

2008 Interim Results Announcement

27 August 2008

China Wireless Technologies Limited
(Incorporated in the Cayman Islands with limited liability 2369.HK)



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 a 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.

Investment Highlights



China's Smartphone Industry Leader

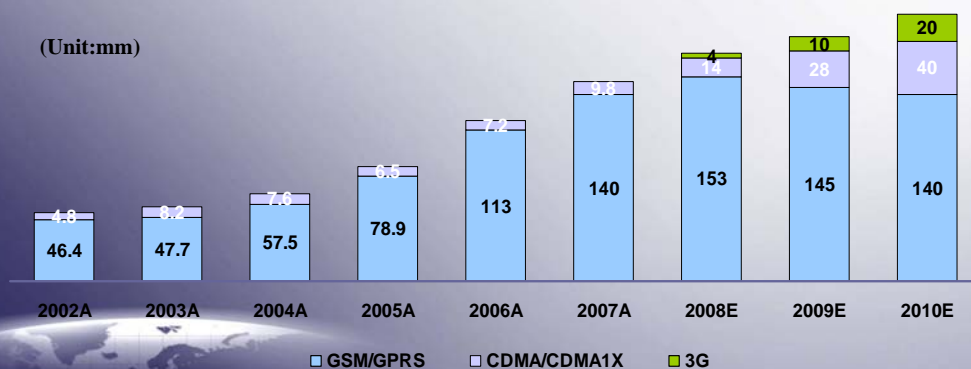
- China's Leading domestic medium and high-end smartphone brand– Coolpad
- The largest dual-mode smartphone market share– 44%
- Particular strength in CDMA-based technologies– including CDMA+GSM
- Well positioned for the 3G roll-out– approved TD-SCDMA (“TD”) handset vendor to China Mobile
- Strong new model product line– over 1200 engineers specializing in smartphone hardware and software application design
- Proprietary Linux and Windows CE-based operating systems and custom wireless data solutions
- Rapid sales growth with stable margins and profitability

Business Trends



3G to Drive Growth of China's Handset Market

- Since the trial release of TD on April 1, it is now expected that 4 million subscribers would sign up in the first year.
- After 2009, the 2G & 2.5G market size is anticipated to decline due to 3G's impact.
- TD is expected to form majority of 3G market in the coming years.

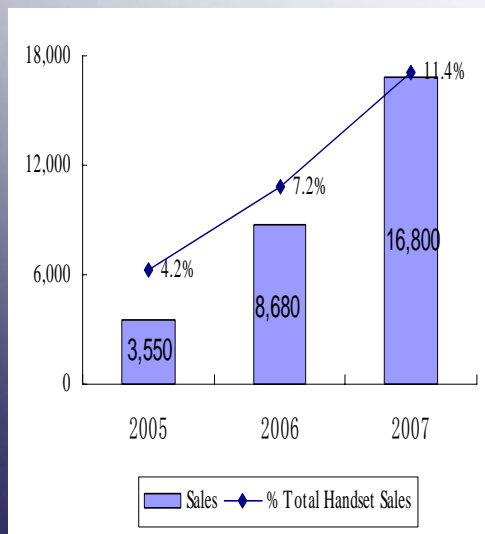


Source: CCID Report 2007

Smartphone Market Grow Rapidly

Smartphone Sales (GSM&CDMA)

(Unit:1,000)



Source :SINO-MR Report 2007

TD-SCDMA Expected Price Tier

Price Tier (RMB)	2008E	2009E
>4000	60%	45%
3000~4000	35%	40%
2000~3000	5%	8%
1500~2000	-	5%
1000~1500	-	2%
<1000	-	-

Source: CCID Report 2007

Dual-mode Smartphone: Elites' Choice

Benefits

- Network flexibility improves signal reception – particularly for TD (only coverage in cities)
- Multiple SIM cards can cut phone expenses
- Multiples numbers, e.g. private and business
- Rich applications and 3G capabilities

Target Users

- Business executives
- Early adopters of technology/fashionable products
- Frequent travelers, who often use multiple SIM cards
- Industry specific applications – Police, stock market, etc.

