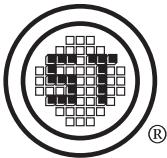


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**SINO-TECH INTERNATIONAL HOLDINGS LIMITED**  
**泰豐國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00724)**

**SUPPLEMENTAL AGREEMENT FOR  
MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO  
THE ACQUISITION OF 90% EQUITY INTEREST IN  
CITIC LOGISTICS COMPANY LIMITED  
INVOLVING THE ISSUE OF CONVERTIBLE NOTES**

On 29 October 2010, the Second Vendor has repaid and settled in full the CITIC KW Bank Loan, creating the unsecured and non-interest bearing Second Vendor's Loan in the amount of HK\$162,069,963.62 owed by New Wealth to the Second Vendor. Subsequently, on 14 December 2010, the Loan Agreement was entered into among New Wealth, the Second Vendor and the Purchaser to record and set out the terms of the Second Vendor's Loan and the Supplement Agreement was entered into among the First Vendor, the Second Vendor, the Guarantor and the Purchaser to amend certain terms of the Acquisition Agreement.

Reference is made to the announcement of Sino-Tech International Holdings Limited dated 8 October 2010 (the “**Announcement**”) in respect of the Acquisition Agreement. Capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise specified.

\* For identification purpose only

## **REPAYMENT OF CITIC KW BANK LOAN**

On 28 April 2010, New Wealth and CITIC KW Bank entered into a loan agreement in relation to a secured bank loan borrowing from CITIC KW Bank in the principal amount of HK\$160,000,000. As disclosed in the Announcement, the CITIC KW Bank Loan was secured by, among others, the Freight Links Share Pledge and Li Share Pledge (the “**Share Pledges**”) in favour of CITIC KW Bank. It was contemplated under the Acquisition Agreement that the full repayment of CITIC KW Bank Loan and the discharge and release of Share Pledges in full are one of the Conditions Precedent for the Completion.

On 29 October 2010, the Second Vendor advanced to New Wealth by way of unsecured loan in the amount of HK\$162,069,963.62 (comprising the principal amount of the bank loan in the sum of HK\$160,000,000 and the interest arising thereon in the sum of HK\$2,069,963.62 due to CITIC KW Bank) to repay and settle in full the CITIC KW Bank Loan (the “**Second Vendor’s Loan**”), and the Share Pledges were released in full accordingly. Subsequently, on 14 December 2010, a loan agreement was entered into among the Second Vendor, New Wealth and the Purchaser (the “**Loan Agreement**”) to record the Second Vendor’s Loan and set out the terms of the Second Vendor’s Loan.

Pursuant to the Acquisition Agreement, each of the PRC Target Group Companies and each of the BVI Target Group Companies, without prior written consent of the Purchaser, shall not create or permit or agree to create any liabilities of any PRC Target Group Companies or any BVI Target Group Companies or in favour of any PRC Target Group Companies or any BVI Target Group Companies, which together exceed the sum of HK\$1,000,000 other than in its ordinary course of business. According to the Loan Agreement, the Purchaser confirmed its consent on the creation of the Second Vendor’s Loan which shall be non-interest bearing. Subject to the Completion taking place, the Second Vendor’s Loan shall be repaid by New Wealth to the Second Vendor in such time and manner that the Company, in its sole discretion, considers appropriate, provided that the Second Vendor’s Loan shall in any event be repayable to the Second Vendor within 5 years from the date of the Loan Agreement.

## SUPPLEMENTAL AGREEMENT

On 14 December 2010 (after trading hours), the First Vendor, the Second Vendor, the Guarantor and the Purchaser entered into a supplemental agreement to the Acquisition Agreement (the “**Supplemental Agreement**”) to amend certain terms of the Acquisition Agreement. Pursuant to the Supplemental Agreement, the definition of the Completion Accounts shall be amended as “the audited consolidated accounts of the PRC Target Company for the period commencing from 1 July 2010 to the Completion Date, prepared in accordance with Hong Kong Financial Reporting Standards and issued by an accountants firm qualified in Hong Kong”.

Pursuant to the Supplemental Agreement, it was also agreed that the meaning of Completion Shortfall shall be amended as “the shortfall representing the aggregate of (i) the sum of 30% of the consolidated equity interest attributable to the owners of the PRC Target Company as shown in the Completion Accounts together with the outstanding shareholder’s loan owed by any of the PRC Target Group Companies to the First Vendor and/or his associates as shown in the Completion Accounts (after setting-off any amount owed by the First Vendor and/or his associates to any of the PRC Target Group Companies as shown in the Completion Accounts) and 30% of the value of Tangshan Project and the Zhanjiang Project and (ii) the sum of 60% of the consolidated equity interest attributable to the owners of the PRC Target Company as shown in the Completion Accounts together with the aggregate cash amount in HK\$ equivalent as shown in the accounts of each of the BVI Target Group Companies as at the Completion Date and the amount being the outstanding shareholder’s loan owed by any of the BVI Target Group Companies to the Second Vendor (excluding the amount owed by the PRC Target Company to the Second Vendor as at the Completion Date as shown in the Completion Accounts and a shareholder’s loan in the amount of HK\$162,069,963.62 owed by New Wealth to the Second Vendor) and 60% of the value of Tangshan Project and the Zhanjiang Project less than the aggregate of the First SEI Consideration and the First SS Consideration” (the “**Amended Completion Shortfall**”).

In the event that the Amended Completion Shortfall occurs, the First Vendor and the Second Vendor will indemnify the Purchaser fully of the shortfall amount arising in the proportion of 34% by the First Vendor and 66% by the Second Vendor by delivering the same amount of the Convertible Notes.

Other than the above amendments, all other material terms and conditions of the Acquisition Agreement shall remain unchanged and continue in full force.

The Directors consider the revision of the Acquisition Agreement by the Supplemental Agreement to be fair and reasonable and on normal commercial terms and the entering into the Supplemental Agreement is in the interests of the Company and the Shareholders as a whole.

By Order of the Board of  
**Sino-Tech International Holdings Limited**  
**Huang Hanshui**  
*Executive Director*

Hong Kong, 14 December 2010

*As at the date of this announcement, the Board comprises Mr. Li Weimin, Mr. Wang Jianzhi, Mr. Lam Yat Keung and Mr. Huang Hanshui as executive Directors; Academician Liu Renhuai and Mr. Xin Luo Lin as non-executive Directors; and Mr. Ho Chi Fai, Ms. Liu Yanfang and Professor Ma Hongwei as independent non-executive Directors.*