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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 six months ended 30 June 2011.

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 of the Company (the “**Board**”) also refers to the profit warning announcement of the Company dated 4 January 2011 and the final results announcement of the Company dated 23 March 2011 (the “**Announcements**”).

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the six months ended 30 June 2011, which is expected to be mainly due to the amortisation of intangible assets, the imputed interest cost of convertible notes and operating loss. The amortisation of intangible assets and the imputed interest cost of convertible notes mentioned above arise as a result of accounting treatment under the provisions of the applicable accounting standards and are of non-cash nature.

In relation to the operating loss on the electronic products segment, it was mainly due to the continued margin squeeze from the increases in material cost, production cost and labour cost as a result of the Japan earthquake, the continuous appreciation in Renminbi and labour shortage. In terms of profit contribution to segment results, logistics services is expected to

** For identification purpose only*

incur a loss for the six months ended 30 June 2011 due to the continued interruption of shipments for the Angola project.

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 further extended to 30 June 2011. As at the date of this announcement, the Company has yet to receive the information on the arbitral award. 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.

Taking into account the above matters, the Board considers that the financial position of the Group remains satisfactory. As the Company is still in the process of finalising the interim 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 interim results announcement of the Group for the six months ended 30 June 2011.

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 July 2011

As at the date of this announcement, the Board comprises Mr. Li Weimin, 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.