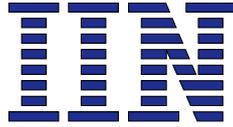


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IIN INTERNATIONAL LIMITED

國訊國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8128)

PLACING OF NEW SHARES AND RESUMPTION OF TRADING

Placing Agent



Quam Securities Company Limited

The Board is pleased to announce that the Company and the Placing Agent entered into the Placing Agreement on 5 June 2007 pursuant to which the Placing Agent has agreed to place, on a best effort basis, initially a total of 700,000,000 new Shares (before the exercise of the Over-Allotment Option) at the Placing Price of HK\$0.12 per Placing Share. Under the Placing Agreement, the Company has also granted the Placing Agent the Over-Allotment Option pursuant to which the Placing Agent may require the Company to issue up to an additional 300,000,000 new Shares at the Placing Price.

The initial 700,000,000 Placing Shares represent approximately 35.83% of the Company's existing issued share capital, approximately 26.38% of the issued share capital of the Company as enlarged by the issue of the initial 700,000,000 Placing Shares (before the exercise of the Over-Allotment Option) and approximately 23.70% of the issued share capital of the Company as enlarged by the issue of the initial 700,000,000 Placing Shares and the 300,000,000 Placing Shares issued upon the exercise of the Over-Allotment Option. If the Over-Allotment Option is exercised in full by the Placing Agent, the total 300,000,000 Placing Shares represent approximately 15.36% of the Company's existing issued share capital and approximately 10.16% of the issued share capital of the Company as enlarged by the issue of the initial 700,000,000 Placing Shares and the 300,000,000 Placing Shares issued upon the exercise of the Over-allotment Option.

The net proceeds from the Placing (amounting to approximately HK\$82.36 million (assuming the full placing of the initial 700,000,000 Shares but before the exercise of the Over-Allotment Option) and approximately HK\$118.0 million (assuming the full placing of the initial 700,000,000 Shares and the full exercise of the Over-Allotment Option)) are intended to be used as to approximately HK\$80 million for the development of the existing business of the Group and the remaining balance for the general working capital. The Placing Agreement is on a best effort basis and also subject to certain termination events as set out below.

* *For identification purposes only*

The EGM will be convened and held for the purpose of considering and, if thought fit, approve, the proposed increase of authorised share capital, the Placing Agreement and the grant of a special mandate to satisfy the allotment and issue of the Placing Shares. A circular of the Company containing, amongst other, details of the Placing Agreement, together with a notice convening the EGM will be dispatched to the Shareholders as soon as practicable.

Trading in the Shares has been suspended on the Stock Exchange with effect from 9:30 a.m. on 6 June 2007 at the request of the Company pending the release of this announcement. Application has been made for trading in the Shares to be resumed at 9:30 a.m. on 7 June 2007.

PLACING AGREEMENT:

Date

5 June 2007

Issuer

The Company

Placing agent

The Placing Agent and its ultimate controlling beneficial owners are third parties independent of the Company and the connected persons (as defined under the GEM Listing Rules) of the Company.

Number of Shares to be placed

Initially a total of 700,000,000 new Shares (before the exercise of the Over-Allotment Option), representing approximately 35.83% of the existing issued share capital of the Company, approximately 26.38% of the issued share capital of the Company as enlarged by the issue of 700,000,000 Placing Shares (before the exercise of the Over-Allotment Option) and approximately 23.70% of the issued share capital of the Company as enlarged by the issue of the initial 700,000,000 Placing Shares and the 300,000,000 Placing Shares issued upon the exercise of the Over-Allotment Option, will be placed by the Placing Agent on a best effort basis.

Over-Allotment Option

Pursuant to the Placing Agreement, the Company has also granted the Over-Allotment Option to the Placing Agent, exercisable from the date of the Placing Agreement up to the 40th day following the date on which the Placing Agreement has become unconditional, pursuant to which the Placing Agent may require the Company to issue up to an additional 300,000,000 new Shares, representing approximately 15.36% of the existing issued share capital of the Company and approximately 10.16% of the issued share capital of the Company as enlarged by the issue of the initial 700,000,000 Placing Shares and the 300,000,000 Placing

Shares issued upon the exercise of the Over-Allotment Option, at the Placing Price. The Over-Allotment Option may be exercised by the Placing Agent in whole or in part from time to time.

Further announcement will be made if the Over-Allotment Option is exercised.

