FOR IMMEDIATE RELEASE 17 August 2009

TINCI HOLDINGS LTD
INTERIM RESULTS
FOR THE 6 MONTHS ENDED 30 JUNE 2009

The Directors of Tinci Holdings Ltd. (the "Company" or "Tinci") (TNCI), the AIM quoted environmental engineering company, today announces the Company's interim results for the six months ended 30 June 2009 in accordance with International Financial Reporting Standards (IFRS).

Highlights:

- Turnover down to RMB 48.0 million from RMB 135.0 million.
- Difficult market environment restricts available new projects and only one new project won in the period.
- Profit before tax of RMB 1.4 million (2008 RMB 10.5 million).
- Attention turning to MgO projects, which will produce sulfuric acid as a by-product.
- Company also exploring Flue Gas Desulphurisation (FGD) Joint Ventures in niche markets with established customers/partners.
- The Directors are expecting aggressive price competition for large scale desulphurisation projects to continue to impact revenues and order intake in this segment in the short term. The Company will concentrate on the smaller end of the FGD market.

Commenting on the results David Steeds, Chairman, said;

"The first six months of 2009 were very challenging for Tinci's business. The management team worked hard to contain costs and produce a small profit on much reduced sales.

Competition for new orders from large customers continues to be harsh. The management is therefore exploring a number of possible joint ventures with our established customers and partners in niche markets. We will report to shareholders as and when progress is made in developing these joint ventures."

For further information, please visit www.tinciholdings.com or contact:

Tinci Holdings Ltd
David Steeds Tel: +44 (0)7836 578222
Joshua Cheng Tel: +1 512 577 4613

Hanson Westhouse Limited
Tim Metcalfe
Christine Zhang Tel: +44 (0) 20 7601 6100

Overview of Operating Performance

Tinci achieved a revenue of RMB 48.0 million in the first six months of 2009 (a 64% decrease in revenue compared to the same period in 2008 – RMB 135.0 million). During the period the Company signed only one contract worth RMB 53.8 million with an existing client. In the difficult market environment the Company found it hard to win new customers. Most of the revenue for the first half of 2009 came from projects won last year that were being completed during the six months to June 2009. The majority of the revenue came from projects with Luoyan Petrochemical and Shandong Chiping.

Because of the effects of the economic crisis in 2008, most large power plants and metallurgical plants postponed or terminated their planned flue gas desulfurization (FGD) projects. This resulted directly in a sharp decrease in new projects in the first six months of 2009.

For the remainder of 2009 the Company will focus its efforts in the FGD market on developing FGD technology which is more adapted to medium to small size FGD projects with major customers in the petrochemical industry. Meanwhile, the Company will continue to promote its Spray Dry Absorber (SDA), Tinci Flue Gas Desulfurization (TFGD), and Magnesium Oxide Flue Gas Desulfurization (MgO FGD) technologies. MgO FGD technology utilizes magnesium oxide as the neutralizing agent instead of limestone to remove sulfur oxide in flue gas. The major benefit of MgO FGD technology is that the by-product from desulfurization can be recycled to reproduce the neutralizing agent MgO and concentrated sulfur dioxide. MgO can be re-used for desulfurization, while concentrated sulfur dioxide can be used to produce sulfuric acid, which is a widely used chemical commodity with a wide range of applications. The Company believes that it can increase its competitive edge by differentiating its technology advantages.

The Company signed a contract worth RMB 53.8 million with Gangsu Jingyuan Power Plant on its 5th boiler FGD project in January 2009.

Recent Developments

Whilst market conditions are expected to remain very difficult for the rest of 2009; the Company intends to focus on expanding its market share. In addition to continuously improving its traditional FGD technologies, the Company is shifting its market focus to using MgO FGD technology which is capable of producing sulfuric acid as a by-product. There are two major reasons for supporting such a shift: First, the coal sulfur content in China is expected gradually to increase over time, which will challenge existing FGD technologies. Second, there is market interest in the economic benefits of the recycled by-product, sulfuric acid. Therefore, in 2009 the Company will mainly upgrade and promote MgO FGD technology, TFGD technology, and desulfurization technology by producing industrial byproducts. However, as there are currently very few MgO FGD projects in China, promoting and marketing this technology will take time. The Company believes that it is unlikely in the second half of 2009 to win new projects using MgO FGD technology.

