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南京三寶科技股份有限公司

NANJING SAMPLE TECHNOLOGY COMPANY LIMITED*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code on GEM: 8287)

PROPOSED TRANSFER OF LISTING FROM GEM TO THE MAIN BOARD

Reference is made to the announcements made by the Company dated 20 August 2009, 4 September 2009, 27 October 2009, 14 April 2010 and 12 July 2010 and the circular dated 7 September 2009. The Board is pleased to announce that the Company has submitted a formal application form to the Stock Exchange on 30 July 2010 for the Transfer of Listing.

The Transfer of Listing is conditional upon, among others, the granting of approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the H Shares in issue on the Main Board.

There is no assurance that permission will be obtained from the Stock Exchange for the Transfer of Listing. Shareholders and potential investors should be aware that the implementation of the Transfer of Listing is subject to the conditions set out below being fulfilled and thus the Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the H Shares.

Reference is made to the announcements made by the Company dated 20 August 2009, 4 September 2009, 27 October 2009, 14 April 2010 and 12 July 2010 and the circular dated 7 September 2009. The Company convened and approved, among other things, (i) the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing; (ii) the Transfer of Listing; (iii) the Articles Amendments; and (iv) to authorize the Directors to do such acts or things and to take such steps as they consider necessary, desirable and expedient to carry out and/or give effect to the above matters, in the EGM and the Class Meetings held on 27 October 2009. The Board is pleased to announce that the Company has submitted a formal application to the Stock Exchange on 30 July 2010 for the Transfer of Listing.

The Directors would like to emphasize that the definitive timetable for the Transfer of Listing has not yet been finalized. There is no assurance that the Company will proceed with the Transfer of Listing.

The Transfer of Listing will not involve the issue of any new H Shares by the Company.

CONDITIONS OF THE TRANSFER OF LISTING

The Transfer of Listing is inter-conditional with the Articles Amendments and, prior to the Company proceeding with the Transfer of Listing, the following conditions must be fulfilled:

1. the fulfillment of all the applicable listing requirements on the Main Board as stipulated in the relevant laws, rules and regulations of the PRC and the Main Board Listing Rules by the Company;
2. the passing of special resolutions by the Shareholders at the EGM to approve the Transfer of Listing, the Articles Amendments and the Company's application to the CSRC and the Stock Exchange for the Transfer of Listing;
3. the passing of special resolutions by the holders of the Domestic Shares and the H Shares at the respective Class Meetings to approve the Transfer of Listing, the Articles Amendments and the Company's application to the CSRC and the Stock Exchange for the Transfer of Listing;
4. the granting of the relevant approvals by the CSRC in connection with the Transfer of Listing;
5. the granting of the approval by the Listing Committee for the listing of and permission to deal in the H Shares in issue on the Main Board; and
6. the obtaining of all other relevant consent or approval (if any) which are required in connection with the Transfer of Listing and the fulfillment of all conditions which may be attached to such consents or approvals.

On 27 October 2009, the Company has convened and approved, among other things, (i) the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing; (ii) the Transfer of Listing; (iii) the Articles Amendments; and (iv) to authorize the Directors to do such acts or things and to take such steps as they consider necessary, desirable and expedient to carry out and/or give effect to the above matters, in the EGM and the Class Meetings. Accordingly, conditions 2 and 3 above have been satisfied. In addition, approval for the Transfer of Listing has been granted by the CSRC on 7 July 2010 and accordingly, condition 4 above have been satisfied.

There is no assurance that permission will be obtained from the Stock Exchange for the Transfer of Listing. Shareholders and potential investors should be aware that the implementation of the Transfer of Listing is subject to the conditions set out above being fulfilled and thus the Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the H Shares.

