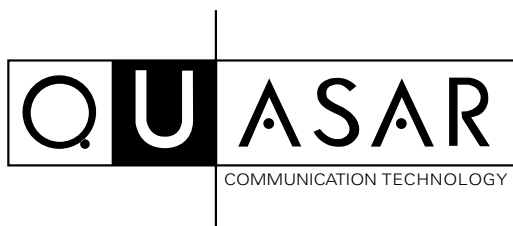


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QUASAR COMMUNICATION TECHNOLOGY HOLDINGS LIMITED

思拓通訊科技控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8171)

COMPLETION OF THE PRIVATE PLACING OF NON-LISTED WARRANTS

The Board is pleased to announce that completion of the Warrant Placing has taken place on 3 July 2007 and 58,000,000 Warrants have been successfully issued to the Subscriber.

Reference is made to the announcement of the Company dated 29 May 2007 (the “**Announcement**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

The Board is pleased to announce that, with all the conditions under the Warrant Placing Agreement being fulfilled, completion of the Warrant Placing has taken place on 3 July 2007 and 58,000,000 Warrants in registered form constituted by a deed poll have been successfully issued to the Subscriber. The Warrants are freely transferable in integral multiples of 10,000,000 Warrants and rank pari passu in all respects among themselves.

The Warrants entitle the Subscriber or subsequent warrant holder(s), if any, to subscribe for the New Shares at an initial Subscription Price of HK\$0.50 per New Share (subject to adjustment) for a period of 53 weeks commencing from 3 July 2007. Each Warrant carries the right to subscribe for one New Share. The New Shares, when fully paid and allotted, will rank pari passu in all respects with the then existing issued Shares.

* *For identification purpose only*

Assuming the full exercise of the subscription rights attaching to the Warrants, a total of 58,000,000 New Shares, representing (i) approximately 11.02% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.92% of the issued share capital of the Company as enlarged by the allotment and issue of the New Shares, will be issued.

Set out below is the shareholding structure of the Company before and after the full exercise of the subscription rights attaching to the Warrants:

Shareholders	As at the date of this announcement		Immediately after full exercise of the subscription rights attached to the Warrants	
	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage
Shin Dong Hoon	81,200,000	15.42%	81,200,000	13.89%
Choice Media Investments Limited ("Choice Media") (Note 1)	74,621,186	14.17%	74,621,186	12.77%
Pilot Choice Management Limited ("Pilot Choice") (Note 2)	55,536,000	10.55%	55,536,000	9.50%
i.Concept Inc. ("i.Concept") (Note 3)	41,740,196	7.93%	41,740,196	7.14%
Public Shareholders				
KTIC M&A, Inc.	39,000,000	7.41%	39,000,000	6.67%
Subscriber	–	–	58,000,000	9.92%
Other public Shareholders	234,354,118	44.52%	234,354,118	40.11%
Subtotal:	<u>273,354,118</u>	<u>51.93%</u>	<u>331,354,118</u>	<u>56.70%</u>
Total	<u><u>526,451,500</u></u>	<u><u>100.00%</u></u>	<u><u>584,451,500</u></u>	<u><u>100.00%</u></u>

Notes:

- The Shares are registered in the name of Choice Media. Mr. Chan Ka Wo, an executive Director, legally and beneficially owns the entire issued share capital of Choice Media. Accordingly, Mr. Chan Ka Wo is deemed to be interested in all the Shares registered in the name of Choice Media.

2. The entire issued share capital of Pilot Choice is legally and beneficially owned by Mr. Ong Se Mon, an executive Director. The Shares referred herein relate to the same parcel of Shares held by Pilot Choice. Mr. Ong Se Mon is also beneficially interested in an approximately 0.63% of the issued share capital of PINE Technology Holdings Limited (“**PINE Technology**”), the issued shares of which are listed on GEM. PINE Technology has indirect interests in the Company through i.Concept.
3. The entire issued share capital of i.Concept is legally and beneficially owned by Pan Eagle Limited and the entire issued share capital of which is legally and beneficially owned by Pine Technology (BVI) Limited. The entire issued share capital of Pine Technology (BVI) Limited is, in turn, legally and beneficially owned by PINE Technology. Accordingly, each of Pan Eagle Limited, Pine Technology (BVI) Limited and PINE Technology is deemed to be interested in the Shares registered in the name of i.Concept.

It is intended that the net proceeds from the Warrant Placing of approximately HK\$1,000,000 and any proceeds from the issue of New Shares upon exercise of the subscription rights attaching to the Warrants in future will be applied towards the general working capital of the Group and as funds for future development of the Group when investment opportunities arise. As at the date of this announcement, the Company has not identified any specific investment plan.

The Directors confirm that the Subscriber is a third party independent of the Company and connected persons of the Company (as defined under the GEM Listing Rules) and that the Subscriber does not fall under any of the categories set out in notes to Rule 10.12 of the GEM Listing Rules.

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

Hong Kong, 3 July 2007

The executive Directors as at the date of this announcement are Mr. Chan Ka Wo, Mr. Ra Chang Ju, Mr. Ong Se Mon and Mr. Cho Hui Jae and the independent non-executive Directors as at the date of this announcement are Mr. Lo Hang Fong, Mr. Li Meng Long and Mr. Choy Mun Kei.

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:– (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 GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.