Financial Performance

Compared to the same period in 2008, revenue decreased by 64% from RMB 135.0 million to RMB 48.0 million. The net profit was RMB 1.17 million, a decrease of 89% from the same period last year. However, the net operating cash flow was RMB 12.4 million, an improvement of RMB 52.2 million on the RMB 39.8 million outflow in the corresponding period last year.

The main reason for the decrease in sales revenue and net profit was the result of the drastic decrease in new projects won.

The cash flow was positive in the first six month in 2009 due to lower working capital requirements from lower project activity. In addition cash collection improved; a number of projects were completed in 2008 and payments to major suppliers were made in 2008 with the project revenue being received in the first half of 2009.

Finally, the Company intends to improve its financial performance by focusing on collecting receivables, cutting costs, and improving project management.

Outlook

The Board expects the difficult market conditions to continue through the remainder of 2009 and into 2010 and as a consequence the Company plans to concentrate its efforts on the following:

- Developing FGD joint ventures in niche areas with established customers/partners.
- Improving and upgrading existing FGD technologies so as to differentiate its technologies to increase market share.
- Promoting and marketing MgO FGD technology.
- Cutting costs and improving receivable collection.
- Improving project management with effective budgeting and cost control.

Tinci Holdings Limited
Unaudited Interim Financial Information
For the six months ended 30 June 2009

Tinci Holdings Limited
Condensed consolidated statement of comprehensive income (Unaudited)
for the six months ended 30 June 2009

	Note	*Six months ending 30 June 2009*	*Year ending 31 December 2008*	*Six months ending 30 June 2008*
		(unaudited)	*(audited)*	*(unaudited)*
		RMB'000	*RMB'000*	*RMB'000*
Turnover		48,043	216,804	135,008
Other revenue		176	975	321
Raw material and consumables used		-37,716	-192,075	-112,485
Staff costs and benefits expenses		-2,371	-11,029	-5,109
Depreciation and amortisation expenses		-1,349	-2,501	-1,014
Other operating expenses		-4,912	-10,713	-5,678
Profit from operations		1,871	1,461	11,043
Exchange gain/(loss)		12	478	-63
Finance costs		-474	-1,030	-366
Non-Operating Income		-8	0	-71
Profit on ordinary activities before Taxation		1,401	909	10,543
Taxation		-228	183	0
Profit on ordinary activities before Taxation		1,173	1,092	10,543
Profit for the period/year		1,173	1,092	10,543
Other comprehensive income for the period/year				
Exchange difference arising on consolidation		82	-335	-28
Prior year adjustment		0	0	309
Total comprehensive income for the period/year		1,255	757	10,824
Total comprehensive income attributable to:				
- Shareholders of the Company		1,255	757	10,824
- Minority interest		0	0	0
Total comprehensive income for the period/year		1,255	757	10,824
Profit per ordinary share				
Basic and diluted profit per share (Renminbi)	6	0.022	0.021	0.199

Tinci Holdings Limited
Condensed consolidated statement of financial position (Unaudited)
as at 30 June 2009

	At 30 June 2009 (unaudited) RMB'000	*At 31 December 2008 (audited) RMB'000*	*At 30 June 2008 (unaudited) RMB'000*
Non-current assets			
Prepaid land lease	410	416	422
Property, plant and equipment	12,185	12,910	13,705
Long term prepayment	0	0	2,510
Interest in an associate	10,460	9,800	9,800
Intangible assets	8,111	8,387	5,087
Total non-current assets	31,166	31,513	31,524
Current assets			
Amount due from customers for contract work	2,322	106,712	18,263
Trade and other receivables	222,735	142,829	248,828
Restricted bank balances	4,640	4,624	0
Cash and bank balances	24,093	12,582	18,155
Total current assets	253,790	266,747	285,246
Total assets	284,956	298,260	316,770
Current liabilities			
Trade and other payables	-113,168	-132,990	-141,629
Bills payable	-6,816	-1,412	0
Short term bank loans	-13,000	-13,000	-13,000
Amounts due to directors	-138	0	-147
Amount due to a related company	-7,350	-7,350	0
Tax payable	-222	-501	-7,939
Total current liabilities	-140,694	-155,253	-162,715
Net assets	144,262	143,007	154,055
Non-current liability			
Deferred tax liability	0	0	-810
Net assets	144,262	143,007	153,245
Equity			
Share capital	7,796	7,796	7,796
Share premium	18,078	18,078	18,078
Merger reserve	42,644	42,644	42,644
Share options reserve	836	836	1,007
Retained earnings	75,188	74,015	83,775
Exchange reserve	-280	-362	-55
Total shareholders’ equity	144,262	143,007	153,245

