Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

VARITRONIX INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 710)

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 and potential investors that the financial results of the Group for the period ended 30 June 2012 are expected to decline significantly as compared with those in 2011.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Varitronix International Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that the financial results of the Group for the period ended 30 June 2012 are expected to decline significantly as compared with those in 2011. Based on information currently available, the Board considers that the expected decline in net profit is mainly due to the decrease in gross profit margin resulted from the drop of sales of the European market and the impairment loss provision of unlisted available-for-sale equity securities. The Board considers that the financial position of the Company remains solid.

This profit warning is only a preliminary assessment by the Board based on the information currently available, which has not been reviewed nor audited by the Company's auditors. Shareholders and potential investors are advised to read carefully the interim results of the

Group for the period ended 30 June 2012 which will be announced as soon as practicable and the related interim report which will be published subsequently.

Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.

By Order of the Board
Varitronix International Limited
Ko Chun Shun, Johnson
Chairman

Hong Kong, dated 6 July 2012

As at the date of this announcement, the Board comprises seven Directors, of whom Mr. Ko Chun Shun, Johnson, Mr. Tsoi Tong Hoo, Tony, Mr. Yuen Kin and Mr. Ho Te Hwai, Cecil are executive Directors and Dr. Lo Wing Yan, William J.P., Mr. Chau Shing Yim, David and Mr. Hou Ziqiang are independent non-executive Directors.