

China Wireless Technologies Limited

(Incorporated in the Cayman Islands with limited liability, HKSE:2369)

2011 Annual Report Presentation

March, 2012



Safe Harbor Statement



- Important Notice

- This document is sole for reference only. Directors of China Wireless Technologies Limited hereby confirm, both in a personal capacity and as representative of the group, that the Directors have conducted thorough consultation regarding the truth of the contents of this document.

- Disclaimer

- This document does not constitute any recommendation or invitation to subscribe to or sell shares of China Wireless Technologies Limited, nor should it be used as the basis of any contract to buy or any pledge. Therefore, any decision to buy or sell the company's shares must be based solely on the prospectus published for the purpose of issuing shares.

Agenda



- Company Introduction
- Investment Highlights
- Financial Performance
- Future Growth Strategies
- Q&A



Coolpad 酷派
live smart



Company Introduction

An **innovative** wireless telecom company
Building on **core** technologies
Growing with the PRC market

Company Introduction



China's leading 3G smartphone developer & supplier

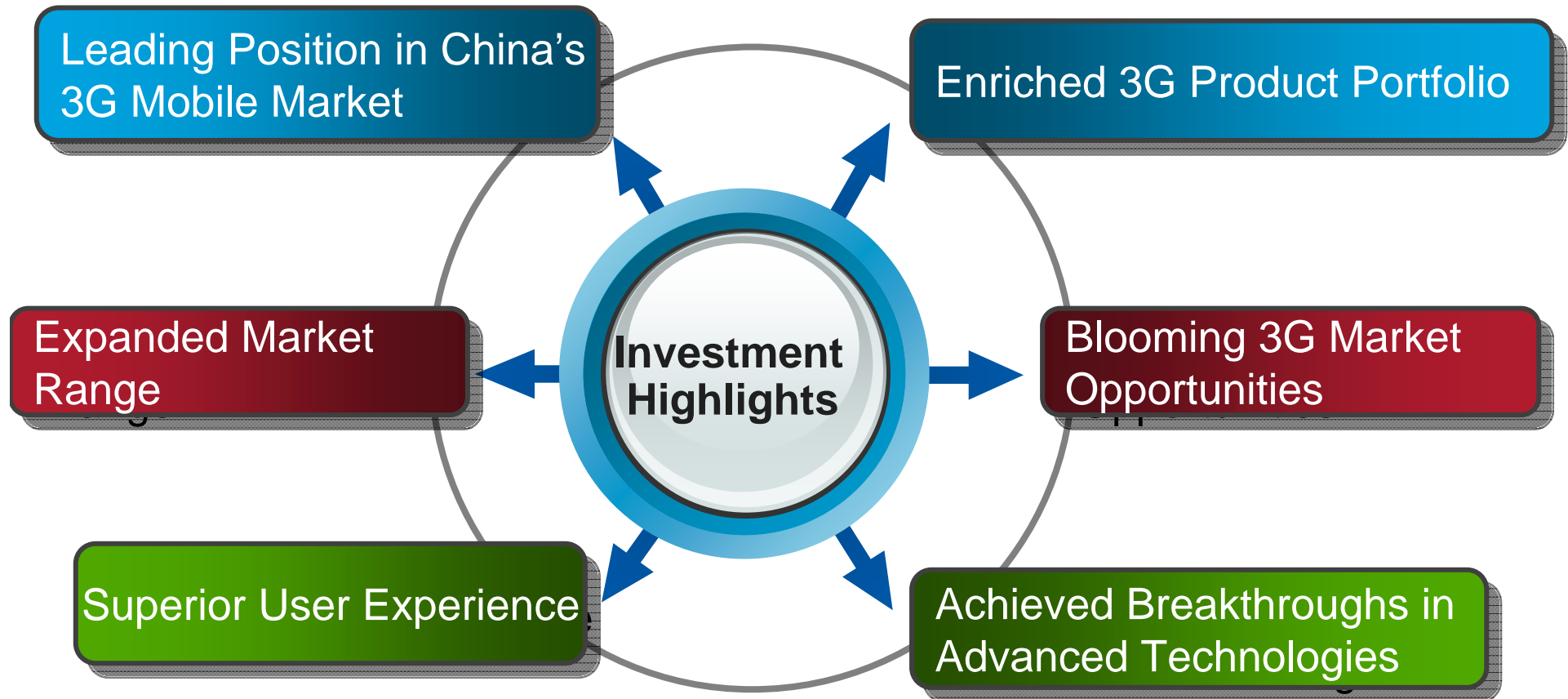
- Owning a famous smartphone brand **Coolpad** 酷派
- **Leading** China's 3G smartphone market with all-network 3G pipelines
- **Pioneer** in the dual-mode dual-working smartphone market
- Particular strength in the **3G technologies**: CDMA2000, TD-SCDMA
- Outstanding **R&D** capabilities in mobile's software & hardware designs
- Focusing on complex smartphone design and sole proprietary mobile operating systems based on Brew™ and Android™ respectively
- Maintaining close & comprehensive cooperation with domestic telecom operators
- Recording a **robust** growth over the past years, ranked as **Deloitte Technology Fast 50 China & Fast 500 Asia Pacific** for 7 consecutive years

