

[For immediate release]

**PROPOSED INVESTMENT IN A JOINT VENTURE COMPANY**

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CHINA SEVEN STAR AND LONGCHEER**TO COOPERATE IN MOBILE HANDSET MARKETING AND DISTRIBUTION IN CHINA**

(Hong Kong, 27 August 2007) – **China Seven Star Shopping Limited** (“China Seven Star”) (stock code: 245), a leading television shopping enterprise in China, has entered into a non-binding memorandum of understanding with Sinolong Technology (Shanghai) Co Ltd (“Sinolong”), a wholly-owned subsidiary of a China leading mobile phones designer, **Longcheer Holdings Limited** (“Longcheer”) (Singapore stock code: L28), and Shanghai LS Investment Co Ltd (“Shanghai LS”) for a proposed investment in Shanghai QL Telecommunications Co., Limited (“Shanghai QL”).

Shanghai QL is a joint venture company that engages in the sales of telecommunication products, its core business is marketing and distribution of mobile handset in China, and is owned as to 57% by Sinolong and 43% by Shanghai LS. Under the memorandum of understanding, China Seven Star will invest RMB28.5 million in Shanghai QL by way of capital injection. Following the proposed investment, Shanghai QL will be owned as to 36.3% to China Seven Star, 36.3% to Sinolong and 27.4% to Shanghai LS.

Mr. Ni Xinguang, Chairman of China Seven Star, said, “China Seven Star commenced its mobile handset distribution in January 2007 through its extensive TV shopping platform in China. Our outstanding sales performance not only enhanced the Group’s confidence in further expanding the mobile handset business, but also attracted strategic partner to join hands with us. We are very happy to start strategic cooperation with a China renowned mobile handset designer, Longcheer. It is believed that through investing in Shanghai QL, China Seven Star is able to leverage on Shanghai QL’s strong mobile handset marketing and distribution capability in China, strengthening our mobile handset distribution platform, and hence, enhancing our profitability in the long run.”

“We are very proud to partner China Seven Star in marketing and distribution of mobile handset in China. We believe that the participation of China Seven Star will enhance Shanghai QL’s mobile handset marketing capability and diversify its distribution channel in China. It is a win-win strategic cooperation for Longcheer and China Seven Star,” Said Dr. Du Junhong, CEO of Longcheer.

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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.

About Longcheer Holdings Limited

Longcheer Holdings is a leading Chinese mobile handset design house, specializing in providing complete-knockdown and semi-knockdown design solutions for telecommunications companies. From handset hardware, software to exterior design, Longcheer provides total and innovative solutions to its customers with rapid time-to-market designs. Longcheer's clients include major Chinese telecommunication companies such as ZTE, Konka, TCL and Gionee. The Group was listed on the Singapore Exchange Main Board in May 2005. For more information, please visit www.longcheertel.com.

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