Tinci Holdings Limited
Condensed consolidated statement of changes in shareholders' equity (Unaudited)
for the six months ended 30 June 2009

	Six months ending 30 June 2009 (unaudited) RMB'000	*Year ending 31 December 2008 (audited) RMB'000*	*Six months ending 30 June 2008 (unaudited) RMB'000*
Shareholders' equity as at the beginning of the period/year	143,007	142,096	142,096
Profit for the period/year	1,173	1,092	10,543
Other comprehensive income for the period/year			
Exchange difference arising on consolidation	82	-335	-28
Prior year adjustment	0	0	309
Total comprehensive income for the period/year	1,255	757	10,824
Employee share option benefits	0	154	325
Shareholders' equity as at the end of the period/year	144,262	143,007	153,245

Tinci Holdings Limited
Condensed consolidated cash flow statement (Unaudited)
for the six months ended 30 June 2009

		Six months ending 30 June 2009	*Year ending 31 December 2008*	*Six months ending 30 June 2008*
		(unaudited)	*(audited)*	*(unaudited)*
		RMB'000	*RMB'000*	*RMB'000*
Net cash generated from/(used in) operating Activities	(a)	12,447	-46,275	-39,759
Investing activities				
Purchases of non-current assets		-342	-2,560	-1,084
investment an associate		-660	0	0
Net cash (used in) investing activities		-1,002	-2,560	-1,084
Financing activities				
Repayment of loan due from a related Company				
Net proceeds from bank loans		0	13,000	0
Net repayment of bank loans		0	-13,000	0
Net proceeds from other borrowings		0	0	0
Repayment of other borrowings		0	7,350	0
Movement in restricted bank balances		-16	5,479	10,103
Share issue expenses				
Net cash (used in)/generated from financing Activities		-16	12,829	10,103
Increase/(decrease) in cash		11,429	-36,006	-30,740
Effect of foreign exchange rates		82	-335	-28
Cash or cash equivalents at the beginning of the period/year		12,582	48,923	48,923
Cash or cash equivalents at the end of the period/year		24,093	12,582	18,155

Tinci Holdings Limited
Condensed consolidated cash flow statement (Unaudited)
for the six months ended 30 June 2009

Note :-

(a) Reconciliation of profit before taxation to net cash generated from /(used in) operations :-

	Six months ending 30 June 2009 (unaudited) RMB'000	*Year ending 31 December 2008 (audited) RMB'000*	*Six months ending 30 June 2008 (unaudited) RMB'000*
Profit before taxation	1,401	909	10,543
Interest income	-91	-293	-230
Equity-settled share option expense	0	154	325
Interest expenses	442	1,030	526
Depreciation and amortisation expense	1,349	2,501	1,014
Operation profit before movements in working capital	3,101	4,301	12,178
(Increase)/decrease in trade and other receivables	-79,906	-87,714	735
Decrease/(increase) in amount due from customers	104,390	20,922	-85,077
(Decrease)/increase in trade and other payables	-19,822	20,533	29,172
Increase/(decrease) in bills payable	5,404	-3,454	-4,866
Increase in amounts due to directors	138	0	147
Cash generated from/(used in) operations	13,305	-45,412	-47,711
Income tax (paid)/refund	-507	-126	309
Other taxes refund	0	0	7,939
Interest received	91	293	230
Interest paid	-442	-1,030	-526
Net cash equivalents generated from/(used in) operations	12,447	-46,275	-39,759

1. General information

Tinci Holdings Ltd (the "Company") is incorporated in Hong Kong under the Hong Kong Companies Ordinance. The Company is a public listed company and its shares are listed on the Alternative Investment Market ("AIM") of the London Stock Exchange. The principal place of business of the Company and its subsidiaries (collectively as the "Group") is Guangzhou, China.

