



IIN International Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8128



Characteristics of the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

The GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on the GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on the GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of the GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on the GEM, there is a risk that securities traded on the GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on the GEM.

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The Stock Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of IIN International Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to IIN International Limited. The directors of IIN International Limited, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report 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 report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

HIGHLIGHTS

Turnover recorded approximately HK\$36.9 million for the Review Period.

Profit after tax amounted to approximately HK\$1.2 million for the Review Period.

No dividend was declared for the Review Period.

BUSINESS REVIEW

The Board of Directors of IIN International Limited (the “Company”) is pleased to announce that the Company together with its subsidiaries (the “Group”) registered a substantial growth in the turnover for the three months ended 31 December 2007 (the “Review Period”) and further managed to record a profit again.

Given the success of the transmission segment of the Group to secure substantial orders and the internal adjustment to the business strategy during the Review Period, the transmission segment recorded a substantial rise in the turnover and continued to maintain a growth momentum. However, the competition in the segment remains fierce and dampens the segment’s gross profit at a relatively low level, thus limiting its contribution to the Group’s earnings.

Due to the Group’s focus on the development of its transmission segment over the past two years, which may create an obstacle to its long-term overall development to a certain extent, the Group always strives to pursue new business opportunities.

The Group successfully acquired Shenzhen Lisai Industrial Development Co., Ltd. (“Shenzhen Lisai”) in November 2007. Shenzhen Lisai’s principal business covers synthetical utilisation of marsh gas, disposal and treatment of solid garbage, disposal and treatment of solid dangerous rejectamenta, and sewage treatment. Shenzhen Lisai holds various types of operating licences issued by the State Environmental Protection Administration. The Group believes the acquisition of Shenzhen Lisai is positive to the development of the Company, given the growing awareness of China and the globe about environmental protection, and the PRC government’s view of environmental protection as a major issue in its policy objectives. The Group also believes Shenzhen Lisai’s business holds huge potential, expecting that the gradual introduction of new projects into the Group will generate more revenue sources and considerable profits.

As mentioned in the Group’s 2007 annual report, the management is dedicated to achieving three financial objectives in the financial year of 2008, including (inter alia) reaching its earnings target and enhancing its productivity, continuing to identify profit-making business opportunities for development, and creating value for shareholders.

FINANCIAL REVIEW

Upon completion of the acquisition of Shenzhen Lisai by the Group on 7 November 2007, the results of Shenzhen Lisai have been consolidated into the Group's financial results for the Review Period. As a result, the Group has managed to establish its presence in the prospering environmental protection sector in China. The Group is also confident that it will be able to capture a large market share in such a huge sector.

The Group's turnover during the Review Period increased substantially by approximately 51% to HK\$36.9 million, compared to approximately HK\$24.4 million for the corresponding period last year, mainly attributable to the success of the transmission segment to continue to secure substantial orders in Shandong and Hunan, and the consolidation of Shenzhen Lisai's environmental protection operations.

During the Review Period, the Group's turnover of 87% or approximately HK\$32.1 million was contributed by the transmission segment (corresponding period last year: approximately HK\$24.4 million, entirely contributed by the transmission segment). Although the gross profit margin in the transmission market for the Group's existing principal operations remained low, the Group's gross profit margin during the Review Period increased significantly to approximately 16%, compared to approximately 13% for the corresponding period last year. The increase was due to the consolidation of Shenzhen Lisai's environmental protection operations into the Group.

During the Review Period, the Group's consolidated results attributable to equity holders of the Group turned from a loss of approximately HK\$1.8 million for the corresponding period last year to a profit of approximately HK\$1.0 million, representing a considerable improvement over previous years.

During the Review Period, the sales and distribution costs of the Group decreased substantially to approximately HK\$1.4 million, compared to approximately HK\$1.7 million for the corresponding period last year, mainly due to the lower distribution costs required for the material contracts of the Group's transmission segment.

During the Review Period, the Group's administrative expenses increased approximately by 64% to approximately HK\$4.5 million from approximately HK\$2.8 million for the corresponding period last year, which was due to the relevant administrative expenses incurred for the acquisition of Shenzhen Lisai's operations.

