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## **EYANG HOLDINGS (GROUP) CO., LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 117)**

### **ANNOUNCEMENT**

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that, the financial results of the Group for the six months ended 30 June 2008 are expected to be unsatisfactory.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by EYANG Holdings (Group) Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that despite the satisfactory performance of the Group’s multi-layer ceramic chips (MLCC) business, the financial results of the Group for the six months ended 30 June 2008 are expected to be unsatisfactory due to the considerable decrease in the profit margin of the Group’s mobile phone related business. As disclosed in the annual report 2007 of the Company, the mobile phone market in the People’s Republic of China (“**PRC**”) continues to face fierce competition. Further, the revocation of approval policies in respect of mobile phones production permit in the PRC since October 2007 intensified the battle for market share in the already saturated market. The Company has not seen any noticeable improvement in the operating environment for the mobile phone market in the PRC.

As the Company is still in the process of finalizing its results for the six months ended 30 June 2008, the information contained in this announcement is a preliminary estimate given by the management of the Company. Further details of the Group’s financial results and performance will be disclosed when the interim results of the Group for the six months ended 30 June 2008 is announced not later than the end of September 2008.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**EYANG Holdings (Group) Co., Limited**  
**Chen Weirong**  
Chairman

Hong Kong, 1 August 2008

*As at the date of this announcement, the Board comprised Mr. Chen Weirong, Ms. Shuang Mei and Mr. Liao Jie as executive Directors, Mr. Cheng Wusheng, Mr. Li Heqiu, Mr. Zhang Zhilin and Mr. Chen Hao as non-executive Directors and Mr. Pan Wei, Mr. Liu Huanbin and Mr. Chu Kin Wang, Peleus as independent non-executive Directors.*