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Magnum International Holdings Limited

(Incorporated in Bermuda with limited liability)
(Stock code: 305)

RESULTS OF THE RIGHTS ISSUE

Manager to the Rights Issue

CASH

Celestial Capital Limited

Summary

The Board is pleased to announce that all conditions set out in the Underwriting Agreement have been fulfilled (or waived, if appropriate) and the Underwriting Agreement has not been terminated in accordance with its terms. The Rights Issue has become unconditional at 4:00 p.m. on 5 September 2006.

As at 4:00 p.m. on 31 August 2006, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares, 271 valid acceptances of provisional allotment of Rights Shares have been received for a total of 264,022,682 Rights Shares and 603 valid applications for excess Rights Shares have been received for a total of 1,144,233,311 Rights Shares, resulting in a total of valid applications for 1,408,255,993 Rights Shares. Accordingly, with the total number of 307,512,087 Rights Shares available, the Rights Issue was approximately 358% over-subscribed.

It is expected that the share certificates for fully-paid Rights Shares in respect of the valid acceptances of Rights Shares on the PALs and the successful applications for excess Rights Shares will be despatched by ordinary post to those entitled thereto who have validly applied and paid for the Rights Shares and excess Rights Shares at their own risk on or before 8 September 2006. Refund cheques in respect of partially unsuccessful applications for excess Rights Shares are expected to be sent by ordinary post to the respective unsuccessful applicants at their own risk on or before 8 September 2006.

Dealings in fully-paid Rights Shares on the Stock Exchange are expected to commence on 12 September 2006.

Reference is made to the prospectus (the "Prospectus") issued by Magnum International Holdings Limited (the "Company") dated 17 August 2006 in relation to the Rights Issue. Unless otherwise defined, the capitalized terms used herein shall have the same meanings as those defined in the Prospectus.

Results of the Rights Issue

The Board is pleased to announce that all conditions set out in the Underwriting Agreement have been fulfilled (or waived, if appropriate) and the Underwriting Agreement has not been terminated in accordance with its terms. The Rights Issue has become unconditional at 4:00 p.m. on 5 September 2006.

As at 4:00 p.m. on 31 August 2006, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares, 271 valid acceptances of provisional allotment of Rights Shares have been received for a total of 264,022,682 Rights Shares and 603 valid applications for excess Rights Shares have been received for a total of 1,144,233,311 Rights Shares, resulting in a total of valid applications for 1,408,255,993 Rights Shares. Accordingly, with the total number of 307,512,087 Rights Shares available, the Rights Issue was approximately 358% over-subscribed.

As a result of the over-subscription of the Rights Shares, the Underwriter's obligations in respect of the subscription or procurement of the subscription of the Rights Shares not taken up and other related obligations arising thereto under the Underwriting Agreement have been discharged.

Excess application

Of the 43,489,405 Rights Shares available for application by way of excess application, the Directors have resolved to allocate those Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders in the following manner:

Number of excess Rights Shares applied for	Number of valid applications	Total number of excess Rights Shares applied for	Basis of allotment	Total number of Rights Shares allotted	Approximate percentage of allocation based on the total number of excess Rights Shares applied for in this category
1 to 4,000	269	1,060,720	In full	1,060,720	100%
4,001 to 38,000	119	1,911,376	Odd lot excess Rights Shares applied for in full plus 4,000 Shares each	705,376	36.90%
38,001 to 1,100,000	161	31,933,915	Odd lot excess Rights Shares applied for in full plus 6% of the remaining excess Rights Shares applied for (rounded up to the nearest board lot)	2,311,915	7.24%
1,100,001 to 5,100,000	31	107,821,800	Odd lot excess Rights Shares applied for in full plus 5% of the remaining excess Rights Shares applied for (rounded up to the nearest board lot)	5,421,800	5.03%
5,100,001 to 40,000,000	17	267,808,020	Odd lot excess Rights Shares applied for in full plus 4% of the remaining excess Rights Shares applied for (rounded up to the nearest board lot)	10,730,020	4.01%
40,000,001 to 60,000,000	4	206,001,480	Odd lot excess Rights Shares applied for in full plus 3.50% of the remaining excess Rights Shares applied for (rounded up to the nearest board lot)	7,217,480	3.50%
95,100,000	1	95,100,000	Approximately 3.20% of the excess Rights Shares applied for	3,044,000	3.20%
432,596,000	1	432,596,000	Approximately 2.97% of the excess Rights Shares applied for	12,998,094	3.00%
Total	603	1,144,233,311		43,489,405	

The Directors consider that the allocation of the excess Rights Shares is on a fair and equitable basis.

Shareholding structure of the Company

Dragon Hill has taken up its provisional allotment of 158,740,840 Rights Shares pursuant to its undertaking. The following is a summary of the shareholding structure of the Company immediately before and after completion of the Rights Shares:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>Approximate percentage</i>	<i>Number of Shares</i>	<i>Approximate percentage</i>
Dragon Hill	317,481,680	51.62	476,222,520	51.62
Public	<u>297,542,495</u>	<u>48.38</u>	<u>446,313,742</u>	<u>48.38</u>
Total	<u>615,024,175</u>	<u>100.00</u>	<u>922,536,262</u>	<u>100.00</u>

Despatch of certificates for Rights Shares

It is expected that the share certificates for fully-paid Rights Shares in respect of valid acceptances of Rights Shares on the PALs and successful applications for excess Rights Shares will be despatched by ordinary post to those entitled thereto at their own risk on or before 8 September 2006. Refund cheques in respect of partially unsuccessful applications for excess Rights Shares are expected to be sent by ordinary post to the respective unsuccessful applicants at their own risk on or before 8 September 2006.

Commencement of dealing in the fully-paid Rights Shares

Dealings in fully-paid Rights Shares on the Stock Exchange are expected to commence on 12 September 2006.

By order of the Board
Magnum International Holdings Limited
Lee Shing
Executive Director

Hong Kong, 7 September 2006

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Lee Shing
Ms. Liu Yaling
Mr. Wang Shaohua
Mr. Pei Qingrong

Independent non-executive Directors:

Mr. Yu Xiumin
Mr. Zuo Duofu
Mr. Cheng Kin Wah, Thomas

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