FINANCIAL RESULTS

The Board of Directors (the “Board”) of IIN International Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31 December 2007 together with the unaudited comparative figures for the corresponding period in 2006 as follows:

CONSOLIDATED INCOME STATEMENT

	Notes	Three months ended 31 December	
		2007 HK\$'000 (Unaudited)	2006 HK\$'000 (Unaudited)
Turnover	2	36,904	24,364
Cost of sales		(31,029)	(21,287)
Gross profit		5,875	3,077
Other revenue		2,790	650
Selling and distribution costs		(1,374)	(1,746)
Administrative expenses		(4,540)	(2,763)
Other operating expenses		(582)	(338)
Profit/(loss) from operating activities	3	2,169	(1,120)
Finance costs		(772)	(614)
Profit/(loss) before tax		1,397	(1,734)
Tax	4	(160)	(73)
Profit/(loss) after tax		1,237	(1,807)
Attributable to:			
Equity holders of the Company		986	(1,811)
Minority interests		251	4
Profit/(loss) for the period		1,237	(1,807)
Dividend	5	–	–
Earnings/(loss) per share attributable to the equity holders of the Company	6		
– Basic (HK cents)		0.03	(0.11)
– Diluted (HK cents)		0.03	(0.11)

1. BASIS OF PREPARATION

The unaudited consolidated results have been prepared in accordance with Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The unaudited consolidated results have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong. The accounting policies and methods of computation used in the preparation of this financial statements are the same as those adopted in preparing the annual audited financial statements for the year ended 30 September 2007. The consolidated results are unaudited but have been reviewed by the Company’s audit committee.

2. TURNOVER

Turnover represents the net invoiced value of goods sold, after allowances for returns, trade discounts and business tax where applicable, and services rendered.

An analysis of the Group’s turnover is as follows:

	Three months ended 31 December	
	2007 HK\$’000 (Unaudited)	2006 HK\$’000 (Unaudited)
Transmission	32,099	24,364
Environmental protection	4,805	–
	36,904	24,364

3. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

The Group's profit/(loss) from operating activities is arrived at after charging:

	Three months ended 31 December	
	2007 HK\$'000 (Unaudited)	2006 HK\$'000 (Unaudited)
Staff costs (including directors' emoluments)	1,936	1,144
Depreciation	709	579
Minimum lease payments under operating leases in respect of land and buildings	2,998	19

4. TAX

	Three months ended 31 December	
	2007 HK\$'000 (Unaudited)	2006 HK\$'000 (Unaudited)
PRC corporate income tax	160	73

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong during the three months ended 31 December 2007 (2006: Nil).

PRC corporate income tax has been provided at the relevant tax rate of the net assessable profits attributable to the Group's operations in the PRC during the three months ended 31 December 2007 (2006: Nil).

Deferred tax liabilities of approximately HK\$11,158,000 represent the resulting deferred tax liability of the equity components of convertible notes of approximately HK\$63,759,000 at the Hong Kong Profits Tax rate of 17.5%. Details of the convertible notes are set out in the Company's circular dated 3 October 2007.

5. DIVIDEND

The Board does not recommend payment of a dividend for the Review Period (2006: Nil).

6. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

The calculation of basic and diluted earnings/(loss) per share attributable to equity holders of the Company for the three months ended 31 December 2007 and 2006 are based on the following data:

	Three months ended 31 December	
	2007 HK\$'000 (Unaudited)	2006 HK\$'000 (Unaudited)
Earnings/(loss)		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share, being profit/(loss) for the period attributable to equity holders of the Company	986	(1,811)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	3,603,482,000	1,628,160,470
Effect of dilutive potential ordinary shares:		
Share options	19,000,000	–
Convertible notes	400,000,000	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	4,022,481,714	1,628,160,470

7. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three months ended 31 December 2007