Placees

To the best knowledge of the Directors, the Placing Shares will be placed to, subject to the fulfillment of the conditions of the Placing and even if the Over-Allotment Option is not being exercised, not fewer than six professional, institutional and/or private investors, all of whom and their respective ultimate controlling shareholders will be third parties independent of the Company and the connected persons (as defined under the GEM Listing Rules) of the Company. The Company also understands from the Placing Agent that the Placing Agent will use its best endeavours to ensure that none of the placees procured by it to subscribe for the Placing Shares shall hold 10% or more of the total issued share capital of the Company (as enlarged by the Placing) or become a substantial shareholder of the Company immediately after Completion.

Placing Price

HK\$0.12 per Placing Share.

The Placing Price represents:

- (i) a discount of approximately 48.72% to the trading price of HK\$0.234 per Share as quoted on the Stock Exchange on the last trading day immediately before the date of this announcement (i.e. 5 June 2007);
- (ii) a discount of approximately 51.69% to the average closing price of HK\$0.2484 per Share for the 5 trading days ended on 5 June 2007;
- (iii) a discount of approximately 44.93% to the average closing price of HK\$0.2179 per Share for the 10 trading days ended on 5 June 2007; and
- (iv) a premium of approximately 6% to the average closing price of HK\$0.1132 per Share for the 3 months ended on 5 June 2007.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the average closing price of 3 months immediately before the date of this announcement and the Board considers the terms of the Placing Agreement to be fair and reasonable.

Placing Fee

Subject to Completion, a placing fee of 1.0% of the aggregate consideration for the Placing Shares will be payable to the Placing Agent.

SPECIAL MANDATE

The proposed maximum number of 1,000,000,000 Placing Shares will be issued under the special mandate to be sought from the Shareholders at the EGM.

RANKING OF THE PLACING SHARES

The Placing Shares, when fully-paid and issued, will rank pari passu in all respects with the issued Shares and will receive all dividends and distributions declared, made or paid on or after the date of allotment.

CONDITIONS OF THE PLACING

Completion is conditional upon the following:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Placing Shares;
- (ii) the Shareholders having approved the increase of authorised share capital of the Company from US\$20,000,000 divided into 2,000,000,000 Shares to US\$50,000,000 divided into 5,000,000,000 Shares; and
- (iii) the Shareholders having approved the Placing Agreement and the transactions contemplated thereunder (including the grant of the special mandate).

If the conditions are not fulfilled on or before the 70th day after the date of the Placing Agreement (or such other date as the Company and the Placing Agent may mutually agree), the obligations and liabilities of the Company and the Placing Agent under the Placing Agreement shall be null and void and the Company and the Placing Agent shall be released from all rights and obligations pursuant to the Placing Agreement.

TERMINATION EVENTS

The obligation of the Placing Agent to procure places to subscribe for the Placing Shares is on a best effort basis. In addition, the Placing Agreement contains provisions granting the Placing Agent the right to terminate its placing obligations by notice to the Company at any time prior to Completion on the occurrence of certain events including force majeure, any material adverse change in the trading, business or financial condition of the Company or its subsidiaries taken as a whole, any material disruption in securities trading in Hong Kong or any event which would have rendered the representations and warranties in the Placing Agreement untrue or inaccurate so to prejudice the Placing.

If the Placing Agent exercises such right to terminate the Placing, the Placing will not proceed and further announcement will be made by the Company.

COMPLETION OF THE PLACING

Completion of the Placing of the initial 700,000,000 Placing Shares is expected to take place on the fourth Business Day after the conditions of the Placing have been fulfilled.

Completion of the Placing of the additional 300,000,000 Placing Shares pursuant to the Over-Allotment Option is expected to take place on the fourth Business Day after the date of the notice of the exercise of the Over- Allotment Option issued by the Placing Agent.