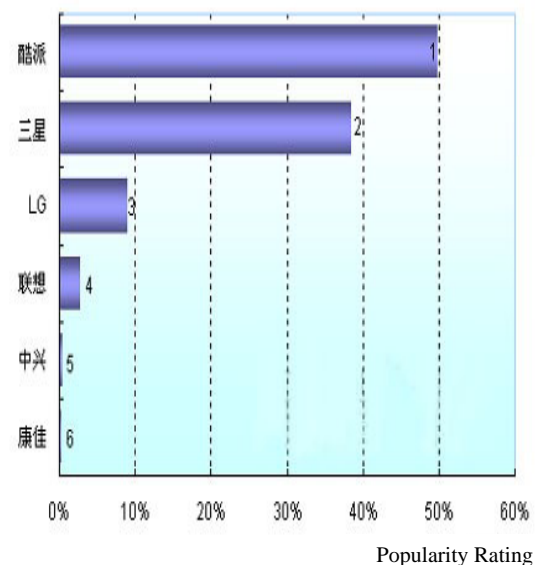
Company Development



Coolpad: China's Leading Smartphone Brand

- Among 2007 dual-mode handset brands ranking, Coolpad ranked the best with a popularity rating of 49.7% , which was 11.3% higher than the second, Samsung (source: ZDC)
- Powerful technological advantages as the originator of dual-mode smartphone
- The most complete smartphone product line

2007 China Dual-mode Handset Ranking



Source: ZDC

Products & Technologies



- 2 TD-SCDMA models (Coolpad6260 & Coolpad6268) with network access licenses
- 2 handset models in China Mobile's 2nd round of TD terminal bidding, occupying 25% of total high-end tier
- Produced 1st TD+CMMB mobile TV-enabled handset in the world, being introduced to Beijing Olympic Games by China Mobile with the highest unit price
- Approval from China Mobile to sell TD terminals in its business halls in 8 TD trial cities
- Launched Coolpad7360, 1st dual-mode smartphone model that provides both H & A share real-time market price and embeds standard GPS chip
- Unlimited value-added services: mobile games, GPS, securities trading, wireless data back-up, etc.
- 2007 State Scientific and Technological Progress Award (granted by the State Council of China)

11

Tailor-Made Industry Application



Industry	Key Functions	Successful Cases
Financial	A+H real-time stock quotes Historical data and charts Online trading	JV with Shenzhen Securities Information CO., Ltd. Merchants Securities
Police	Individual profile Information of residency Motor vehicles and stolen vehicles	Guangdong police Shandong police Zhejiang police
Commerce	Merchandise information Enterprise information Mobile office and meeting	Beijing Administration for Industry and Commerce

12

Close Relationships with All Telecom Operators



China Unicom

- Launched Coolpad 7360 cooperatively
- granted 2007 CDMA Handset Best Technological Innovation Award and 2007 consumers' favorite CDMA Handset Award

China Mobile

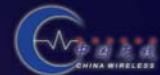
- Tailor-made GSM-GSM models as the first domestic high-end brand
- Approved TD handset vendor
- Produced 1st TD+CMMB mobile TV-enabled handset for its special bidding for Beijing Olympics, 25% of high-end tier in its 2nd round TD terminal bidding

China Telecom

- Long term cooperation in PHS business since 1990s
- Started to run CDMA business– Smartphone opportunity is emerging.

13

Financial Performance



14



2008H1 Financial Highlights

(Unit:HK\$mm)

	Fluctuation (Y/Y)	2008H1	2007H1	2006H1	2005H1
Revenue	-41.5%	441	754	434	172
Gross Profit	-31.6%	186	272	159	64
Gross Profit Margin	6.1%	42.2%	36.1%	36.5%	37.2%
Net Profit	-139%	-49.3	125	62	33

15

Revenue Segmentation



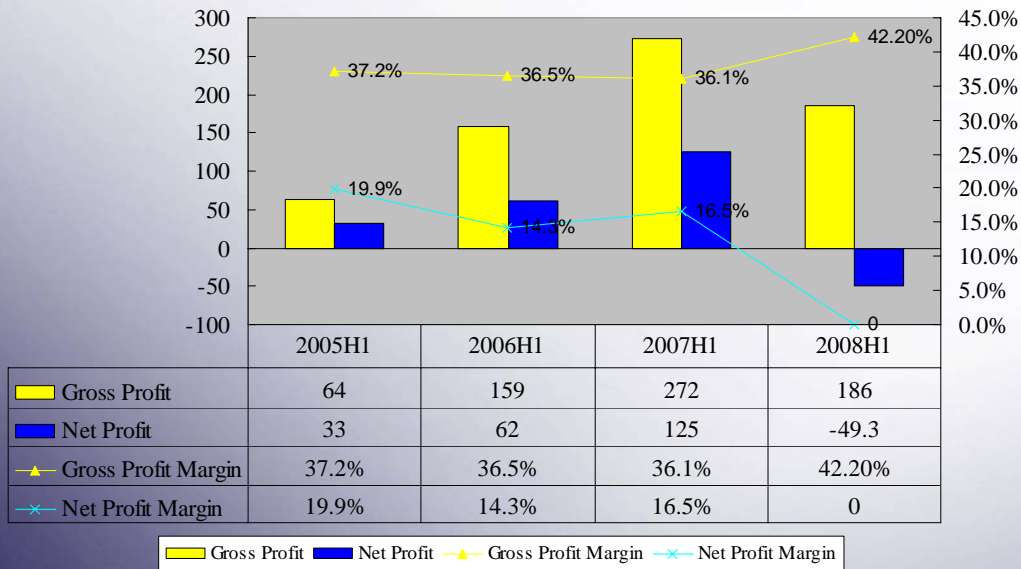
(Unit:HK\$mm)

