



SINO TECHNOLOGY
INVESTMENTS COMPANY LIMITED
中國創新投資有限公司
(incorporated in the Cayman Islands
with limited liability)
(Stock Code: 1217)

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)

**POSSIBLE ASSETS INJECTION AND NOMINATION OF QUASAR DIRECTORS-
STRATEGIC CO-OPERATION IN THE CIVIL AND MILITARY DUAL-USE
OPTOELECTRONIC INDUSTRY**

This joint announcement is made pursuant to Rule 13.09 (1) of the Listing Rules or Rule 17.10 of the GEM Listing Rules, as the case may be.

Reference is made to the announcement of Sino Technology dated 7 January 2008 (the “Announcement”) in respect of the memorandum of understanding with the Optoelectronic Bureau of 中國兵器工業集團公司 (China North Industries Group Corporation*) (“CNGC”), pursuant to which Sino Technology has been granted the first right of refusal to invest in two optoelectronic projects under CNGC in the PRC. Accordingly, Sino Technology has developed a close relationship with the Optoelectronic Bureau of CNGC in respect of the LED Optoelectronic Project. QUASAR is considering to develop into the optoelectronic business, in particular the LED optoelectronic products for the PRC consumer electronic product markets. Having noted the close relationship between Sino Technology and the Optoelectronic Bureau of CNGC and the corresponding memorandum of understanding in respect of the LED Optoelectronic Project, QUASAR intends to establish a close strategic co-operation relationship with Sino Technology. As such, on 28 January 2008, Sino Technology and QUASAR have entered into the non-legally binding MOU in respect of the strategic co-operation in the civil and military dual-use optoelectronic industry. Pursuant to the MOU, Sino Technology will base on its first-right of refusal to invest in the LED Optoelectronic Project of CNGC to provide support to QUASAR on the manufacturing, assembling and development of LED optoelectronic products and related civil and military dual-use products. QUASAR will provide strategic solutions and overseas distribution channels to the CNGC’s optoelectronic enterprises, which are principally engaged in manufacturing of LED optoelectronic products and are also subject to potential investment by Sino Technology.

As the subject transactions may or may not proceed, Sino Technology Shareholders and QUASAR Shareholders and investors of Sino Technology and QUASAR should exercise with cautions when dealings in the securities of Sino Technology and QUASAR.

* for identification only

Background and intention of the parties

Reference is made to the announcement of Sino Technology dated 7 January 2008 (the “Announcement”) in respect of the memorandum of understanding with the Optoelectronic Bureau of 中國兵器工業集團公司 (China North Industries Group Corporation*) (“CNGC”), pursuant to which Sino Technology has been granted the first right of refusal to invest in two optoelectronic projects under CNGC in the PRC. Accordingly, Sino Technology has developed a close relationship with the Optoelectronic Bureau of CNGC in respect of the LED Optoelectronic Project. QUASAR is considering to develop into the optoelectronic business, in particular the LED optoelectronic products for the PRC consumer electronic product markets. Having noted the close relationship between Sino Technology and the Optoelectronic Bureau of CNGC and the corresponding memorandum of understanding in respect of the LED Optoelectronic Project, QUASAR intends to establish a close strategic co-operation relationship with Sino Technology. As such, Sino Technology and QUASAR entered into the MOU for strategic co-operation in the civil and military dual-use optoelectronic industry.

THE MOU

Date : 28 January 2008

Parties : Sino Technology
QUASAR

To the best of the Sino Technology Directors’ and QUASAR Directors’ knowledge, information and belief, and having made all reasonable enquiries, each of Sino Technology and QUASAR is independent of and not connected with each other.

Major Terms

- 1) Sino Technology will base on its first right of refusal to invest in the LED Optoelectronic Project of CNGC to provide support to QUASAR on the manufacturing, assembling and development of LED optoelectronic products and related civil and military dual-use products;
- 2) QUASAR will provide strategic solutions and overseas distribution channels to the CNGC’s optoelectronic enterprises, which are principally engaged in manufacturing of LED optoelectronic products and are subject to potential investment by Sino Technology;
- 3) The principal products for the strategic co-operation between Sino Technology and QUASAR are LED chips, LED packaging and application products, which include LED lighting and LED display products series for the consumer electronic products market;
- 4) QUASAR is considering to develop its business in the optoelectronic industry and agreed to develop close strategic relationship with Sino Technology in such area. Accordingly, Sino Technology will consider to inject its then existing or future LED projects into QUASAR (the respective formal agreement will be negotiated individually later). In addition, in view of its future business development in the optoelectronic industry, QUASAR will consider to change its company name and it is further considered that Sino Technology shall have the right to appoint and nominate two QUASAR Directors into the QUASAR Board to help the development in the civil and military dual-use optoelectronic industry.

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“LED”	light emitting diodes, a semiconductor diode that emits light when connected with an electric circuit
“LED Optoelectronic Project”	the CNGC’s optoelectronic project to which Sino Technology has been granted the first right of refusal to invest in such project
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the non-legally binding memorandum of understanding dated 28 January 2008 entered into between Sino Technology and QUASAR on the strategic co-operation in the civil and military dual-use optoelectronic industry
“PRC”	the People’s Republic of China
“QUASAR”	QUASAR Communication Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“QUASAR Board”	the board of QUASAR Directors
“QUASAR Director(s)”	the director(s) of QUASAR, including the independent non-executive director(s) of QUASAR
“QUASAR Group”	QUASAR and its subsidiaries from time to time
“QUASAR Share(s)”	the ordinary share(s) with par value of HK\$0.01 each in the capital of QUASAR
“QUASAR Shareholder(s)”	holder(s) of the QUASAR Share(s)
“Sino Technology”	Sino Technology Investments Company Limited 中國創新投資有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Sino Technology Board”	the board of Sino Technology Directors
“Sino Technology Director(s)”	the director(s) of Sino Technology, including the independent non-executive director(s) of Sino Technology
“Sino Technology Group”	Sino Technology and its subsidiaries, if any, from time to time
“Sino Technology Share(s)”	the ordinary shares with par value of HK\$0.01 each in the capital of Sino Technology

“Sino Technology Shareholder(s)” holder(s) of the Sino Technology Share(s)

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By order of the Board
Sino Technology
Investments Company Limited
Xiang Xin
Executive Director and
Chief Executive Officer

By order of the Board
QUASAR Communication
Technology Holdings Limited
Li Tan Yeung Richard
Executive Director

Hong Kong, 28 January 2008

As at the date of this announcement, the executive Directors of Sino Technology are Mr. Xiang Xin (Chief Executive Officer), Mr. Chan Cheong Yee and Mr. Wong Chak Keung; the non-executive Directors are Mr. Wang Qing Yu (Chairman) and Mr. Ng Kwong Chue Paul; the independent non-executive Directors are Mr. David Wang Xin, Mr. Zang Hong Liang and Mr. Lee Wing Hang.

As at the date of this announcement, the executive Directors of QUASAR 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. Sze Lin Tang, Mr. Leung Wing Kin and Mr. Zhang Zhan Liang.

This announcement, for which the QUASAR 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 QUASAR. The QUASAR 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.

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