[1] dual-mode dual-working("dual-mode ") phone is a phone carrying dual SIM cards, standby & working simultaneously

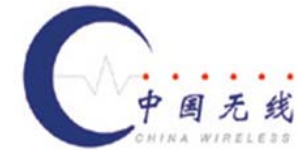


Investment Highlights

Investment Highlights



Leading Position in China's 3G Mobile Market

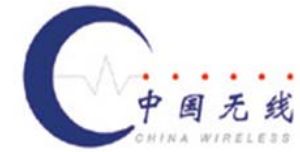


■ Revenue of 3G **Coolpad** Smartphone Hits Record High in 2011

- Revenue contribution from 3G segment surged to 98.9% in 2011 (2010: 87.9%)
- Product portfolio shifted to 3G smartphone segment
- Maintained the top 5 position in domestic 3G mobile market

The advertisement features a central image of the Coolpad Magview II 9900 smartphone displaying a scenic landscape. The phone is surrounded by various logos and text. At the top left is the '天翼 surfing' logo, and at the top right are the '中国电信' and 'Coolpad live smart' logos. The main text reads '大观MagviewII 9900 第三代3G互联网四通道手机'. A large '5.0' is prominently displayed in the center, with '英寸HD 高清大屏' below it. At the bottom right, a yellow box lists features: '双网双待 一手掌控', '5.0英寸高清大屏', 'Android™2.3智能系统', '1.5GHz双核双核', '超云2.0人性化服务', '2650mAh超长待机', and '3G双网双待四通道 智能易体验'. The bottom left corner includes the '四通道' logo and other service icons. The bottom right corner states '全面支持中国电信天翼3G业务 官方微博: @天翼手机' and '中国电信定制手机'.

Enriched 3G Product Portfolio



- Ranged from high-end to low-end models with pricing between RMB500 to RMB5,000
- Became one of the few 3G mobile phone vendors who are capable to offer any modes of 3G smartphone worldwide



Enriched 3G Product Portfolio (con't)



■ Technology & Product Roadmap

2011

CDMA1X EVDO/GSM Android based dual-mode smartphone



2010

CDMA1X EVDO/GSM Android based dual-mode smartphone



2009

CDMA2000/GSM dual-mode smartphone



2008

TD-SCDMA/GSM (CMMB) dual-mode smartphone



2007

GSM/GSM and PHS/GSM dual-mode smartphone



2005

Initiated CDMA/GSM dual-mode smartphone globally



Evolving Pipelines & Product Portfolios

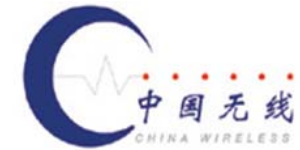
Expanded Market Range



- **Close Relationships with Domestic Telecom Operators**
- **China Telecom** — CDMA & CDMA2000 network operator
 - ↗ Tailor-made 16 new CDMA2000 smartphone in 2011
- **China Mobile** — GSM & TD network operator
 - ↗ Tailor-made 6 new TD-SCDMA smartphone models in 2011
- **China Unicom** — GSM & WCDMA network operator
 - ↗ Tailor-made 8 WCDMA/GSM dual-mode smartphone in 2011



Expanded Market Range (con't)



- Global market strategy cooperating with the Overseas Telecom Operators
- Plan to set up the overseas R&D Center
- The **Coolpad** 3G smartphone business has already expanded into India, Taiwan, Indonesia, etc.



Never before, Outdo All of the Past
Magview II 9900
The first-per 3G internet 4-band handset

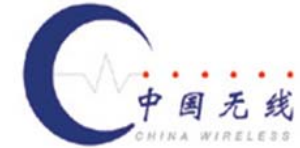
Magview Series |

dual-mode, dual-standby.
Have it all in hand.

