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WAFAER SYSTEMS LIMITED

威發系統有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8198)

ANNOUNCEMENT

The board of directors (the "Board") of Wafer Systems Limited (the "Company") noted the increase in the trading volume in the shares of the Company today and wish to state that we are not aware of any reasons for such increase.

We also wish to confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By Order of the Board
Wafer Systems Limited
Pang Kin Man, Edmond
Company Secretary

Hong Kong, 11 May 2007

As at the date of this announcement, the Board consists of one executive director, Mr. Chan Sek Keung, Ringo, one non-executive director, Mr. Kwan Kit Tong and three independent non-executive directors, namely Mr. Pang Hing Chung, Alfred, Mr. David Tsoi and Mr. Chan Tze Ngon.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief : (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication.

** For identification purpose only*