefit.

The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the consolidated management accounts of the Group, and such information has not been audited or reviewed by the Company’s auditors and there may be further adjustments during the audit process.

Further details of the Group's performance will be disclosed when the final audited results of the Group for the year ended 31 July 2011 is announced.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
V.S. International Group Limited
Beh Kim Ling
Chairman

Zhuhai, the People's Republic of China, 7 September 2011

As at the date of this announcement, the Board comprises the following members:

Executive directors:

Mr. Beh Kim Ling
Mr. Gan Sem Yam
Madam Gan Chu Cheng
Mr. Zhang Pei Yu
Mr. Yeoh Ek Boon

Independent non-executive directors:

Mr. Diong Tai Pew
Mr. Lee Soo Gee
Mr. Tang Sim Cheow

Non-executive director:

Mr. Gan Tiong Sia