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VENTURE INTERNATIONAL INVESTMENT HOLDINGS LIMITED
(宏 昌 國 際 投 資 控 股 有 限 公 司)*

(incorporated in Bermuda with limited liability)

(Stock Code: 61)

Placing Agent



VC BROKERAGE LIMITED
滙 盈 證 券 有 限 公 司

**PLACING OF NEW SHARES
AND
SUSPENSION AND RESUMPTION OF TRADING**

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

On 22 January 2007, the Company entered into the conditional Placing Agreement with the Placing Agent on a best endeavour basis for the placing of up to 110,000,000 new Shares to not less than six Placees at the Placing Price of HK\$0.22 per Placing Share.

The Placing Shares represent approximately 16.3% of the existing issued share capital of the Company and approximately 14% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Price of HK\$0.22 represents (i) a discount of approximately 18.5% to the closing price of HK\$0.27 per Share as quoted on the Stock Exchange on 19 January 2007, being the last trading day immediately before the date on which the Placing Agreement was signed; (ii) a discount of approximately 12.8% to the average closing price of approximately HK\$0.252 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 19 January 2007, the last trading day immediately before the date of the Placing Agreement; and (iii) a premium of approximately 5.52% over the average of the closing prices of approximately HK\$0.2085 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 19 January 2007, the last trading day immediately before the date of the Placing Agreement.

* for identification purpose only

Assuming all the Placing Shares are fully placed, the gross proceeds of the Placing will amount to HK\$24.2 million and the net proceeds receivable by the Company under the Placing are estimated to be approximately HK\$23.5 million after deducting the placing commission and all costs, fees and expenses to be borne by the Company. It is presently expected that the net proceeds will be applied as general working capital of the Group.

The Placing is conditional upon the Listing Committee granting approval for the listing of, and permission to deal in, the Placing Shares.

At the request of the Company, trading of the Shares on the Stock Exchange was suspended from 9:43 a.m. on 22 January 2007 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:30 a.m. on 23 January 2007.

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

THE PLACING AGREEMENT

Date : 22 January 2007

Issuer : The Company

Placing Agent : VC Brokerage Limited, an Independent Third Party

Placee(s)

The Placing Shares will be placed on a best endeavour basis, to not fewer than six Placees which will be individuals, corporate, institutional investors or other investors procured by or on behalf of the Placing Agent. The Placee(s) and their ultimate beneficial owner(s) will be Independent Third Party(ies).

It is expected that none of the Placee(s) will become a substantial shareholder of the Company immediately after the Placing.

Placing Shares

Up to 110,000,000 Placing Shares will be allotted and issued to the Placee(s) and represent approximately 16.3% of the existing issued share capital of the Company and approximately 14% of the issued share capital of the Company of 784,998,552 Shares as enlarged by the allotment and issue of the Placing Shares.

The Placing Shares will rank, upon issue, *pari passu* in all respects among themselves and with the Shares in issue as at the date of allotment of the Placing Shares.

Placing Price

The Placing Price of HK\$0.22 per Placing Share represents (i) a discount of approximately 18.5% to the closing price of HK\$0.27 per Share as quoted on the Stock Exchange on 19 January 2007, being the last trading day immediately before the date on which the Placing Agreement was signed; (ii) a discount of approximately 12.8% to the average closing price of approximately HK\$0.252 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 19 January 2007, the last trading day immediately before the date of the Placing Agreement; and (iii) a premium of approximately 5.52% over the average of the closing prices of approximately HK\$0.2085 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 19 January 2007, the last trading day immediately before the date of the Placing Agreement.

The Placing Price, net of estimated expenses, is approximately HK\$0.2136 per Placing Share.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to (1) the discount and premium percentages to the different closing prices as shown above; (2) (save for the last 6 trading days up to and including 19 January 2007), the closing prices of the Shares during the last twelve months being lower than HK\$0.2; (3) the relative low trading activities of the Shares; and (4) the reasons set out in the section headed "Reasons for the Placing and use of proceeds" below. The Directors (including the independent non-executive Directors) consider that the Placing Price and the terms and conditions of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

General 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 annual general meeting of the Company held on 26 May 2006. The general mandate authorises the Directors to allot, issue and deal with 111,470,298 new Shares from time to time representing and not exceeding 20% of the issued share capital of the Company as at the date of the annual general meeting. As at the date of this announcement, the general mandate has not been utilised.

Assuming full placing of the Placing Shares, after completion of the Placing, about 1.32% of the general mandate authorising the Directors to allot, issue and deal with 1,470,298 new Shares will remain.

Independence of the Placing Agent

The Placing Agent, and its ultimate beneficial owners, are Independent Third Parties.

Condition of the Placing

The Placing is conditional upon the Listing Committee granting approval for the listing of, and permission to deal in, the Placing Shares.