The interim results for the six months ended 30 June 2009 are unaudited and do not constitute statutory accounts within the meaning of s.240 of the Companies Act 1985.

2. Basis of preparation

The Directors are responsible for the preparation of the Group's unaudited interim financial results. These unaudited interim financial results should be read in conjunction with the 2008 annual financial statements. The accounting policies adopted in preparing the unaudited interim financial information for the six months ended 30 June 2009 are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2008.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary undertakings.

3. Changes in accounting policies

The Group has adopted the following amendments to standards which are relevant to the Group's operations and are mandatory for the financial year beginning 1 January 2009.

• IAS 1 (revised 2007)	Presentation of financial statements
• IAS 23 (Revised)	Borrowing Costs
• IFRS 2 (Amendment)	Share-based Payment
• IFRS 7 (Amendment)	Financial Instruments: Disclosures
• IFRS 8	Operating Segments

The adoption of HKAS 1 (Revised) affects certain presentation and disclosure in the financial statements. The revised standard prohibits the presentation of items of income and expense (that is ''non-owner changes in equity'') in the statement of changes in equity, requiring ''non-owner changes in equity'' to be presented separately from owner changes in equity. All ''non-owner changes in equity'' are required to be shown in a performance statement. The Group has elected to present two statements (the income statement and statement of comprehensive income).

This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

The adoption of IFRS8, IAS 23 (Revised), IFRS 2 (Amendment) and IFRS 7 (Amendment) has no significant impact on the Group's financial statements.

4. Foreign currency

The functional currency of the subsidiary undertakings is Renminbi ("RMB"), and the presentation currency of the Group is RMB. Transactions in currencies other than RMB are recorded at rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date, and gains or losses arising on retranslation are included in the net profit for period. Non-monetary assets and liabilities are translated using historical rates, and exchange rate differences arising are classified as equity and transferred to foreign currency translation reserve.

On consolidation, the assets and liabilities of foreign operations are translated at the exchange rate prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period/year.

For the six months ended 30 June 2009, the foreign operations' financial statements have been translated from GBP and HKD to RMB at the following exchange rates:

	Period end rate as at 30 June 2009	*Average rates Period to 30 June 2009*	*Period end rate as at 30 June 2008*	*Average rates Period to 30 June 2008*	*Year end rates as at 31 December 2008*	*Average rates Year to 31 December 2008*
RMB: GBP	11.3379	10.2224	13.6838	13.9343	9.8798	12.8099
RMB: HKD	0.8815	0.8814	0.8792	0.9007	0.8819	0.8897

5. Turnover

The principal activity of the Company is investment holding. The principal activities of the Group during the period were developing, selling and installing large-scale flue gas desulphurisation equipment to power stations.

Details of the principal activities of the wholly-owned subsidiaries are as follows:

<u>Subsidiaries</u>	<u>Principal activities</u>
World International Investment Limited	Investment holding
Guangzhou Tinci Sanhe Environmental Engineering Co. Ltd	Developing, manufacturing and installing Flue Gas Desulphurisation Systems

Turnover represented the percentage of contract revenue completed and recognised.

Turnover for the period is wholly attributable to activities undertaken in China.

6. Profit per ordinary share

	6 months ended 30 June		*Year ended 31 December*
	2009	*2008*	*2008*
	(unaudited)	*(unaudited)*	*(audited)*
Profit on ordinary activities after taxation (in RMB'000)	1,173	10,543	1,092
Weighted average number of ordinary Shares in issue (in thousands)	52,950	52,950	52,950
Profit per ordinary share			
Basic and diluted profit per share (in Reminbi)	0.022	0.199	0.021

7. Dividend

The Board is not recommending the payment of an interim dividend for the six months ended 30 June 2009.