REASONS FOR THE TRANSFER OF LISTING

The Group is a major developer and provider of video security system solutions in the PRC targeting on government authorities. Its products and system solutions are currently designated for use in (i) traffic monitoring and control sector; and (ii) customs logistics monitoring sector in the PRC. Since the listing of the H Shares on the GEM on 9 June 2004, the business of the Group has grown steadily and the Group has improved its public profile. In the past six years, the Group's net profit grew significantly from RMB17,973,000 for the year ended 31 December 2004 to RMB89,487,000 for the year ended 31 December 2009. In view of the Group's financial performance and having taking into consideration of the potential impacts of the Transfer of Listing, the Directors believe that the listing of the H Shares on the Main Board will further enhance the profile and corporate image of the Company, draw industry analysts' attention to the Company, further strengthen the recognition of the Company among larger institutional investors, widen the Company's shareholder base and enhance the trading liquidity of the H Shares. The Directors also believe that the Transfer of Listing will be beneficial to the fund raising ability, future growth, financial flexibility and business development of the Company.

As at the date of this announcement, the Directors do not contemplate any material change in the nature of business activities of the Group immediately following the Transfer of Listing. The Transfer of Listing will not involve any placing of the H Shares or issuance of any new H Shares by the Company.

GENERAL

The Company will make further announcement(s) to keep the Shareholders and potential investors informed of the progress of the Transfer of Listing.

DEFINITIONS

“Articles Amendments”	The amendments proposed to be made to the Articles of Association to comply with the relevant requirements of the Main Board Listing Rules and the applicable laws, rules and regulations in the PRC and Hong Kong for the Transfer of Listing, which will become effective on the date of completion of the Transfer of Listing and the commencement in dealing of the H Shares on the Main Board
“Articles of Association”	the articles of association of the Company, as may be amended from time to time
“Board”	the board of Directors

“Class Meetings”	the respective class meetings of the holders of the H Shares and the holders of the Domestic Shares convened and held at 10.30 a.m. and 11:00 a.m. respectively on 27 October 2009 for the purpose to approve, among other things, (i) the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing; (ii) the Transfer of Listing; (iii) the Articles Amendments; and (iv) to authorize the Directors to do such acts or things and to take steps as they consider necessary, desirable and expedient to carry out and/or give effect to the above matters
“Company”	Nanjing Sample Technology Company Limited* (南京三寶科技股份有限公司), a joint stock limited company incorporated in the PRC, the issued H Shares of which are listed on GEM as at the date of this announcement (Stock Code: 8287)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會), the regulatory body responsible for the supervision and regulation of the PRC national securities market
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary domestic share(s) of nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for in RMB, and all of such Shares are not listed on the Stock Exchange
“EGM”	the extraordinary general meeting of the Company convened and held at 10:00 a.m. on 27 October 2009 for the purpose to approve, among other things, (i) the making of relevant applications to the CSRC and the Stock Exchange for the Transfer of Listing; (ii) the Transfer of Listing; (iii) the Articles Amendments; and (iv) to authorize the Directors to do such acts or things and to take steps as they consider necessary, desirable and expedient to carry out and/or give effect to the above matters
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM, as amended from time to time
“Group”	the Company and its subsidiaries

“H Shares”	the overseas listed foreign invested shares of nominal value of RMB1.00 each in the share capital of the Company, which are listed on the GEM as at the date of this announcement, and subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange for the listing matters
“Main Board”	the main board of the Stock Exchange
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China, but for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer of Listing”	the proposed transfer of listing of the H Shares from the GEM to the Main Board pursuant to the streamlined transfer of listing procedures under Chapter 9A of the Main Board Listing Rules

* *for identification purpose only*

By Order of the Board,
南京三寶科技股份有限公司
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

Hong Kong, 30 July 2010

As at the date of this announcement, the Board comprises:

Executive Directors

Mr. Sha Min

Mr. Chang Yong

Mr. Guo Ya Jun

Non-executive Directors

Mr. Ma Jun

Independent non-executive Directors

Mr. Zhang Zhan

Mr. Wang Wei

Mr. Lau Shek Yau John

This announcement, for which the Directors collectively and individually accept full responsibility, 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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkexnews.hk> and the Company’s own website at <http://www.sampletech.com.cn> for at least 7 days from the date of its posting.