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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: 724)

ANNOUNCEMENT

On 2 August 2012, CLBJ received the Summons and the Civil Order issued by Beijing Court regarding the Lawsuit from CITIC Automobile against CLBJ in relation to a claim in the amount of RMB39,824,305.61 plus other expenses and interest in connection with shareholder loans owed to CITIC Automobile. A hearing regarding the Lawsuit will be held on 22 August 2012. Pursuant to court notices, the CITIC Contracting Overdue and one of the CLBJ's bank accounts have been frozen.

CLBJ will continue to negotiate with CITIC Automobile regarding the settlement of the CITIC Automobile Loan, and will also engage a PRC lawyer for the Lawsuit. Should there be any material development in relation to this matter, the Company will issue announcement(s) to inform the investing public and the shareholders of the Company.

Separately, the Company also announces that CITIC Automobile requires that CLBJ and Fritz to cease to use the logo and the name of "CITIC" or "中信". CLBJ and Fritz are taking necessary steps to change the relevant names and logos.

At the request of the Company, trading in the shares of the Company was suspended with effect from 9:00 a.m. on 14 March 2012, and it will remain suspended pending the release of further announcement(s) by the Company.

* For identification purpose only

LAWSUIT REGARDING SHAREHOLDER LOANS

The Company announces that, on 2 August 2012, CITIC Logistics Company Limited* (中信物流有限公司) (“**CLBJ**”) received a summons (the “**Summons**”) and a civil order (the “**Civil Order**”) issued by the People’s Court of Chaoyang District of Beijing (北京市朝陽區人民法院) (the “**Beijing Court**”) regarding a lawsuit (the “**Lawsuit**”) from 中信汽車公司 (CITIC Automobile Company Limited*) (“**CITIC Automobile**”) against CLBJ in relation to a claim of the repayment of shareholder loans and relevant interest in the amount of RMB39,824,305.61 plus other expenses and interest. According to the Civil Order, the Beijing Court accepted the Lawsuit, and a hearing regarding the Lawsuit will be held on 22 August 2012. In addition, Beijing Court accepted the application by CITIC Automobile for property attachment prior to lawsuit (訴前資產保全) to freeze CLBJ’s bank accounts in the amount of RMB39,824,305.61 or other assets under the name of CLBJ.

On 23 July 2012 and 31 July 2012, CLBJ was informed by CITIC International Contracting Inc. (中信國華國際工程承包有限責任公司) (“**CITIC Contracting**”) that it had received a notice from the Beijing Court, pursuant to which, CITIC Contracting is required to freeze the trade receivables due to CITIC Logistics (International) Company Limited (“**CLI**”) and CLBJ in the amount of US\$3.289 million and RMB3.125 million respectively (the “**CITIC Contracting Overdue**”), and without the prior permission from the Beijing Court, CITIC Contracting shall not make any payment of the CITIC Contracting Overdue to CLI and CLBJ. In addition, CLBJ noted that, pursuant to a court notice, one of the CLBJ’s bank accounts was also frozen by the bank.

BACKGROUND OF THE LAWSUIT

As set out in the Company’s annual report for the year ended 31 December 2011 (the “**2011 Annual Report**”), as at 30 March 2012, there were gross receivables in the amount of approximately HK\$29.6 million due from CITIC Contracting, which relates to the logistics services provided by CLI and CLBJ to transport construction materials from the People’s Republic of China to the Republic of Angola (the “**Angola Project**”) during the year ended 31 December 2009. CLI is a wholly-owned subsidiary of the Company. CLBJ is owned as to 90% by the Company and 10% by CITIC Automobile.

As set out in the Company’s circular dated 28 February 2011 and the 2011 Annual Report, an arbitration claim against CLBJ was filed to China Maritime Arbitration Commission by a former handling agent of CLBJ (the “**Angola Arbitration**”). As announced by the Company on 3 November 2011 and further set out in the 2011 Annual Report, CLBJ received the arbitration award for the Angola Project from China Maritime Arbitration Commission in November 2011 (the “**Arbitration Decision**”). Pursuant to the Arbitration Decision and a subsequent court execution order, CLBJ has made a payment (including interest and other costs) in aggregate of approximately HK\$53.45 million to settle the claims relating to the

Angola Arbitration (the “**Arbitration Claim**”) by the end of March 2012. CLI and CLBJ had been communicating with CITIC Contracting regarding the CITIC Contracting Overdue, and it was given to understand by the Group that the Angola Arbitration had caused CITIC Contracting to delay the payment to the Group. Therefore, the Group expected that the CITIC Contracting would pay the CITIC Contracting Overdue after the settlement of the Arbitration Claim. As at 30 June 2012, the CITIC Contracting Overdue was in the amount of approximately HK\$29.3 million (including approximately US\$3.289 million due to CLI and approximately RMB3.125 million due to CLBJ).

Based on the 2011 Annual Report, as at 31 December 2011, CLBJ has owed shareholder loans in the amount of approximately HK\$28.8 million to CITIC Automobile (the “**CITIC Automobile Loan**”). Both CITIC Automobile and CITIC Contracting are the subsidiaries of CITIC Group (中國中信集團). Based on the latest communication with CITIC Contracting and CITIC Automobile, the Group understood that CITIC Automobile proposed to apply the CITIC Contracting Overdue to offset the CITIC Automobile Loan, and the Group has been in negotiation with CITIC Automobile as to the way to settle the CITIC Automobile Loan.

CLBJ will continue to negotiate with CITIC Automobile regarding the CITIC Automobile Loan, and will also engage a PRC lawyer for the Lawsuit. Should there be any material development in relation to this matter, the Company will issue announcement(s) to inform the investing public and the shareholders of the Company.

CEASE TO USE THE LOGO AND THE NAME OF CITIC

Separately, the Company also announces that CITIC Automobile requires that CLBJ and 中信物流飛馳有限公司 (CITIC Logistics Fritz Company Limited*) (“**Fritz**”) to cease to use the logo and the name of “CITIC” or “中信”. Fritz is a company incorporated in the PRC, equity of which is owned as to 52% by CLBJ. CLBJ and Fritz are taking necessary steps to change the relevant names and logos.

At the request of the Company, trading in the shares of the Company was suspended with effect from 9:00 a.m. on 14 March 2012, and it will remain suspended pending the release of further announcement(s) by the Company.

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

Hong Kong, 3 August 2012

As at the date of this notice, the board of directors of the Company comprises Mr. Li Weimin (suspended), Mr. Lam Yat Keung, Mr. Lim Chuan Yang and Mr. Huang Hanshui as executive directors; and Mr. Ho Chi Fai, Ms. Liu Yanfang and Professor Ma Hongwei as independent non-executive directors.