

SINOHUB Receives New RMB 23.5 Million Letter of Credit Line from Commercial Industrial Bank



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Press Release Summary = **Company Will Use New Funding to Rapidly Expand Electronic Component Procurement Fulfillment Business**

Press Release Body = SHENZHEN, PR CHINA, August 21, 2007 – **SinoHub Technology Company, Ltd.** today announced that it has successfully closed a **RMB 23.5 Million Letter of Credit facility with the Commercial Industrial Bank.** The company will use the funds to expand its electronic component procurement fulfillment business in China. Already a leading company in the rapidly growing field of electronic component supply chain management services in China (import, buffer inventory, procurement fulfillment, VMI, just-in-time delivery, export and other services), **SinoHub** will use these funds to propel itself into a dominant position in this field.

Latest reports show the volume of electronic components being imported into PR China has crossed the US\$ 5 billion per month mark and that the development of new fabrication facilities for electronic components inside China is proceeding very quickly. To support this growth, specialized supply chain management services (SCM) companies are starting to take over the home grown import logistics services of suppliers which have been at best a distraction and at

worst an inefficient waste of money. At the same time, SCM companies are helping OEMs/EMS providers reduce inventories and outsource non-core operations by providing VMI/Just-In-Time delivery and procurement fulfillment services.

"SinoHub is well on the way to branding their name to be synonymous with world-class electronic component supply chain management services in China," said **Mr. Zhang, President of Commercial Industrial Bank**. *"Part of our due diligence involved talking with some of SinoHub's customers. Frankly the people we spoke with couldn't be happier with the level of service from SinoHub and with the information they get from SinoHub's online MIS system 24x7. No wonder SinoHub is growing so rapidly."*

"This commitment from Commercial Industrial Bank provides solid backing for SinoHub to take our procurement fulfillment business to the next level. CIB has helped us become better prepared to handle the large electronic component purchase volumes of our contract manufacturer customers," said **Harry Cochran, CEO of SinoHub**. *"Our business is extremely scalable. We have the ability to deploy new funding profitably at a very fast rate. Now that we have reached the exponential part of the growth curve, I expect SinoHub to move quickly into a dominant market position."*

SinoHub Service and Software Solution Offerings
The Integrated Supply Chain service platform provided by **Sinohub, SinoHub SCM**, is tailored to the electronic components business requirements in China. It helps electronic component industry participants reduce inventory costs, shorten purchasing lead-time and solve RMB purchasing and VAT invoicing problems.

"Commercial Industrial Bank's strong support of SinoHub is a real testament to our unique business model", said **Willa Li, SinoHub's CFO**. *"Many businesses see their growth slow as they get to volume, but we are in such a big market that we expect to see our rate of growth continue to increase in the foreseeable future."*

New Customer Opportunities

"With this new credit facility, SinoHub can now take better advantage of the robust platform we have built over the past 6 years to offer a true one-stop-shop SCM service experience for our customers," commented **Lei Xia, President**. *"We decided to focus on the mobile phone producers this year, and that decision is really paying off. China will produce about 1 billion phones this year. Being in the thick of that*

market has driven us to hone our skills so that I am now confident SinoHub is offering the best electronic component supply chain management services in China."

About

SinoHub

SinoHub Technology Company, Ltd. was organized in Shenzhen in September 2000 by veteran entrepreneur **Harry Cochran** and electronic component industry veteran **Lei Xia** to facilitate the electronics revolution in China by providing world-class services and MIS for all participants in the supply chain of electronic components. For more information, please visit our Web site at www.sinohub.com.

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