	Attributable to equity holders of the Company											
	Issued share capital	Share premium	Convertible		Statutory reserve	Asset revaluation reserve	Share-based payment reserve	Exchange fluctuation reserve	Special Accumulated		Minority interests	Total
			notes reserve	equity reserve					reserve	losses		
HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
As at 1 October 2006	126,989	54,964	-	4	766	-	(17)	-	(204,631)	(21,925)	10,195	(11,730)
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	(1,811)	(1,811)	4	(1,807)
As at 31 December 2006	126,989	54,964	-	4	766	-	(17)	-	(206,442)	(23,736)	10,199	(13,537)
As at 1 October 2007	230,667	100,821	-	4	1,618	779	(1,084)	-	(202,037)	130,768	16,125	146,893
Issuance of new shares	69,478	155,949	-	-	-	-	-	(50,000)	-	175,427	-	175,427
Issuance of convertible notes	-	-	63,759	-	-	-	-	-	-	63,759	-	63,759
Deferred tax	-	-	(11,158)	-	-	-	-	-	-	(11,158)	-	(11,158)
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	986	986	251	1,237
As at 31 December 2007	300,145	256,770	52,601	4	1,618	779	(1,084)	(50,000)	(201,051)	359,782	16,376	376,158

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2007, the interests or short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

(A) LONG POSITION IN SHARES

Name of director	Number of issued ordinary shares of US\$0.01 each in the Company held and the capacity		Approximate percentage of the interests	Interests in options	Aggregate interests	Approximate percentage of the aggregate interests
	Interests in shares	Capacity				
Mr. Wu Shu Min (Note 1)	141,023,000	Beneficial owner	3.66%	28,000,000	169,023,000	4.39%
Mr. Xu Zhi Feng (Note 2)	4,376,000	Beneficial owner	0.11%	1,000,000	5,376,000	0.14%

Notes:

1. Mr. Wu Shu Min is interested in 141,023,000 shares and 28,000,000 shares issuable pursuant to exercise of share options of the Company, details of such share options can be referred to part (b)(i) and (b)(ii) of this section.
2. Mr. Xu Zhi Feng is interested in 4,376,000 shares and 1,000,000 shares issuable pursuant to exercise of share options of the Company, details of such share options can be referred to part (b)(ii) of this section.

(B) LONG POSITION UNDER EQUITY DERIVATIVES*(i) Pre-IPO share options*

Prior to the listing of the Company's shares on the GEM of the Stock Exchange, the board of directors was authorised, at its absolute discretion, to grant options (the "Pre-IPO Share Options") to employees, including directors and chief executive of the Company or any of its subsidiaries, to subscribe for shares in the Company under the terms of a share option plan (the "Pre-IPO Share Option Plan") adopted by the Company on 7 January 2000. The Pre-IPO Share Option Plan became effective for a period of eight years commencing from 7 January 2000 (date of adopting the Pre-IPO Share Option Plan). As at 31 December 2007, the following director of the Company was granted or interested in the following options under the Pre-IPO Share Option Plan:

Name of director	Number of share options outstanding as at 1 October 2007 and 31 December 2007	Date of grant	Exercise period	Adjusted exercise price per share* <i>HK\$</i>
Mr. Wu Shu Min	5,000,000	7 January 2000	7 January 2000 to 6 January 2008	0.150
	10,000,000	26 February 2000	26 February 2000 to 25 February 2008	0.150

* *The exercise price per share was adjusted for the consolidation and capitalisation issue of the Company's shares on 22 November 2001 as well as conversion from US\$ to HK\$.*

(ii) Post-IPO share options

On 22 November 2001, the Company conditionally adopted a further share option scheme (the “Scheme”) for a period of ten years from the date on which the Scheme was adopted. The Scheme became unconditional upon the listing of the Company’s shares on the GEM of the Stock Exchange on 30 November 2001. Under the Scheme, the board of directors was authorised, at its absolute discretion, to grant options to employees, including directors of the Company or any of its subsidiaries, to subscribe for shares in the Company under the terms of the Scheme. As at 31 December 2007, the following directors of the Company were interested in the following options under the Scheme:

Name of director	Number of share options outstanding as at 1 October 2007 and 31 December 2007	Date of grant	Exercise period	Exercise price per share HK\$
Mr. Wu Shu Min	10,000,000	7 March 2002	7 March 2002 to 21 December 2011	0.465
	3,000,000	5 June 2003	5 June 2003 to 21 December 2011	0.078
Mr. Xu Zhi Feng	1,000,000	5 June 2003	5 June 2003 to 21 December 2011	0.078

Save as disclosed above, as at 31 December 2007, none of the directors, chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors of the Company as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules. At any time during the reporting period, there was no debt securities issued by the Group.

