



13 February 2008

TRADING AND BUSINESS UPDATE MANAGEMENT AND NOMAD CHANGES

The Directors of **Tinci Holdings Ltd.** ("the Company" or "Tinci") (TINCI), the AIM quoted China-based environmental engineering company, are pleased to provide an update on the business and trading for the full year to 31 December 2007.

Trading Update

The Results for the full year of 2007 are expected to show a small profit in line with the trading update provided in September 2007 with the Company's interim results. In view of the loss experienced in the first half of 2007, this result reflects a considerable improvement in the Company's business in the second half of the year. Tinci expects to release its results for the year ended December 31 2007 in April 2008.

The order book at 31 December 2007 was RMB270 million. In addition the company expects to win a number of important contracts in the first quarter of 2008. Consequently, sales for 2008 are expected to be significantly ahead of previous years.

Business

The Company has been presented with an opportunity by the Guangdong Provincial Government to enter a joint venture to exploit new polymerisation technology using a newly-invented catalytic process to convert carbon dioxide, the gas primarily responsible for global warming, into a biodegradable plastic polymer. Over 200 million tonnes of plastic are manufactured annually around the world, of which only a tiny fraction is biodegradable. The market for biodegradable plastics is very new. The joint venture partners will be Tinci 43%, Guangzhou Honsea Chemistry Co. Ltd. (<http://www.honsea.com>) 45% and SUN YAT-SEN University

(<http://www.sysu.edu.cn>) 12%. The technology has been developed in Guangdong and the Provincial Government is seeking its exploitation by local companies. The JV will take the form of a Chinese limited company. An initial investment of RMB9.8m has been made by Tinci in 2007 to secure the rights, acquire land and fund construction and plant.

Management

The Board announces that Mr PAN Wen Zhong will be leaving the Company with effect from 15 February 2008 at which date he will cease to be a director. Mr Pan's position as chief financial officer will be taken by Mr CHEN Rui, who will not join the Board immediately. Mr Chen, 34, joins Tinci from Geely Holdings Group in Zhejiang Province.

Resignation of nominated adviser and broker

The Board announces that Zimmerman Adams International Ltd has given notice in accordance with its Agreement with the Company to the effect that it will cease to act as Nominated Adviser under the AIM rules to the Company as from the close of business on February 14, 2008.

The Board is in discussions with other Nominated Advisers and hopes to announce an appointment within four weeks. If Tinci does not appoint a replacement NOMAD within a month of the existing NOMAD's resignation then the admission of its shares to trading on AIM will be cancelled under AIM Rule 1 and would remain suspended under AIM Rule 18.

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

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ABOUT TINCI HOLDINGS LTD

Tinci Holdings Ltd. is the parent company of Tinci Sanhe Environmental Engineering Co. Ltd., an environmental engineering company founded in October 2001, which is primarily involved in developing, manufacturing and

installing flue gas desulphurisation (FGD) systems for reducing sulphur dioxide (SO₂) emissions from coal-fired power stations and large industrial boilers in China.

Sulphur dioxide discharges rose 27% between 2000 and 2005 in China, where air pollution is blamed for more than 400,000 premature deaths a year. China's State Environmental Protection Administration (SEPA) has estimated that existing and new Chinese plants will require total FGD investment of RMB 102 billion (c. £6.9 billion) from 2006-2010, with the total investment required expected to rise to RMB 190 billion (c. £12.9 billion) by 2020.

As one of the top ten FGD companies in China, Tinci is well positioned to benefit from the current demand for FGD technology in China. The Company's shares are traded on the AIM market of the London Stock Exchange under the symbol 'TNCI'.