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宇陽控股(集團)有限公司
EYANG HOLDINGS (GROUP) CO., LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 117)

APPOINTMENT OF INTERNAL CONTROL CONSULTANT

Reference is made to the announcement dated 30 March 2012 (the “**Announcement**”) by EYANG Holdings (Group) Co., Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) with respect to the final results for the year ended 31 December 2011. The Announcement has disclosed, among other things, the basis for qualified opinion issued by the Company’s auditors Ernst & Young (the “**Auditors**”) due to the Auditors’ inability to obtain sufficient appropriate audit evidence about the sales of mobile phones and the corresponding trade receivables during the year.

To address the issues outlined in the auditors’ report as set out in Company’s annual report 2011, the Company has established a special board committee (the “**Special Committee**”), comprising all three independent non-executive directors and the Group’s Chief Financial Officer, to look into the matters and recommend remedial procedures to the board of directors of the Company (the “**Board**”) to improve the Group’s internal control. The Company has appointed SHINEWING Risk Services Limited as the internal control consultant (the “**Consultant**”) to carry out a review of the Group’s internal control with focus on the operation of the Group’s mobile phones trading business and prepare a report of the review (the “**Report**”).

SHINEWING Risk Services Limited and its ultimate beneficial owner(s) are, to the best of knowledge, information and belief and having made all reasonable enquiries by the Board, third parties independent of the Company and its connected persons.

It is expected that the Consultant will submit the Report to the Special Committee by the end of July 2012 or such date as may be mutually agreed between the Consultant and the Company.

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

Hong Kong, 17 May, 2012

As at the date of this announcement, the Board comprises Mr. Chen Weirong, Mr. Liao Jie and Mr. Xu Chuncheng as Executive Directors, Ms. Shuang Mei, Mr. Cheng Wusheng, 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.