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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)

DISCLOSEABLE TRANSACTION INVOLVING FORMATION OF A JOINT VENTURE COMPANY AND RESUMPTION OF TRADING

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

The Board is pleased to announce that on 5 October 2007, the JV Agreement is entered into between the PRC Partner and the Subsidiary, a wholly-owned subsidiary of the Company, pursuant to which the Joint Venture Company will be established in Hainan, the PRC.

The purpose of establishing the Joint Venture Company is to set up a 1,500 Chinese mu nursery in Hainan for the cultivation of approximately 90 million *Jatropha curcas* saplings per year, cooperate with suitable Hainan institutions for the cultivation of approximately 2,000,000 Chinese mu *Jatropha curcas* trees within three years and the establishment of two bio-diesel processing plants, each with a production capacity of 50,000 tonnes per year. The Joint Venture Company will be owned beneficially as to 90% by the Subsidiary and as to the balance of 10% by the PRC Partner. Upon its establishment, the Joint Venture Company will become a 90% owned subsidiary of the Company.

Pursuant to the terms of the JV Agreement, the registered capital and the total investment of the Joint Venture Company will be RMB50,000,000 (equivalent to HK\$50,000,000). RMB45,000,000 (equivalent to HK\$45,000,000) will be contributed by the Subsidiary by way of cash and the balance of RMB5,000,000 (equivalent to HK\$5,000,000) will be contributed by the PRC Partner by way of cash.

The JV Agreement constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. A circular containing further details of the JV Agreement will be sent to the Shareholders within 21 days after publication of this announcement.

At the request of the Company, trading in the Shares was suspended with effect from 12:30 p.m. on 5 October 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 October 2007.

This announcement is made pursuant to Rule 13.09 of the Listing Rules. Reference is also made to the announcement of the Company dated 2 October 2007 in relation to the possible formation of the Joint Venture Company.

The Board is pleased to announce that on 5 October 2007 the JV Agreement is entered into between the PRC Partner and the Subsidiary with details as follows:

THE JV AGREEMENT

Date : 5 October 2007

Parties : (i) the Subsidiary
(ii) the PRC Partner

The PRC Partner and its ultimate beneficial owners, 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 (as defined under the Listing Rules) and are not connected persons (as defined under the Listing Rules) of the Company. The PRC Partner is principally engaged in the operation and investment of businesses related to research and technology.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for the PRC Partner being the minority shareholder holding an aggregate 21% interests in 內蒙古天蘭科技治沙產業有限公司 (Inner Mongolia Tian Lan Technology Sand Control Estate Limited)[#] ("Tian Lan"), the PRC Partner and its ultimate beneficial owners have no past business relationship with the Group and have not engaged in any other prior transactions with the Group.

Reference is made to the circulars of the Company dated 7 March 2007 and 16 August 2007 respectively. Tian Lan and its ultimate beneficial owners, 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 (as defined under the Listing Rules) and are not connected persons (as defined under the Listing Rules) of the Company. Tian Lan has entered into management contracts with the Group as disclosed in the circulars of the Company dated 7 March 2007 and 16 August 2007.

Formation of Joint Venture Company

The parties to the JV Agreement agreed that the Joint Venture Company will be established in Hainan, the PRC and will be owned as to 90% and 10% by each of the Subsidiary and the PRC Partner respectively. The purpose of establishing the Joint Venture Company is to set up a 1,500 Chinese mu nursery in Hainan for the cultivation of approximately 90 million *Jatropha curcas* saplings per year, cooperate with suitable Hainan institutions for the cultivation of approximately 2,000,000 Chinese mu *Jatropha curcas* trees within three years and the establishment of two bio-diesel processing plants, each with a production capacity of 50,000 tonnes per year.

Registered capital

The registered capital of the Joint Venture Company will be RMB50,000,000 (equivalent to approximately HK\$50,000,000) and will be contributed as to RMB45,000,000 (equivalent to approximately HK\$45,000,000) and RMB5,000,000 (equivalent to approximately HK\$5,000,000) respectively, by each of the Subsidiary and the PRC Partner in cash. Upon establishment, the Joint Venture Company will become a 90% owned subsidiary of the Company and its accounts will be consolidated into that of the Company. Each of the Subsidiary and the PRC Partner has to contribute 20% of its respective capital contribution to the Joint Venture Company within three months after the registration of the Joint Venture Company and the balance of 80% of its respective capital contributions to the Joint Venture Company within three years after the registration of the Joint Venture Company.

The registered capital of the Joint Venture Company is determined after arm's length negotiations between the Subsidiary and the PRC Partner with reference to the capital requirement of the Joint Venture Company in carrying out its purposes as set out in the section headed "Formation of Joint Venture Company" above.

Apart from the capital contribution by the Subsidiary to the Joint Venture Company as disclosed above, the Subsidiary does not have any other capital commitment to the Joint Venture Company pursuant to the JV Agreement.

The capital contribution to the registered capital of the Joint Venture Company by the Subsidiary will be financed from the internal resources of the Group in cash.

The total investment of the Joint Venture Company will be RMB50,000,000 (equivalent to approximately HK\$50,000,000).