In the event that the condition of the Placing are not fulfilled on or before 14 Business Days from the date of the Placing Agreement, that is, on or before 9 February 2007 (or such other date as may be agreed between the parties) in writing, the Placing Agreement shall cease and neither the Company nor the Placing Agent shall have any claim against the others under the Placing Agreement.

Force majeure

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the date of completion of the Placing Agreement if:

- (1) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (2) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (3) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or

- (4) any statement contained in the announcements, circulars, interim and annual reports issued by the Company to the Stock Exchange or the Shareholders since the publication of the press announcement of the Company relating to the annual results of the Company for the year ended 31 December 2005 and the interim results of the Company ended 30 June 2006 has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing.

The Company may, in its reasonable opinion, after consultation with the Placing Agent, terminate the Placing Agreement by notice in writing to the Placing Agent at any time up to 8:00 a.m. on the date of completion of the Placing Agreement if there is a breach of the warranties, representations and undertakings given by the Placing Agent in the Placing Agreement and such breach is considered by the Company on reasonable grounds to be material.

Upon termination of the Placing Agreement pursuant to the above mentioned force majeure factors, all liabilities of the Company and the Placing Agent shall cease and no party of the Placing Agreement shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save of any antecedent breach of any obligation under the Placing Agreement.

Completion of the Placing

Completion of the Placing will take place at 4:00 p.m. at the office of the Placing Agent on the third Business Day after the condition of the Placing is fulfilled (or such other date as may be agreed between the parties).

Application for listing

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, all the Placing Shares.

Reasons for the Placing and use of proceeds

The Group is principally engaged in the distribution of information technology products, the provision of computer technology services, and the carrying on of the property agency business.

Taking into account the Company has not conducted any fund raising activities since 22 May 2002, the Board has considered various ways of raising funds and believes that taking into account of the current robust market conditions, the Placing represents an opportunity to raise capital for the Group while broadening its shareholder and capital base at a lower cost and a more straightforward method than other fund raising activities.

Assuming all the Placing Shares are fully placed, the gross proceeds of the Placing will amount to HK\$24.2 million. The net proceeds receivable by the Company, after deducting the placing commission and all costs, fees and expenses to be borne by the Company, are estimated to be approximately HK\$23.5 million. It is presently expected that the net proceeds will be applied as general working capital of the Group.

The Directors (including the independent non-executive Directors) consider that the Placing Agreement is entered into under normal commercial terms following arm's length negotiations between the Company and the Placing Agent and that the terms of the Placing Agreement are fair and reasonable so far as the interests of the Company and the Shareholders as a whole are concerned.

FUND RAISING EXERCISE BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities during the 12 months immediately preceding the date of this announcement.

CHANGES ON SHAREHOLDING STRUCTURE OF THE COMPANY

The changes of the shareholding structure of the Company as a result of the Placing are as follows:

Shareholders	At the date of this announcement and immediately before completion of the Placing		Immediately after completion of the Placing (assuming full Placing)	
	No. of Shares	Approximate Percentage	No. of Shares	Approximate Percentage
Mr. Chan Tze Ngon	125,542,000	18.6%	125,542,000	16%
Public:				
Not less than six Placees	–	–	110,000,000	14%
Other public Shareholders	549,456,552	81.4%	549,456,552	70%
Total	<u>674,998,552</u>	<u>100.0%</u>	<u>784,998,552</u>	<u>100.0%</u>

SUSPENSION AND RESUMPTION OF TRADING

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Business Day”	any day (not being a Saturday or Sunday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Venture International Investment Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“Directors”	directors of the Company from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons of the Company in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individuals, corporate, institutional investors or other investors procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement

“Placing”	private placing of the Placing Shares by the Placing Agent to the Placee(s) pursuant to the Placing Agreement
“Placing Agent”	VC Brokerage Limited, a licensed corporation licensed under the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong to conduct type 1 (dealing in securities) and type 4 (advising on securities) regulated activities
“Placing Agreement”	the agreement dated 22 January 2007 and entered into between the Company and the Placing Agent in respect of the Placing
“Placing Price”	the placing price of HK\$0.22 per Placing Share
“Placing Shares”	up to 110,000,000 new Shares to be allotted and issued pursuant to the terms and conditions of the Placing Agreement and which will rank <i>pari passu</i> in all respects with the Shares in issue as at the date of allotment of the Placing Shares
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Venture International Investment Holdings Limited
Chan Tze Ngon
Chairman

Hong Kong, 22 January 2007

As at the date of this announcement, Mr. Chan Tze Ngon and Mr. Tang Kin Hung are the executive Directors and Mr. Benedict Tai, Mr. Fu Yan Yan and Ms. Wang Xi Ling are the independent non-executive Directors.

“Please also refer to the published version of this announcement in International Herald Tribune.”