850MHz GSM
2100MHz GSM
900MHz GPRS
850MHz CDMA
900MHz CDMA
3G dual-mode dual-standby 4-band

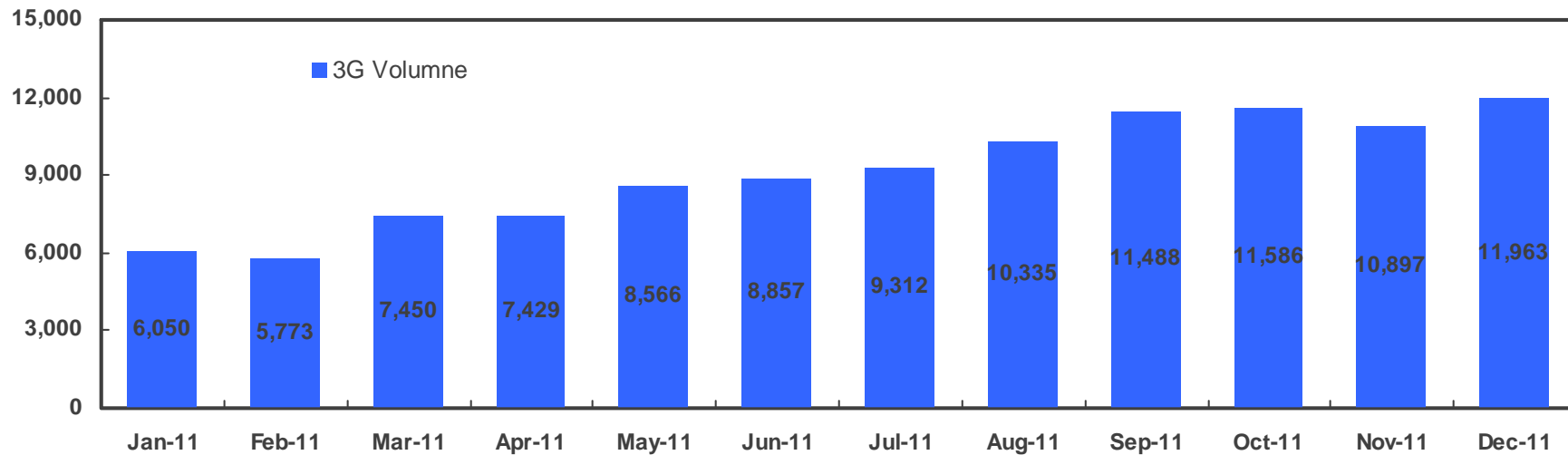


Blooming 3G Opportunities



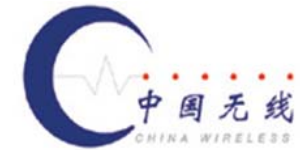
- Emerging **3G subscribers** upgrading their 2G phones for 3G services
- 3 telecom operators' **aggressive** target of 3G subscribers
- Unprecedented growth of domestic smartphone users

Units: '000



Source: SINO-MR Report December 2011

Superior User Experience (con't)



■ The “Coolcloud” – the Cloud Computing and Storage Service Platform Debut in China

- Phase I: instant synchronization of the applications including Address List, Call Records, SMS, Memo, Photos, Files, etc.
- Phase II: more powerful and perfect services from the Cloud including the Data Security, Large Capacity Mobile Storage etc.



Cloud Media

Wherever you are, your handset will deliver you tailor-made city news where you stay.



Cloud Shield

Virus by Cloud check and kill, OS by Cloud monitoring, the remote anti-theft feature controls your lost handset and protect your privacy.



Cloud Weather

Anytime updated as per local reality, also share with your buddies.



Cloud Storage

Offers your dedicated data space, anytime and anywhere have easier access to it by multi-devices.

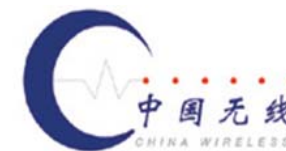
Superior User Experience



- The “Coolmart”, the Application Store Owned by China Wireless:
 - More than 30,000 hot games and applications
 - An easy shopping experience for Chinese people
 - Free download



Breakthroughs on Advanced Technologies



- Achievements in R&D on Next Generation Tech
- Initiated advanced R&D with global telecom operators on **LTE 4G technology**, mobile payment (**NFC**), etc.