Principal obligations of the parties to the JV Agreement

The PRC Partner shall be responsible for, among other matters, the following:

1. assist the Joint Venture Company to obtain necessary approval and registration from relevant government departments;
2. arrange to lease an area of 1,500 Chinese mu in Hainan, the PRC for building the nursery for the Joint Venture Company to cultivate approximately 90 million *Jatropha curcas* saplings per year;
3. source suitable PRC companies for the offtake of all the *Jatropha curcas* saplings from the Joint Venture Company's nursery.
4. arrange and cooperate with PRC authorities and institutions to cultivate *Jatropha curcas* trees in an area of approximately 2,000,000 Chinese mu in Hainan, the PRC within three years;
5. assist in the construction of two bio-diesel plants with an annual production capacity of approximately 50,000 tonnes per year for each plant;
6. assist the non-PRC management staff of the Joint Venture Company to obtain the relevant visas; and
7. assist the Joint Venture Company to purchase in the PRC the necessary equipment and raw materials.

The Subsidiary shall be responsible for, among other matters, the following:

1. through the co-operation with Sichuan University, provide superior quality seeds for the cultivation of *Jatropha curcas* saplings and all necessary technology and knowledge in relation to the cultivation of *Jatropha curcas*;
2. assist in the financing of all necessary capital requirement of the Joint Venture Company in proportion to their contribution and pursuant to the terms of the JV Agreement; and
3. supervise the management and production of the Joint Venture Company.

The Group has entered into a licence agreement with Sichuan University under which Sichuan University will provide superior quality seeds of *Jatropha curcas* to the Subsidiary and all necessary technology and knowledge for the cultivation of *Jatropha curcas* saplings.

Board of directors of the Joint Venture Company

The board of directors of the Joint Venture Company will comprise three directors, of which one will be appointed by the PRC Partner and two will be appointed by the Subsidiary. The chairman of the Joint Venture Company will be nominated by the Subsidiary and the vice chairman will be appointed by the PRC Partner.

Term of the Joint Venture Company

50 years from the registration of the Joint Venture Company.

Information on *Jatropha curcas*

Jatropha curcas is a type of hardy, drought resistant plant which is able to grow on marginal land and produces fruits which are poisonous and not suitable for human consumption or to be used as animal feeds. The fruits of *Jatropha curcas* have high oil content and are accordingly suitable for the production of environmentally friendly bio-diesel.

REASONS FOR ENTERING INTO THE JV AGREEMENT

The Group is principally engaged in the distribution of information technology products, the provision of computer technology services, the carrying on of property agency business and the provision of management and consultancy services for agricultural cultivation in the PRC.

The Directors have been proactive in seeking opportunities for expanding and enhancing the Group's agricultural business in the PRC. The Directors consider that entering into the JV Agreement offers the Group a good opportunity to capitalize on its agri-business knowledge and skills in the PRC and to be one of the first movers to capture the promising bio-diesel market.

As disclosed in the section headed "Information on *Jatropha curcas*", the fruits of *Jatropha curcas* are highly suitable for the production of bio-diesel. In light of the rapid growth of the PRC economy and the current shortage of energy in the PRC, the Directors consider that there will be a huge demand for alternative energy sources in the near future. Bio-diesel will be one of the most economical and practical solutions to the energy shortage situation.

The Directors, including the independent non-executive Directors, consider that the terms of the JV Agreement are entered into upon normal commercial terms following arm's length negotiations among the parties and that the terms of the JV Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GENERAL

The JV Agreement constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. A circular containing further details of the JV Agreement will be sent to the Shareholders within 21 days after publication of this announcement.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 12:30 p.m. on 5 October 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 October 2007.

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
“Company”	Venture International Investment Holdings Limited (宏昌國際投資控股有限公司)*, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors (including the independent non-executive directors) of the Company from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture Company”	海南宏昌正科生物能源發展有限公司 (Hainan Venture Zhengke Bioenergy Development Company Limited)#, an equity joint venture to be established pursuant to the JV Agreement in Hainan, the PRC
“JV Agreement”	the joint venture agreement dated 5 October 2007 and entered into between the PRC Partner and the Subsidiary with respect to the formation of the Joint Venture Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People's Republic of China

“PRC Partner”	北京東方正科科技有限公司 (Beijing Oriental Zhengke Technology Company Limited) [#] , a limited liability company established and subsisting in Beijing, the PRC
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	Global Bioenergy Group Limited 環球生物能源集團有限公司, a limited liability company incorporated and subsisting in Hong Kong and a wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By order of the Board
Venture International Investment Holdings Limited
Tse Michael Nam
Chairman

Hong Kong, 5 October 2007

* *for identification purpose only*

[#] *The English transliteration of the Chinese names in this announcement, where indicated, is included for identification purpose only, and should not be regarded as the official English names of such Chinese names.*

As of the date of this announcement, Mr. Tse Michael Nam and Mr. Chan Tze Ngon are the executive Directors and Mr. Tai Benedict, Mr. Lim Yew Kong, John and Mr. Puongpun Sananikone are the independent non-executive Directors.

For the purpose of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of HK\$1.00 to RMB1.00. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.