INTERESTS DISCLOSEABLE UNDER SFO AND SUBSTANTIAL SHAREHOLDERS

So far as is known to the directors of the Company, as at 31 December 2007, persons (other than directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to Section 336 of the SFO, to be entered into the register referred to therein, were as follows:

LONG POSITIONS

Name	Capacity	Interest in shares	Percentage of interests	Interests under equity derivatives	Aggregate interests	Percentage of aggregate interests
Lei Dong Ling (Note 1)	Interest of spouse	141,023,000	3.66%	28,000,000	169,023,000	4.39%
Environment Protection International Limited (Note 2)	Beneficial owner	185,000,000	4.81%	–	185,000,000	4.81%
Netvantage International Limited (Note 2)	Interest of controlled corporation	185,000,000	4.81%	–	185,000,000	4.81%
Tsutsumi Naoyuki (Note 2)	Interest of controlled corporation	185,000,000	4.81%	–	185,000,000	4.81%
China Standard Limited (Note 3)	Beneficial owner	900,000,000	23.39%	–	900,000,000	23.39%
Financial International Holdings Ltd. (Note 4)	Interest of controlled corporation	192,956,000	5.01%	–	192,956,000	5.01%
Cheung Kwan (Note 4)	Beneficial owner	192,956,000	5.01%	–	192,956,000	5.01%
American International Group, Inc. (Note 5)	Investment manager	400,000,000	10.39%	–	400,000,000	10.39%
Value Partners Limited (Note 6)	Investment manager	400,000,000	10.39%	–	400,000,000	10.39%
Value Partners Group Limited (Note 6)	Interest of controlled corporation	400,000,000	10.39%	–	400,000,000	10.39%

Name	Capacity	Interest in shares	Percentage of interests	Interests under equity derivatives	Aggregate interests	Percentage of aggregate interests
Cheah Capital Management Ltd. (Note 6)	Interest of controlled corporation	400,000,000	10.39%	-	400,000,000	10.39%
Cheah Company Limited (Note 6)	Interest of controlled corporation	400,000,000	10.39%	-	400,000,000	10.39%
Hang Seng Bank Trustee International Ltd. (Note 6)	Trustee	400,000,000	10.39%	-	400,000,000	10.39%
Cheah Cheng Hye (Note 6)	Founder of a discretionary trust	400,000,000	10.39%	-	400,000,000	10.39%
To Hau Yin (Note 6)	Interest of spouse	400,000,000	10.39%	-	400,000,000	10.39%
Ever Sincere Investment Limited (Note 7)	Beneficial owner	1,680,000,000	43.66%	-	1,680,000,000	43.66%

Notes

- Ms. Lei Dong Ling is the spouse of Mr. Wu Shu Min. Under SFO, Ms. Lei Dong Ling is deemed to be interested in 141,023,000 shares and 28,000,000 shares underlying share options in which Mr. Wu Shu Min is interested.
- Environment Protection International Limited is wholly-owned by Netvantage International Limited ("Netvantage") which in turn is wholly-owned by Tsutsumi Naoyuki. Therefore, under SFO, Netvantage and Tsutsumi Naoyuki are deemed to be interested in 185,000,000 shares of the Company.
- These are the consideration shares and conversion shares issuable upon the exercise of the conversion rights attached to the convertible notes issued to China Standard Limited pursuant to the acquisition, details of which can be referred to the Company's circular dated 3 October 2007.
- Financial International Holdings Limited is wholly-owned by Cheung Kwan. Therefore, under SFO, Cheung Kwan is deemed to be interested in 192,956,000 shares of the Company.