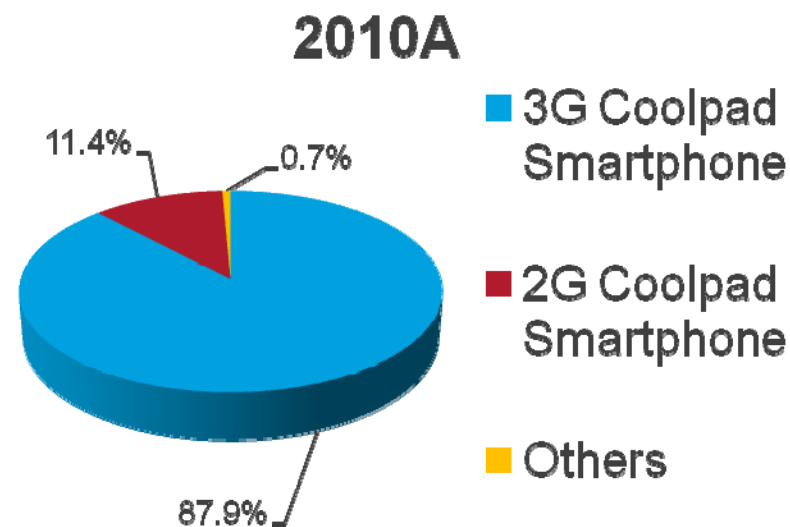
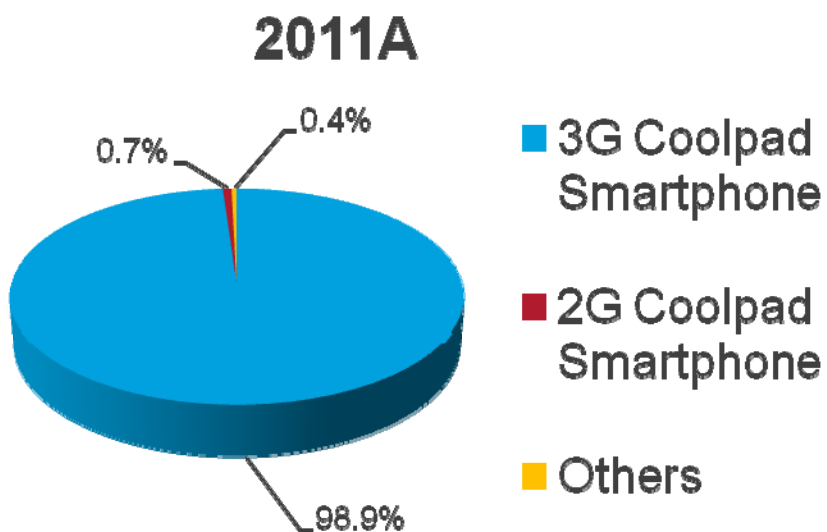
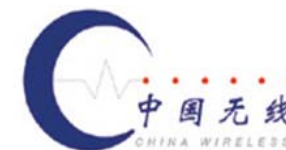
Financial Performance

Financial Performance



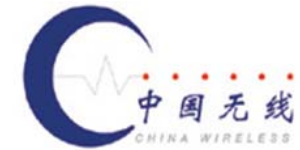
<i>HK\$ millions</i>	2011A	2010A	Change (%)
Revenue	7,340.5	4,592.7	59.8
Gross profit	1,081.4	1,117.4	(3.2)
Gross profit margin (%)	14.7	24.3	(9.6)
Profit before tax	324.3	545.1	(40.5)
Tax	(53.2)	(64.8)	(17.9)
Net profit	271.1	480.3	(43.6)
% S&D	6.4	7.0	(0.6)
% G&A	7.6	9.7	(2.1)
Proposed final dividend per share (HK cents)	2	5	(60)

