



CHINA SCI-TECH HOLDINGS LIMITED

(中國科技集團有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 985)

PROFIT WARNING

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

The Board wishes to inform the shareholders of the Company and the investors that in addition to the loss for the six-month period ended 30 September 2007 as disclosed in the 2007 interim report of the Company, it is expected that the Group may experience a further substantial loss for the remaining six-month period of its financial year ended 31 March 2008.

This announcement is made by China Sci-Tech Holdings Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

After preliminary review by the Company’s management based on the management accounts of the Company and its subsidiaries (the “Group”), the board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and the investors that in addition to the loss for the six-month period ended 30 September 2007 as disclosed in 2007 interim report of the Company (“Six-month Unaudited Loss”), it is expected that the Group may experience a further substantial loss for the remaining six-month period of its financial year ended 31 March 2008. Based on the information currently available, such loss of the Group is mainly due to a substantial unrealized loss on the listed securities investment.

In addition, the Company is still discussing with its auditors as to the accounting treatment of the Six-month Unaudited Loss. As the Company is still in the process of finalising the results for the year ended 31 March 2008, the information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the management accounts of the Group and is not based on any figures nor information that has been audited or reviewed by the Company’s auditors.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
China Sci-Tech Holdings Limited
Hui Richard Rui
Director

Hong Kong, 16 July 2008

As at the date of this announcement, the executive directors are Mr. Chiu Kong, Mr. Kwan Kam Hung, Jimmy, Mr. Hui Richard Rui, Mr. Tsui Ching Hung, Mr. Chung Nai Ting, Ms. Chiu Si Mary and Mr. Lee Ming Tung and the independent non-executive directors are Mr. Yu Pan, Ms. Tong So Yuet and Mr. Chan Shek Wah.

(For identification purpose only)*