



**FOR IMMEDIATE RELEASE
IN RESTRICTED TERRITORIES**

15 May 2006

**TINCI HOLDINGS ANNOUNCES INTENTION TO FLOAT AND
APPLICATION FOR ADMISSION TO TRADING ON AIM**

Guangzhou, China: Tinci Sanhe Environmental Engineering Co. Ltd ("Tinci"), a specialist Flue Gas Desulphurisation ("FGD") engineering company operating in the People's Republic of China ("PRC" or "China"), today announced that it intends to apply for admission to the AIM market ("AIM") of the London Stock Exchange with a simultaneous placing of shares.

FGD projects involve processes to reduce or minimise the sulphur dioxide (SO₂) content from industrial and utility coal-fired boiler flue gases. FGD has proved to be an effective way to regulate and limit the formation of acid rain caused by the emission of SO₂ into the atmosphere. SO₂ is produced from the burning of fossil fuels such as coal and oil.

Tinci operates in the Guangdong Province of China where it has completed seven FGD and water treatment projects since 2002 and a further two in other provinces. In 2005, it was awarded the contracts for two additional large FGD projects. The company generated over £16 million revenues and a pretax profit of over £4 million in the year ended 31 December 2005. Tinci is the exclusive licensee in China of the FGD technology of DUCON EEC, an American company that leads the world in the reduction of SO₂ from flue gas emissions.

While China has been enjoying rapid economic and industrial development in recent years, this has been achieved to the expense of public health and the environment. Acid rain in China has led to financial losses estimated at over RMB 100 billion (c. £6.75 billion) each year, according to China's State Environmental Protection Administration (SEPA) and the Chinese Research Academy of Environmental Sciences. Without intervention Tinci believes the problem is likely to become significantly worse.

The PRC government is supportive of plans to reduce SO₂ pollution and has introduced a series of measures making it mandatory for newly constructed coal-fired electricity plants to have on-site FGD facilities and by imposing increasing levies on plants that discharge SO₂. Such regulation has become a driving force for both existing and new coal-fired electricity generating plants to equip themselves with appropriate FGD facilities. Coal is, and Tinci expects it to remain, the main source of fuel for fire powered electricity generating facilities and industrial boilers in the PRC.

SEPA has estimated that existing and new Chinese plants will require total investment of RMB 102 billion (c. £ 6.9 billion) from 2006-2010 with total investment required expected to be RMB 190.4 billion (c. £ 12.9 billion) by 2020.



Mr Xu Jinfu, Chief Executive Officer of Tinci, said: “Tinci is at an exciting time in its development; with the Chinese government enforcing policies to curb SO₂ emissions, we are raising capital to accelerate national expansion. Our systems have the potential to reduce SO₂ from our clients’ emissions significantly before they reach the environment.”

Tinci intends to offer shares to institutional investors and to apply for the whole of its share capital to be admitted to trading on AIM. Zimmerman Adams International Limited has been appointed as Nominated Adviser to Tinci and joint broker with Corporate Synergy plc.

For further information, please contact:

Shared Value Limited
Rob Newman / Nicolas Duperrier
Tel. +44 (0) 20 7321 5010
tinci@sharedvalue.net

This press release has been issued by Tinci and is the sole responsibility of the company. This press release does not contain or constitute an offer or invitation to purchase or subscribe for any securities of Tinci and should not be relied on in connection with any decision to purchase or subscribe for any such securities. Any investment in Tinci should only be made on the basis of a final published admission document.

Zimmerman Adams International Limited is acting exclusively for Tinci and for no one else in relation to the proposed application by the company to have its shares traded on AIM and Zimmerman Adams International Limited will not be responsible to anyone other than Tinci for providing the protections afforded to clients of Zimmerman Adams International Limited or for providing or giving advice in relation to any matter referred to in this announcement.

Corporate Synergy Plc is acting exclusively for Tinci and for no one else in relation to the proposed application by the company to have its shares traded on AIM and Corporate Synergy Plc will not be responsible to anyone other than Tinci for providing the protections afforded to clients of Corporate Synergy Plc or for providing or giving advice in relation to any matter referred to in this announcement.

NEITHER THIS PRESS RELEASE NOR ANY COPY OF IT MAY BE TAKEN OR TRANSMITTED INTO OR DISTRIBUTED IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF IRELAND OR THE REPUBLIC OF SOUTH AFRICA, OR THEIR RESPECTIVE TERRITORIES OR POSSESSIONS, OR ANY OTHER JURISDICTION IF TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF THAT JURISDICTION. THIS RELEASE MAY NOT BE DISTRIBUTED TO U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED).

THE SECURITIES OF TINCI HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION UNDER THAT ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION REQUIREMENTS THEREUNDER.