Revenue Segmentation

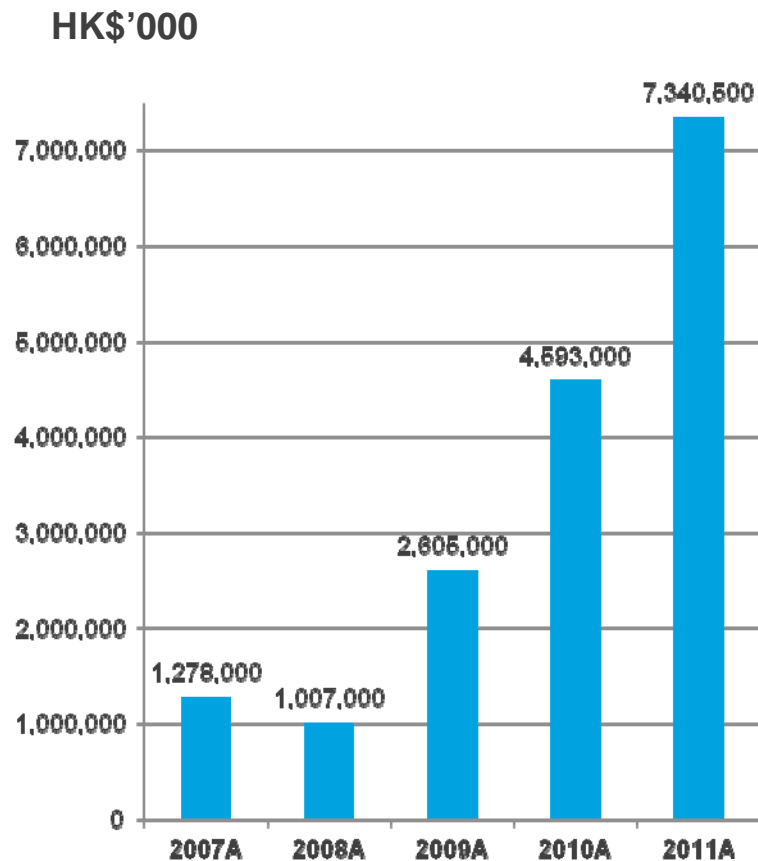


- Major Business: **3G Smartphone** contributed **98.9%** of total revenue in 2011
- Sales of **3G Smartphone** achieved a **79.8%** growth as compared with 2010

Financial Performance



Revenue



- Sustainable revenue growth attributable to rapid growth of domestic 3G Smartphone market
- representing a growth of 59.8% as compared with 2010

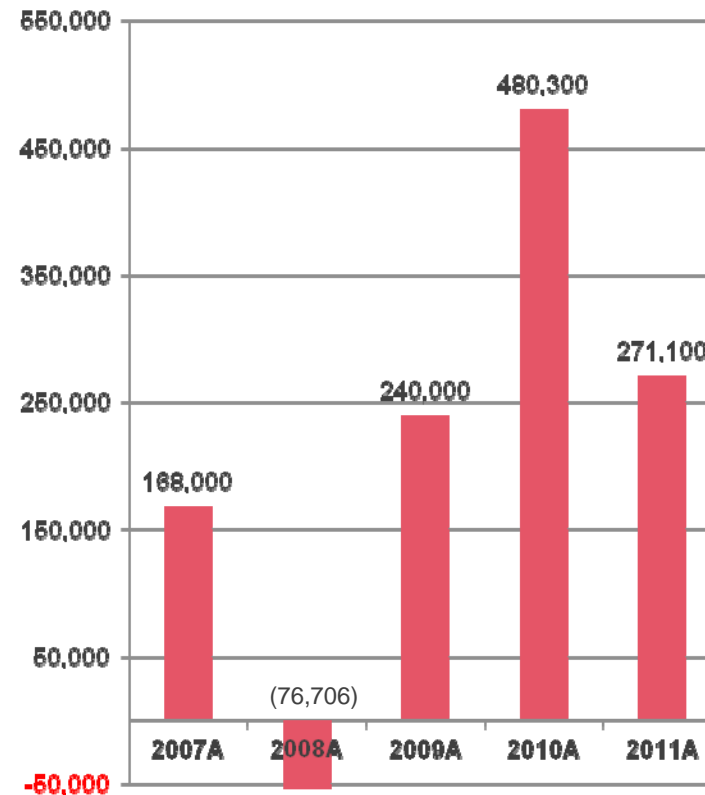
Financial Performance



- Net Profit decreased HK\$209.2 million, or 43.6%, as compared with 2010
- Due to the intensifying competition in the massive smartphone market
- And the declining ASP pressure