5. These are the placing shares issuable to certain funds, sub funds or accounts that AIG Global Investment Corporation (Asia) Limited (“AIG”) is acting for as investment manager or investment advisor. AIG is wholly-owned by American International Assurance Company (Bermuda) Limited (“AIAC”), which in turn is wholly-owned by American International Reinsurance Company, Limited (“AIRC”), which in turn is wholly-owned by AIG Life Holding (International) LLC (“ALH”), which in turn is wholly-owned by American International Group, Inc. (“AIGI”). Under SFO, AIG, AIAC, AIRC, ALH and AIGI are deemed to be interested in the 400,000,000 placing shares.
6. These are the placing shares issuable to certain funds, sub funds or accounts that Value Partners Limited (“VPL”) is acting for as investment manager or investment advisor. VPL is wholly-owned by Value Partners Group Limited (“VPGL”), which in turn is 35.65% owned by Cheah Capital Management Limited (“CCML”), which in turn is wholly-owned by Cheah Company Limited (“CCL”), which in turn is wholly-owned by Hang Seng Bank Trustee International Ltd. (“HSBTRIL”), as trustee of The C H Cheah Family Trust, a discretionary trust. Therefore, under SFO, VPL, VPGL, CCML, CCL and HSBTRIL are deemed to be interested in 400,000,000 placing shares. Mr. Cheah Cheng Hye (“Mr. Cheah”) is the founder of The C H Cheah Family Trust. Ms. To Hau Yin (“Ms. To”) is the spouse of Mr. Cheah. Therefore, under SFO, Mr. Cheah and Ms. To are also deemed to be interested in 400,000,000 placing shares.
7. These are the consideration shares and conversion shares issuable to Ever Sincere Investment Limited (“Ever Sincere”) pursuant to the acquisition, details of which can be referred to the Company’s announcement dated 14 January 2008. The beneficial owner of Ever Sincere who is an individual is also deemed to be interested in such shares.

Save as disclosed above, as at 31 December 2007, the directors of the Company were not aware of any other person (other than directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein.

OUTSTANDING SHARE OPTIONS

(A) PRE-IPO SHARE OPTIONS PLAN

As at 31 December 2007, options to subscribe for an aggregate of 15,000,000 shares were outstanding (including the directors of the Company as disclosed above). Details of which as at 31 December 2007 were as follows:

Date of grant of share options	As at 1 October 2007	Granted during the period	Cancelled during the period	Exercised during the period	Lapsed during the period	As at 31 December 2007	Exercise period of share options	Adjusted exercise price per share* HK\$
7 January 2000	5,000,000	-	-	-	-	5,000,000	7 January 2000 to 6 January 2008	0.150
26 February 2000	10,000,000	-	-	-	-	10,000,000	26 February 2000 to 25 February 2008	0.150
	15,000,000	-	-	-	-	15,000,000		

* The exercise price per share was adjusted for the consolidation and capitalisation issue of the Company's shares on 22 November 2001, as well as conversion from US\$ to HK\$.

(B) THE SCHEME

As at 31 December 2007, options to subscribe for an aggregate of 27,300,000 shares were outstanding (including the directors of the Company as disclosed above). Details of which as at 31 December 2007 were as follows:

Date of grant of share options	As at 1 October 2007	Granted during the period	Cancelled during the period	Exercised during the period	Lapsed during the period	As at 31 December 2007	Exercise period of share options	Exercise price per share HK\$
1 March 2002	800,000	-	-	-	-	800,000	1 March 2002 to 21 December 2011	0.475
7 March 2002	10,000,000	-	-	-	-	10,000,000	7 March 2002 to 21 December 2011	0.465
5 June 2003	4,000,000	-	-	-	-	4,000,000	5 June 2003 to 21 December 2011	0.078
29 May 2007	12,500,000	-	-	-	-	12,500,000	29 May 2007 to 21 December 2011	0.214
	27,300,000	-	-	-	-	27,300,000		

COMPETITION AND CONFLICT OF INTERESTS

None of the directors, the management shareholders or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests, with the Group.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference which deal clearly with its authority and duties. The audit committee's primary duties are to review and to supervise the financial reporting process and internal control system of the Group and to provide advice and comments to the directors of the Company.

The audit committee currently comprises three independent non-executive Directors, namely, Mr. Liu Yang, Mr. Li Junlin and Mr. Jin Dunshen. Mr. Jin Dunshen is the chairman of the audit committee. The audit committee has reviewed the Group's unaudited results for the Review Period and has provided advice and comment thereon.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has not adopted its own code of conduct regarding securities transactions by directors, but having made specific enquiry of all directors and the Company was not aware of any non-compliance with the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules and its code of conduct regarding securities transactions by directors during the Review Period.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Review Period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

As of the date of this report, the Board of Directors of the Company comprises Mr. Wu Shu Min, Mr. Fu Hui Zhong and Mr. Xu Zhi Feng as executive Directors, Mr. Liu Yang, Mr. Li Junlin and Mr. Jin Dunshen as independent non-executive Directors.

By Order of the Board
IIN International Limited
Wu Shu Min
Chairman