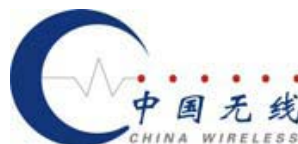




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China Wireless Announces 2008 Interim Results

Recording a Loss of HK\$ 49.3 Million Believing a Significant Growth in 2nd Half

(Hong Kong, 27 August 2008) China Wireless Technologies Limited (「China Wireless」or「the Company」) (Stock Code: 2369) announced its 2008 Interim Results for the six months ended 30 June 2008 today.

During the reporting period, the company achieved a turnover of HK\$ 441 million, representing an decrease of 41.5%, as compared with HK\$ 754 million in the corresponding period in 2007. For the six months ended 30 June 2008, the gross profit was HK\$ 186 million, representing a decrease of 31.5%, as compared with HK\$ 272 million in the same period in 2007. The company recorded a loss of approximately HK\$ 49.3 million, due to the significant decrease in sales and the increasing expenses for the expansion of business. However, the gross profit margin increased to 42.2%, representing an increase of 6.1%, compared with 36.1% in the first half of 2007. The gross profit margin remained high because the company has implemented a series of different competitive strategies ranging from brand orientation to mode of service and market exploitation, and has effectively lowered its production cost.

China Wireless recorded a loss in the reporting period mainly because of two reasons. On the one hand, the mobile operators purchased much less terminals due to the ongoing telecom industry restructuring in China; on the other hand, the company highly increased its costs in order to expand its business. The telecom restructuring has made a negative impact on the company's business in the first half of this year. However, the company has made some breakthroughs in the development and application of new technologies at the same time; and therefore it is well positioned to launch new products to meet market demand.

China Wireless has launched its 3G business in the reporting period. The company is one of the first terminal providers to have the collective purchase from China Mobile (Stock Code: 0941) this year. The Company has successfully sold nearly 4,000 units of TD-SCDMA/GSM dual-mode smartphone, and recorded a revenue of about HK\$15.4 million since the commencement of TD-SCDMA network trial commercialization in 10 cities of China on 1 April, 2008. The revenue from TD-SCDMA/GSM dual-mode smartphone accounted for 3.5% of the total revenue recorded during the period under review. The Company will continue to develop its TD-SCDMA/GSM smartphone business in the future as it is expected that the TD commercialization will promote largely in the Mainland China by both the government and its operator.

During the reporting period, China Wireless has developed its creative service mode—“Coolpad terminal+ Coolpadtone mobile data platform”, which provides games downloading, data resolving, GPS and other value-added services to its end-users. The revenue from other products segment (besides smartphone)

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increased to approximately HK\$ 5.2 million, representing a growth of 35.5%, as compared with HK\$ 3.8 million in the corresponding period in 2007. It was due to the increase of wireless system solution services such as GPS and rental income.

The management of the Company believes that the CDMA handset market will grow rapidly after the restructuring, as it is expected that the network operator will put more resources into expanding this market than before. As the leading CDMA handset provider in China, the management expects to receive a larger market share in the future. In addition, the demand for smartphones is increasing in the Mainland in recent years. The Company as a high-end smartphone manufacturer is trying to seize the opportunity to expand its business. Particularly, the Company's market share in TD/GSM dual-mode smartphones is expected to have a significant growth with the expansion of the trial commercialization of TD-SCDMA in Mainland China in the second half of this year. Therefore, the management believes that the Company's performance will improve in the future.

In the second half of 2008, the Company plans to launch seven new models with powerful functions and special features targeting various customers and telecom operators to provide them with wireless data solutions. These new models will include two CDMA/GSM dual-mode smartphones, two GSM/GSM dual-mode smartphones, two TD/GSM dual-mode smartphones, and one CDMA single-mode smartphone.

The Chairman of the Company, Mr. Guo Deying says, "After the commencement of the telecom restructuring and the trial commercialization of 3G, China's telecom industry is stepping to a new era with rich opportunities. The Board of Directors and the management are very confident with the Company's future and believe that the performance of the Company will improve significantly in the second half of this year."

~End~

About China Wireless Technologies Limited

China Wireless Technologies Limited, a leading developer and supplier of wireless data total solutions in China, was founded in 1993, and listed in the Main Board in Hong Kong in December 2004. Leveraging its expertise and knowledge in wireless communication, the Company provides integrated solutions mainly for industry applications from back-end systems to wireless intelligent terminals with proprietary operating systems for the telecom, public security, securities brokerages, and other industrial and commercial sectors. Its subordinate brand "Coolpad" has been one of the most famous brands in the China smartphone market.

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