Net Profit

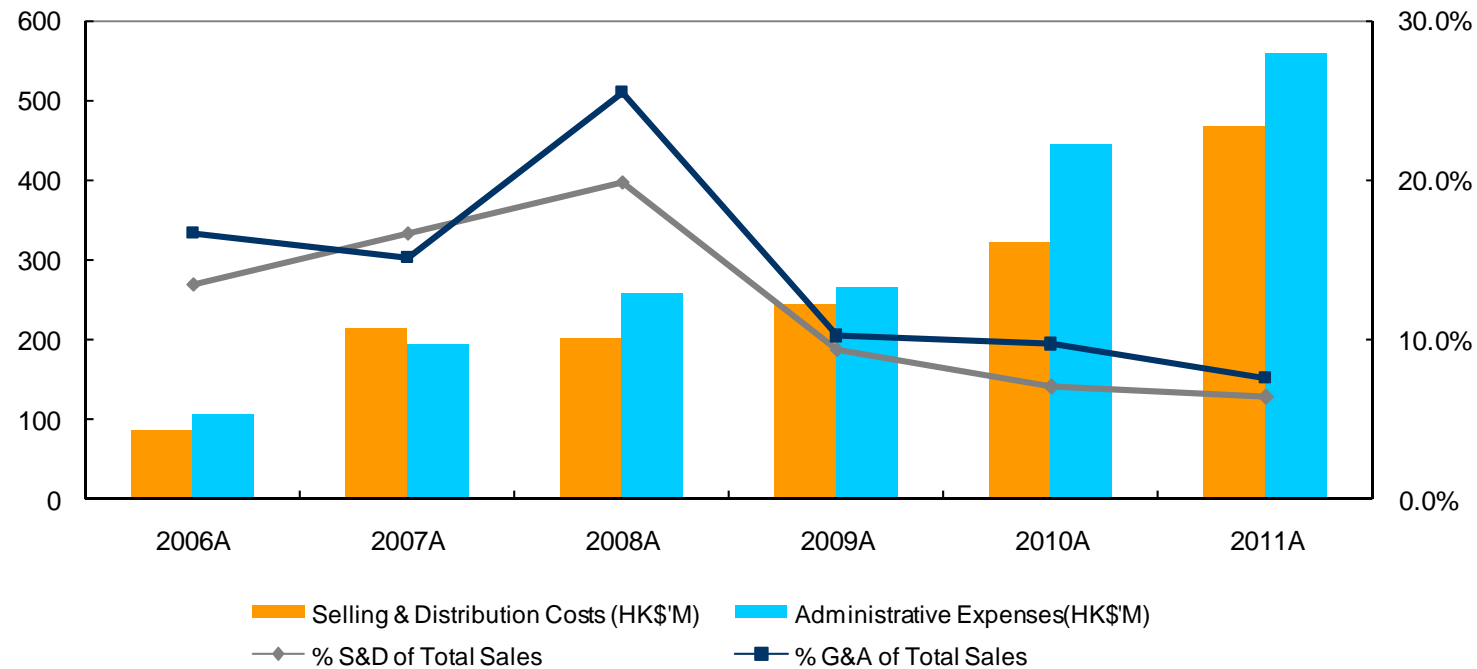
HK\$'000



Higher Operational Efficiency Achieved



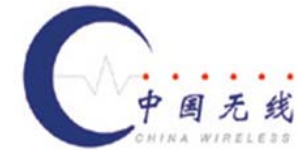
- Better economies of scale
- Stricter measures on administrative and marketing expense control





Future Growth Strategies

Future Growth Strategies



Innovation and R&D

- Close cooperation with industry leading suppliers to introduce more feature-rich and user-friendly **Coolpad** products
- Advancing R&D on TE(4G), mobile payment, and cloud computing and storage
- Focus on innovation of UI & ID and development on **Coolpad** applications to enhance users' mobile experience

Product Differentiation

- Launch more Android **Coolpad** Smartphone
- Launch new series of dual-mode 3G **Coolpad** smartphones and single-mode 3G smartphones:
TD-SCDMA, CDMA2000, WCDMA
- Develop a series of wireless data access devices and MID products



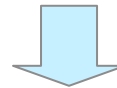
Future Growth Strategies



Expand Customer Base

- Expand the 3G smartphone sales
- Extend market range to overseas market through exploring more cooperation with foreign telecommunications operators
- Strengthening the relationships with the domestic telecom operators and social distribution partners

Advanced R&D + Product Differentiation + Larger Customer Base



**Leading Smartphone Developer
and Supplier in the PRC**

Q & A



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千元智能机
大屏4.0时代来临
Coolpad 闪电 Lightning 5880

China Telecom 中国电信
Coolpad live smart
天翼 surfing 3G互联网手机

会玩才更酷!
酷派Android 智能系统

中国通信定制手机

大观Magview II 9900
第三代3G互联网四通道手机

3.0 GHz
2x1.5GHz极智双核

双网双待 一手掌控

- 5.0英寸高清大屏
- Android™2.3智能系统
- 1.5GHz极智双核
- 酷云2.0人性化服务
- 2650mAh超长待机
- 3G双网双待四通道

智能易体验

全面支持中国电信天翼3G业务 官方微博: @天翼手机
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