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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)

**RIGHTS ISSUE OF 288,992,000 RIGHTS SHARES AT HK\$0.12 EACH
IN THE PROPORTION OF
ONE RIGHTS SHARE FOR EVERY THREE SHARES HELD
WITH BONUS WARRANTS ON THE BASIS OF
ONE WARRANT FOR EVERY TWO RIGHTS SHARES
TO THE QUALIFYING SHAREHOLDERS ONLY**

The Board is pleased to announce that valid acceptances and excess applications have been received for a total of 1,500,080,821 Rights Shares as at 4:00 p.m. (Hong Kong time) on 4 March 2011 (being the Latest Acceptance Time), comprising (i) 51 valid acceptances of provisional allotments in respect of 253,916,001 Rights Shares made under the Rights Issue; and (ii) 54 valid excess applications for 1,246,164,820 Rights Shares. The aggregate number of Rights Shares accepted and excess Rights Shares applied for represents approximately 519.07% of the total number of 288,992,000 Rights Shares available for subscription under the Rights Issue. The Rights Issue was over-subscribed by 1,211,088,821 Rights Shares (representing approximately 419.07% of the total number of 288,992,000 Rights Shares).

As the Rights Issue was over-subscribed, the obligations of the Underwriter under the Underwriting Agreement have been or are regarded to have been fully discharged. The Rights Issue became unconditional at 4:00 p.m. (Hong Kong time) on 8 March 2011.

Certificates for the fully-paid Rights Shares and the Bonus Warrants will be posted by ordinary post by Computershare Hong Kong Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, to those entitled thereto at their own risk to their registered addresses on or before 14 March 2011.

Dealings in the Rights Shares and the Bonus Warrants will commence at 9:00 a.m. on 16 March 2011.

Reference is made to the prospectus of the Company dated 18 February 2011 (the "Prospectus") in relation to the Rights Issue of 288,992,000 Rights Shares of HK\$0.05 each at HK\$0.12 per Rights

Share in the proportion of one Rights Share for every three Shares held on the Record Date, with Bonus Warrants in the proportion of one Bonus Warrant for every two Rights Shares. Terms used herein shall have the same meanings as those defined in the Prospectus unless otherwise expressly stated or the context otherwise requires.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that valid acceptances and excess applications have been received for a total of 1,500,080,821 Rights Shares as at 4:00 p.m. (Hong Kong time) on 4 March 2011 (being the Latest Acceptance Time), comprising (i) 51 valid acceptances of provisional allotments in respect of 253,916,001 Rights Shares made under the Rights Issue; and (ii) 54 valid excess applications for 1,246,164,820 Rights Shares. The aggregate number of Rights Shares accepted and excess Rights Shares applied for represents approximately 519.07% of the total number of 288,992,000 Rights Shares available for subscription under the Rights Issue. The Rights Issue was over-subscribed by 1,211,088,821 Rights Shares (representing approximately 419.07% of the total number of 288,992,000 Rights Shares).

As the Rights Issue was over-subscribed, the obligations of the Underwriter under the Underwriting Agreement have been or are regarded to have been fully discharged. The Rights Issue became unconditional at 4:00 p.m. (Hong Kong time) on 8 March 2011.

EXCESS APPLICATION

Regarding the 54 valid applications for the Rights Shares under excess application, the Directors had resolved to allot, from among the 35,075,999 Rights Shares not applied for under provisional allotment, to the applicants in the following manner:

- (i) in relation to 96,817 Rights Shares, such Rights Shares have been allocated to applicants whom appeared to the Directors that they applied to round up odd-lot holdings to whole-lot holdings; and
- (ii) in relation to the remaining Rights Shares, such Rights Shares have been allocated to applicants in proportion to the number of excess Rights Shares being applied by them.

The Directors consider that the allocation of the excess Rights Shares is on a fair and reasonable basis.

VSB and the Committed Shareholders have applied for the excess Rights Shares pursuant to the VSB Undertaking and the Committed Shareholders Undertaking respectively, and that they did not receive any preferential treatment by the Company in allocating the excess Rights Shares.

ISSUE OF BONUS WARRANTS

Upon completion of and in connection with the Rights Issue, up to an aggregate of 144,496,000 Bonus Warrants will be issued to the first registered holders of the Rights Shares on the basis of one Bonus Warrant for every two Rights Shares taken up.

GENERAL

Certificates for the fully-paid Rights Shares and the Bonus Warrants will be posted by ordinary post by Computershare Hong Kong Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, to those entitled thereto at their own risk to their registered addresses on or before 14 March 2011.

It is expected that refund cheques in respect of unsuccessful or partially unsuccessful excess applications for excess Rights Shares will be despatched by ordinary post to those entitled thereto, without interest, at their own risk to their registered addresses on or before 14 March 2011.

Dealings in the Rights Shares and the Bonus Warrants will commence at 9:00 a.m. on 16 March 2011.

By order of the Board
V.S. INTERNATIONAL GROUP LIMITED
Beh Kim Ling
Chairman

Zhuhai, the PRC, 11 March 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