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SINO TECHNOLOGY INVESTMENTS COMPANY LIMITED

中國創新投資有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1217)

**PRINCIPAL ASSUMPTIONS FOR VALUATION
OF 30% EQUITY INTEREST
IN TAKENAKA INVESTMENT AND
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

Financial adviser

COMMERZBANK 

Commerzbank AG Hong Kong Branch

PRINCIPAL ASSUMPTIONS OF VALUATION

Reference is made to the announcement of the Company dated 18 December 2007 in relation to the acquisition of 30% equity interest in Takenaka Investment by the Company. The purpose of this announcement is to set out the principal assumptions used in preparing the Valuation pursuant to the disclosure requirement under Rule 14.62(1) of the Listing Rules.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the date of this announcement, the authorised share capital of the Company is HK\$50,000,000 divided into 5,000,000,000 Shares, of which 4,169,675,753 Shares have been issued fully paid or credited as fully paid. In order to provide the Company with further financial flexibility to meet the future capital requirement when suitable investment opportunities arise, the Directors proposed to increase the existing authorised share capital of the Company to HK\$150,000,000 divided into 15,000,000,000 Shares by creating an additional 10,000,000,000 Shares of HK\$0.01 each.

GENERAL

The proposed increase in the authorised share capital of the Company is subject to the approval of the Shareholders by ordinary resolution at the Company's extraordinary general meeting (the "EGM") by show of hands. A circular containing further details of the increase in the authorised share capital of the Company and a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

Reference is made to the announcement (the “Announcement”) of the Company dated 18 December 2007 in relation to the acquisition of 30% equity interest in Takenaka Investment by the Company. Terms defined in the Announcement shall have the same meaning when used in this announcement unless the context otherwise required.

PRINCIPAL ASSUMPTIONS FOR VALUATION

Pursuant to the disclosure requirement under Rule 14.62(1) of the Listing Rules, the principal assumptions adopted in preparing the Valuation are set out as below:

- There will be no material changes in the existing economic condition, government policies and laws for the business carried out by Zhengjiang Copper Foils;
- Zhengjiang Copper Foils will be able to attain at the anticipated level of operations;
- There will be no material changes in interest rates of bank loans, foreign exchange rates and the tax policies currently applicable to Zhengjiang Copper Foils during the forecast period;
- There will be no material changes in business conditions under which Zhengjiang Copper Foils carries out its business operation;
- Copper foils will remain as one of the key elements in the value-added process in the production of printed circuit boards;
- There will be no material changes in the factors which would affect the business and the results of Zhengjiang Copper Foils’ during the forecast period; and
- There is no material adverse change resulted from any unforeseeable factors and force majeure events.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

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GENERAL

The proposed increase in the authorised share capital of the Company is subject to the approval of the Shareholders by ordinary resolution at the EGM by show of hands. A circular containing further details of the increase in the authorised share capital of the Company, a notice convening the EGM and other disclosure requirements under the Listing Rules will be despatched to the Shareholders as soon as practicable.

By order of the Board
SINO TECHNOLOGY INVESTMENTS COMPANY LIMITED
Xiang Xin
Executive Director and Chief Executive Officer

Hong Kong, 21 December 2007

As at the date of this announcement, the executive Directors of the Company are Mr. Xiang Xin, Mr. Chan Cheong Yee and Mr. Wong Chak Keung; the non-executive Directors are Mr. Wang Qing Yu (Chairman) and Mr. Ng Kwong Chue, Paul; the independent non-executive Directors are Mr. David Wang Xin, Mr. Zang Hong Liang and Mr. Lee Wing Hang.