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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)

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 audited consolidated results of the Group for the year ended 31 December 2007 may turn into a loss as compared to the unaudited net profit after tax for the nine months ended 30 September 2007.

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

This announcement is made by QUASAR Communication Technology Holdings Limited (the “Company”, together with its subsidiaries referred to as the “Group”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”).

The board (the “Board”) of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company and potential investors that it is expected that the audited consolidated results of the Group for the year ended 31 December 2007 may turn into a loss as compared to the unaudited net profit after tax for the nine months ended 30 September 2007.

Based on the information available, the loss is mainly due to the impairment loss made on non-financial assets based on the annual impairment assessment at the balance sheet date in accordance with the Hong Kong Accounting Standards as a result of the anticipated re-positioning of the Group’s businesses in the near future.

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, Cachet Certified Public Accountants Limited. 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
QUASAR Communication Technology Holdings Limited
Xiang Xin
Chairman

Hong Kong, 25 March 2008

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Mr. Wong Chak Keung, Mr. Cho Hui Jae and Mr. Li Tan Yeung Richard and the independent non-executive Directors are Mr. Sze Lin Tang, Mr. Leung Wing Kin and Mr. Zhang Zhan Liang.

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*