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CASIL TELECOMMUNICATIONS HOLDINGS LIMITED
(航天科技通信有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1185)

ANNOUNCEMENT
COMPLETION OF THE VERY SUBSTANTIAL ACQUISITION
AND CONNECTED TRANSACTION RELATING TO
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL
OF ADVANCED GRADE HOLDINGS LIMITED

Reference is made to the circular dated 1 June 2007 (the “Circular”) issued by CASIL Telecommunications Holdings Limited (the “Company”). Terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

The Board is pleased to announce that the acquisition of the entire issued share capital of Advanced Grade by the Company pursuant to the terms and conditions of the Sale and Purchase Agreements has been completed earlier today, 24 October 2007 and Advanced Grade became a wholly-owned subsidiary of the Company. The Consideration has been satisfied by way of HK\$130,000,000 in cash and the allotment and issue of 2,200,000,000 Consideration Shares at an issue price of HK\$0.35 per Share to Astrotech. Immediately after the Completion, Astrotech owns 73.1% of the issued share capital of the Company.

On behalf of the Board of
CASIL Telecommunications Holdings Limited
Au-Yeung Keung Steve
Company Secretary

Hong Kong, 24 October 2007

As at the date of this announcement, the Board comprises Mr. Han Shuwang, Mr. Wang Xiaodong and Mr. Li Guang as Executive Directors, Mr. Wu Yansheng, Mr. Liang Xiaohong and Mr. Tang Guohong as Non-executive Directors and Mr. Yiu Ying Wai, Mr. Wong Fai, Philip, Mr. Zhu Shixiong and Mr. Moh Kwen Yung as Independent Non-executive Directors.

**For identification only*