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## **QUASAR COMMUNICATION TECHNOLOGY HOLDINGS LIMITED**

**思拓通訊科技控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8171)

### **PROGRESS ON THE POTENTIAL ACQUISITION OF INTERESTS IN A COMPANY ENGAGED IN DOOR MEDIA AND ADVERTISEMENT PUBLICATIONS BUSINESSES IN THE PRC**

**Financial adviser**

**COMMERZBANK** 

**Commerzbank AG Hong Kong Branch**

Reference is made to the Announcement in relation to the potential acquisition of interests in a company engaged in door media and advertisement publications businesses in the PRC. Terms used herein shall have the same meanings as those in the Announcement unless otherwise stated herein.

Pursuant to the MOU, the Deposit shall be paid by the Company to the Vendor in two installments, namely (i) the First Deposit shall be paid within 14 Business Days from the date of signing of the MOU; and (ii) HK\$10,000,000 shall be paid on a date mutually agreed by the parties subject to the progress of the transactions contemplated in the MOU. As at the date hereof, the First Deposit has been paid to the Vendor by the Company, which constitutes an advance to an entity pursuant to Rule 17.15 of the GEM Listing Rules.

The Acquisition may or may not proceed, and Shareholders are advised to exercise caution when dealing in the Shares. Further announcement(s) in relation to the Acquisition will be made as and when appropriate.

Reference is made to the announcement of the Company dated 18 December 2007 (the “Announcement”) in relation to the potential acquisition of interests in a company engaged in door media and advertisement publications businesses in the PRC. Terms used herein shall have the same meanings as defined in the Announcement unless otherwise stated herein.

Pursuant to the MOU, the Deposit shall be paid by the Company to the Vendor in two installments, namely (i) HK\$30,000,000 (the “First Deposit”) shall be paid within 14 Business Days from the date of signing of the MOU; and (ii) HK\$10,000,000 shall be paid on a date mutually agreed by the parties subject to the progress of the transactions contemplated in the MOU. As at the date hereof, the First Deposit has been paid to the Vendor by the Company, which constitutes an advance to an entity pursuant to Rule 17.15 of the GEM Listing Rules. The First Deposit will not bear any interest. The First Deposit is made in consideration for the Vendor granting to the Company an exclusive right for 90 days commencing from the date of signing of the MOU to negotiate the terms of the Formal Agreement and the Acquisition. As at the date hereof, no conditions for refund of the First Deposit have been agreed between the Vendor and the Company and no collateral or security has been provided by the Vendor in favour of the Company in respect of the the First Deposit. Save as disclosed above, no further payment has been made by the Company to the Vendor as at the date hereof.

The First Deposit exceeded 8% of the assets ratio of the Group as defined under Rule 19.07(1) of the GEM Listing Rules and constitutes an advance to an entity pursuant to Rule 17.15 of the GEM Listing Rules. If the Acquisition materializes, it may constitute a notifiable transaction under Chapter 19 of the GEM Listing Rules. Further announcement(s) in relation to the Acquisition will be made as and when appropriate.

The Acquisition may or may not proceed, and Shareholders are advised to exercise caution when dealing in the Shares.

By order of the Board  
**QUASAR Communication Technology Holdings Limited**  
**Chan Ka Wo**  
*Chairman*

Hong Kong, 20 December 2007

*As at the date of this announcement, the executive Directors are Mr. Chan Ka Wo, Ms. Yu Xiao Min, Mr. Cho Hui Jae and Mr. Li Tan Yeung Richard and the independent non-executive Directors are Mr. Li Meng Long, Mr. Sze Lin Tang and Mr. Leung Wing Kin.*

*This announcement, for which the Directors collectively and individually accept full responsibilities, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumption that are fair and reasonable.*

*This announcement will remain on GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*

\* *For identification purposes only*