

[For immediate release]

CHINA SEVEN STAR
PROPOSED ACQUISITION OF THREE MOBILE HANDSET COMPANIES

* * *

FURTHER EXPANDS THE MOBILE HANDSETS BUSINESS
TO BECOME AN ALL-ROUND MOBILE HANDSET SUPPLIER

(Hong Kong, 25 September 2007) – **China Seven Star Shopping Limited** (“China Seven Star” or “the Group”) (stock code: 245), a leading television shopping enterprise in China, has entered into a non-binding memorandum of understanding for a proposed acquisition of 50% equity interests of Uniscope Electronics Co Ltd (“Uniscope”), 上海優思通信有限公司 (“SH Co 1”) and 上海浦歌電子有限公司 (“SH Co 2”) respectively.

Mr. Ni Xinguang, Chairman of China Seven Star, said, “Following our proposed investment in Shanghai QL Telecommunications Co Ltd in August which aim at enhancing the Group’s marketing and distribution capabilities of the mobile handsets business, we intend to further expand the business vertically to become an all-round mobile handsets supplier with design, production and distribution capabilities. We believe that upon completion of the acquisition, leveraging on the strength of Uniscope, SH Co 1 and SH Co 2 in mobile handset and component sourcing, the Group will be able to build up its supply chain of mobile handsets products for sale in China.”

The consideration for the proposed acquisition should be 50% of the product of (i) the average of the total net profits after tax of Uniscope, SH Co 1 and SH Co 2 for the three years following the date of entering into the formal agreement in relation to the Proposed Acquisition; and (ii) a profit-earning ratio of 5.

Uniscope is a company that engages in the sales of mobile handset main board. SH Co 1 is principally engaged in the design of mobile handset printed circuit board and the development of plug-in software. SH Co 2’s principal business is sourcing and sales of mobile handset and component.

Mr. Ni concluded: “We believe that the series of acquisition will allow the Group to stay abreast of market trends and design and manufacture personalized consumer electronics products, especially for mobile handsets, that meet consumers’ preferences. Thus, boost our overall marketing performance, increase customer satisfaction, and hence, our profitability.”

~ End ~

About China Seven Star Shopping Limited

China Seven Star is one of the largest players in the PRC TV shopping market. On an integrated platform of television commercials, call centers and sales outlets, China Seven Star sells and distributes a great variety of consumer products including digital and electronic products, kitchenware, learning products, fitness equipment, cosmetics and health food, etc.

For press enquiries:

Strategic Financial Relations (China) Limited

Ms Karen Hung	Tel: (852) 2864 4854	karen.hung@sprg.com.hk
Ms Scarlett Shi	Tel: (852) 2864 4850	scarlett.shi@sprg.com.hk
Ms Cherry Qiu	Tel: (852) 2114 4960	cherry.qiu@sprg.com.hk