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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)**

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the year ended 31 December 2010.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.**

This announcement is made by Sino-Tech International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the year ended 31 December 2010, which is expected to be mainly due to the amortisation of intangible assets and the imputed interest cost of convertible notes. In addition, the Board believes that further impairment loss on goodwill and intangible assets may be required after reviewing the carrying value of the Group’s assets. The amortisation of intangible assets, the imputed interest cost of convertible notes and the impairment loss (if any) mentioned above arise as a result of accounting treatment under the provisions of the applicable accounting standards and are of non-cash nature.

\* For identification purpose only

On the operating level, segment profit for the electronic products for the year ended 31 December 2010 is expected to be lower as compared to that for the year ended 31 December 2009 due to, amongst others, margin squeeze from the increases in material cost, production cost and labor cost. In terms of profit contribution to segment results, logistics services is expected to incur a marginal loss as shipments for the Angola project were temporarily interrupted during the year ended 31 December 2010.

The Board refers to the interim results profit warning announcement published by the Company on 6 July 2010 and the interim results announcement of the Company dated 18 August 2010 (the “**Announcements**”). As disclosed in the Announcements, shipments for the Angola project were temporarily interrupted by a maritime arbitration (the “**Angola Arbitration**”) between CITIC Logistics Company Limited (“**CITIC Logistics BJ**”) and the former handling agent for the Angola project over the termination of the agency agreement made between CITIC Logistics BJ and the former handling agent. Based on the information that the Group obtained from CITIC Logistics BJ, the date of rendering the arbitral award for the Angola Arbitration has been extended to 29 March 2011. The Group intends to resume the shipping services after the arbitral award for the Angola Arbitration has been rendered, regardless of the outcome of such arbitral award.

As the Company is still in the process of finalising the results of the Group, the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the management accounts of the Group and on the information available for the time being, but not on any data or information audited or reviewed by the auditor of the Company. Financial information and other details of the Group will be disclosed in the annual results announcement of the Group for the year ended 31 December 2010.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.**

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

Hong Kong, 4 January 2011

*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.*