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TSC Offshore Group Limited

TSC 海洋集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8149)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the consolidated net profit of the Group for the year ended 31 December 2007 may experience a significant decline compared with that for the year ended 31 December 2006.

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

This announcement is made by TSC Offshore Group Limited (the “Company”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprises Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The board of directors (the “Board”) of the Company (which together with its subsidiaries are referred to as the “Group”) wishes to inform the shareholders of the Company and potential investors that it is expected that the consolidated net profit of the Group for the year ended 31 December 2007 may experience a significant decline compared with that for the year ended 31 December 2006 mainly due to the appreciation of Renminbi against the U.S. dollars, increase in the costs and surge in general and administrative expenses and marketing expenses caused by increased staff costs to cater for future business expansion during the year under review. In addition, it is expected that revenues to be generated from the six contracts for the sale of cantilever and drilling turnkey packages as disclosed in the Company’s announcement dated 16 July 2007 and circular dated 7 August 2007 will not be booked in the financial statements for the year ended 31 December 2007 in accordance with Hong Kong Financial Reporting Standards, although the Board considers that significant progresses have been made for completion of these contracts, and the progresses are made in accordance with planned work schedule.

Since audited financial statements of the Group for the year ended 31 December 2007 are yet to be finalised, the information contained in this announcement is only a preliminary estimate performed by the management of the Company and is not based on any figures or information audited or reviewed by the Company’s auditors. Further details of the Group’s performance will be disclosed when the final results for the year ended 31 December 2007 are announced.

Shareholders of the Company and potential investors should note that the final results of the Group for the year ended 31 December 2007 are subject to audit and are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Jiang Bing Hua
Executive Chairman

Hong Kong, 14 March 2008

As of the date of this announcement, the Board comprises 4 executive directors, namely Mr. Jiang Bing Hua, Mr. Zhang Menggui, Mr. Zhang Hongru and Mr. Chen Yunqiang and 1 non-executive director, namely Mr. Jiang Longsheng; and 3 independent non-executive directors, namely Mr. Chan Ngai Sang, Kenny, Mr. Bian Junjiang and Mr. Guan Zhichuan.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. the information contained in this announcement is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this announcement misleading; and 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days and on the website of the Company at www.tscoffshore.com on a continuous basis for at least 5 years from the date of this announcement.

* *For identification purpose only*