REASONS FOR THE PLACING AND THE USE OF PROCEEDS

The Group 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 considers that the Placing would enlarge the shareholders base of the Company and strengthen the Group's financial position. The Board considers the Placing is in the interest of the Company and the Shareholders as a whole. The gross proceeds from the Placing (assuming the full placing of the initial 700,000,000 Shares but before the exercise of the Over-Allotment Option) will amount to HK\$84 million. The gross proceeds from the Placing (assuming the full placing of the initial 700,000,000 Shares and the full exercise of the Over-Allotment Option) will amount to HK\$120 million. The net proceeds from the Placing (amounting to approximately HK\$82.36 million (equivalent to a net issue price of approximately HK\$0.1177 per Placing Share) (assuming the full placing of the initial 700,000,000 Shares but before the exercise of the Over-Allotment Option) or approximately HK\$118.0 million (equivalent to a net issue price of approximately HK\$0.118 per Placing Share) (assuming the full placing of the initial 700,000,000 Shares and the full exercise of the Over-Allotment Option) are intended to be used as to approximately HK\$80 million for the development of the existing business of the Group and the remaining balance for the general working capital.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE-MONTH PERIOD

Date of announcement	Event	Discount/ premium to the market price	Net proceeds (approximate)	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
14 May 2007	Placing of 325,600,000 new Shares by the Placing Agent	The placing price of HK\$0.095 represented 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	HK\$30 million	General working capital	approximately HK\$4 million has been used as general working capital, the remaining approximately HK\$26 million has been deposited in banks

EFFECT ON THE SHAREHOLDING STRUCTURE

The shareholding structure of the Company as at the date of this announcement and the shareholding structure of the Company upon issue of the Placing Shares are set out below:

Name of Shareholders	As at the date of this Announcement		Immediately after initial Placing of 700,000,000 Shares		Immediately after initial Placing of 700,000,000 Shares and exercise of Over-Allotment Option in full	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Wu Shu Min (Note 1)	141,023,000	7.22%	141,023,000	5.31%	141,023,000	4.77%
The Places	0	0%	700,000,000	26.38%	1,000,000,000	33.86%
Other Public Shareholders	1,812,737,470	92.78%	1,812,737,470	68.31%	1,812,737,470	61.37%
Total	1,953,760,470	100.00%	2,653,760,470	100.00%	2,953,760,470	100.00%

Note 1: Mr. Wu Shu Min is the Director of the Company

APPLICATION FOR LISTING

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

GENERAL INFORMATION

The EGM will be convened and held for the purpose of considering and, if thought fit, approve, the proposed increase of authorised share capital, the Placing Agreement and the grant of a special mandate to satisfy the allotment and issue of the Placing Shares. A circular of the Company containing, amongst other, details of the Placing Agreement, together with a notice convening the EGM will be dispatched to the Shareholders as soon as practicable.

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.

RESUMPTION OF TRADING

Trading in the Shares has been suspended on the Stock Exchange with effect from 9:30 a.m. on 6 June 2007 at the request of the Company pending the release of this announcement. Application has been made for trading in the Shares to be resumed at 9:30 a.m. on 7 June 2007.

DEFINITION

In this announcement, the expressions below have the meanings assigned:

“Board”	means the board of directors of the Company for the time being;
“Business Day”	has the meaning ascribed to it under the Listing Rules;
“Company”	means IIN International Limited, a company incorporated in the Cayman Islands, the Shares of which are listed on the GEM Board of the Stock Exchange;
“Completion”	means completion of the Placing;
“Director”	means directors of the Company;
“EGM”	means an extraordinary general meeting of the Company to be convened to approve, the proposed increase of authorised share capital, the Placing Agreement and the grant of a special mandate to satisfy the allotment and issue of the Placing Shares;

“Group”	means the Company and its subsidiaries;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong for the time being;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange;
“Over-Allotment Option”	means the option granted by the Company to the Placing Agent, pursuant to which the Placing Agent may require the Company to issue up to an additional 300,000,000 new Shares at the Placing Price;
“PRC”	means the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Taiwan;
“Placing”	means the placing of the initial 700,000,000 Placing Shares and upon the exercise of the Over-Allotment Option in full, the additional 300,000,000 Placing Shares (as the case may be);
“Placing Agent”	means Quam Securities Company Limited, a corporation licensed to carry on Types 1, 2, 4, and 9 of the regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Placing Agreement”	means the conditional agreement entered into by the Company and the Placing Agent on 5 June 2007;
“Placing Price”	means HK\$0.12 per Placing Share;
“Placing Shares”	means initially the 700,000,000 new Shares and upon the exercise of the Over-Allotment Option in full, an additional 300,000,000 new Shares (as the case may be) to be placed under the Placing Agreement;
“Shareholder”	means shareholder of the Company;
“Share(s)”	means ordinary share(s) of par value US\$0.01 each in the capital of the Company;

“Stock Exchange” means The Stock Exchange of Hong Kong Limited;

“%” per cent.

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

Hong Kong, 6 June 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.