

## **YAAN SECURITY TECHNOLOGY LIMITED**

**Registration No. 200402490W**

### **NEWS RELEASE**

#### **YAAN has signed a RMB 20m OEM arrangement with Zhejiang Da Hua Technology Co., Ltd**

Singapore, 29 March 2006 – SESDAQ-listed Yaan Security Technology Limited (“YAAN” or “The Group”), a leading technology-based manufacturer of CCTV security and surveillance products and accessories, is pleased to announce that it has entered into an agreement with Zhejiang Da Hua Technology Co., Ltd (“Da Hua”) to manufacture the intelligent speed camera for “Da Hua” brand. Da Hua guarantees that total procurement value of Yaan intelligent speed camera and accessories will not be less than RMB20m during 2006, and a single purchase value of not less than RMB0.4m.

Commenting on Yaan’s entry into domestic OEM manufacturing, Mr. Ye Chen, Yaan’s Executive Chairman and CEO said: “The “Security City” project spearheaded by the National Public Safety Department as social security and safety has brought tremendous market opportunity to PRC security industry. Both Da Hua and Yaan are focusing on the “Security City” project and are keen to penetrate into this fast-growing speed camera market. We believe that Yaan can improve its market share in the fast-growing speed camera market as OEM partner to “Da Hua” who is a well known DVR producer selling packed DVR and speed camera to its customers ”

Mr Ye added : “Entering into the OEM manufacturing industry will maximize the value of our manufacturing facilities and research. This will also provide the Group with long-term recurring income. We are confident that OEM manufacturing is the right step towards ultimately enhancing value for our shareholders.”

#### **About Zhejiang Da Hua Tecnology Co., Ltd**

Starting with communication and dispatch system business in 1993, now “Da Hua” has bloomed as one of the most promising R&D-oriented companies in System Integration, Security, Automobile Electronics, Set-Top Box, IC Design and Consumption Multimedia in China, and conducted national wide and global export business relating to the prominent IT field of DVR.

## **About Yaan Security Technology Limited**

Yaan Security Technology Limited is a leading technology-based manufacturer of CCTV security and surveillance products and accessories. With a strong research and development team, operation across China and distributors in Europe, North America and Southeast Asia, the Group was able to establish a broad customer base. Yaan's wide range of CCTV products has been deployed in major historic sites and tourist attractions in China such as Tiananmen Square, Temple of Heaven and Beijing Olympic Hotel.

Yaan has received several awards and accolades, such as "Top Ten National Brands of Security Industry" awarded by HC360 Security in 2003 and 2004, and "Rising Star Winner-CCTV Camera" for the China Export Business Achievement awarded by Global Sources Limited in 2003, and "Security Industry Top 100 Growth Enterprises" in 2005 awarded by China Public Security Publication. "YAAN" brand was one of 10 security brands in the CCTV category in a survey conducted by "Automation & Security"(A&S) and awarded as "Famous Brands in China Security" in 2006 by China Public Security Publication.