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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)

DISCLOSURE OF TRADE RECEIVABLES PURSUANT TO RULES 13.13, 13.14 AND 13.15 OF THE LISTING RULES

As at 31 July 2005, there were 820,000,000 shares of the Company in issue. Based on the Average Closing Price of the Company's shares of HK\$0.18 as stated in the Stock Exchange's daily quotation sheets for the trading days from 25 July 2005 to 29 July 2005 (both days inclusive), being the five business days immediately preceding 31 July 2005, the total market capitalisation of the Company was approximately HK\$147.60 million as at 31 July 2005.

This announcement is made pursuant to Rules 13.13, 13.14 and 13.15 of the Listing Rules to disclose the Group's total advance to entities, comprising trade receivables as particularised below, which exceeded eight per cent. of the Company's market capitalisation as at 31 July 2005.

As at 31 July 2005, there were 820,000,000 shares of V.S. International Group Limited ("**Company**", which together with its subsidiaries, the "**Group**") in issue. Based on the average closing price ("**Average Closing Price**") of the Company's shares of HK\$0.18 as stated in daily quotation sheets of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") for the trading days from 25 July 2005 to 29 July 2005 (both days inclusive), being the five business days immediately preceding 31 July 2005, the total market capitalisation of the Company was approximately HK\$147.60 million as at 31 July 2005.

Disclosure pursuant to Rules 13.13 and 13.15 of the Rules ("Listing Rules**") Governing the Listing of Securities on the Stock Exchange**

Under Rules 13.13 and 13.15 of the Listing Rules, a disclosure obligation arises where the total advance to an entity from the Group exceeds eight per cent. of the Company's total market capitalisation.

According to the latest management accounts of the members of the Group, trade receivables ("**Trade Receivables A**") from Zegna-Daidong Limited ("**Customer A**") amounted to approximately HK\$14.70 million as at 31 July 2005 which equals approximately 9.96 per cent. of the Company's total market capitalisation based on the Average Closing Price. Under Rules 13.13 and 13.15 of the Listing Rules, the Company's general disclosure obligation of certain particulars of the Trade Receivables A as prescribed under Rule 13.15 arose.

The Trade Receivables A, which are unsecured, interest free and with payment terms of 60 days, resulted from the sales of assembling of electronic products to the Customer A by the Group.

Disclosure pursuant to Rules 13.14 and Rule 13.15 of the Listing Rules

Reference is made to the announcement ("**Announcement**") of the Company dated 6 June 2005 and made pursuant to Rules 13.14 and 13.15 of the Listing Rules. The Announcement disclosed, among others, that the total trade receivables from Uniden Hong Kong Ltd ("**Customer B**") amounted to a total of approximately HK\$21.91 million as at 5 June 2005 which equaled approximately 14.76 per cent. of the Company's total market capitalisation as at 5 June 2005.

Under Rules 13.14 and 13.15 of the Listing Rules, a disclosure obligation arises where the total advance to an entity together with companies affiliated with it from the Group increases from that previously disclosed under Rule 13.14 of the Listing Rules by three per cent. or more with reference to the Company's total market capitalisation.

According to the latest management accounts of the members of the Group, trade receivables ("**Trade Receivables B**") from the Customer B amounted to approximately HK\$27.55 million as at 31 July 2005 (approximately HK\$21.91 million as at 5 June 2005) which mainly resulted from an increase in orders placed by the Customer B with the Group under the usual agreed payment terms. The Trade Receivables B equaled approximately 18.67 per cent. of the Company's total market capitalisation based on the Average Closing Price and exceeded by more than three per cent. from the percentage of approximately 14.76 per cent. disclosed in the Announcement. Under Rules 13.14 and 13.15 of the Listing Rules, the Company's disclosure obligation of certain particulars of the Trade Receivables B as prescribed under Rule 13.15 arose.

The Trade Receivables B, which are unsecured, interest free and with payment terms of 60 days, resulted from sales of plastic moulded products and mould design and fabrication to the Customer B by the Group.

List of all directors of the Company as at the date of this announcement

Executive directors:

Mr Beh Kim Ling
Mr Gan Sem Yam
Madam Gan Chu Cheng
Mr Zhang Pei Yu

Independent non-executive directors:

Mr Diong Tai Pew
Mr Cheung Kwan Hung, Anthony
Mr Tang Sim Cheow

Non-executive director:

Mr Gan Tiong Sia

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

Zhuhai, the People's Republic of China
1 August 2005

Please also refer to the published version of this announcement in The Standard.