Product Segments	2008H1	Percentage of Total Revenue	2007H1	Percentage of Total Revenue
CDMA/GSM Dual-mode Smartphone	327.4	74.2%	586.7	77.9%
GSM/GSM Dual- mode Smartphone	85.1	19.3%	93.6	12.4%
TD-SCDMA/GSM Dual-mode Smartphone	15.4	3.5%	-	-
CDMA Single- mode Smartphone	8.2	1.8%	69.6	9.2%
Subtotal	436.1	98.8%	749.9	99.5%
Other Products	5.2	1.2%	3.9	0.5%
Total	441.3	100%	753.8	100%

16

Analysis of Profitability

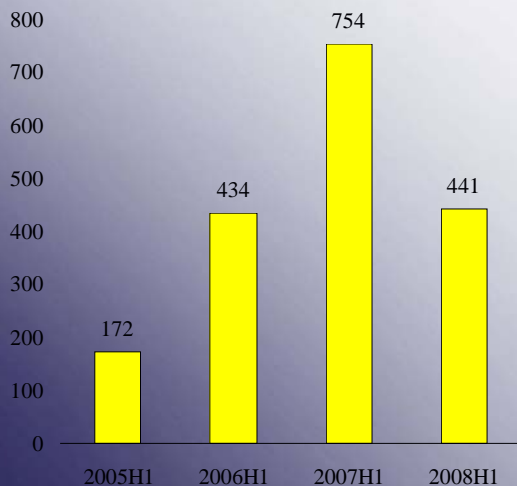
(Unit:HK\$mm)



Sales & Profitability

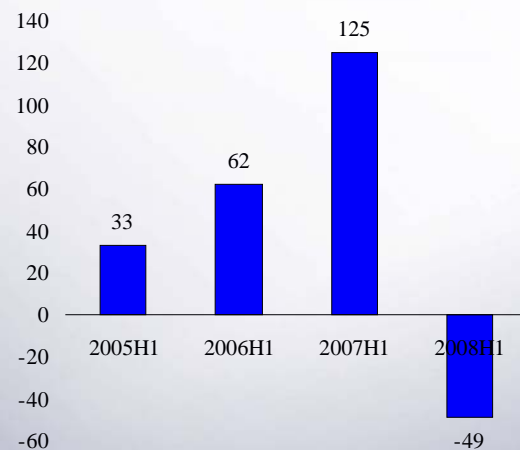
Revenue

(Unit:HK\$mm)



Net Profit

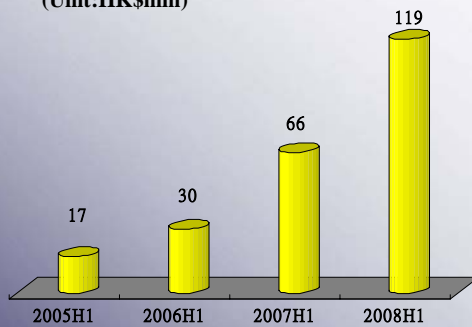
(Unit:HK\$mm)



Operating Metrics

■ Selling & Distribution Costs

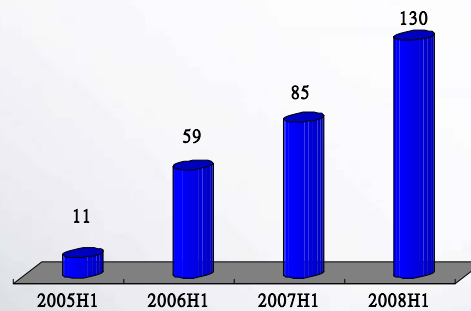
(Unit:HK\$mm)



- S&M costs of 2008H1 reached HK\$119 million, representing an increase of 80.2% over the same period of 2007 and 26.9% of total turnover.

■ Administrative Expenses

(Unit:HK\$mm)



- Administrative expenses of 2008H1 reached HK\$130 million, representing an increase of 53.7% over the corresponding period of 2007 and 29.5% of the total turnover.

Future Growth Strategy



Substantial Room to Grow



■ Launch new models (2008H2)

- 2 CDMA+GSM models
- 2 TD-SCDMA+GSM models
- 2 GSM+GSM models
- 1 CDMA model

■ Expand Client Base

- Strengthen cooperation with CDMA operator and increase CDMA terminal sales
- Great potential 3G market
- Explore multiple sales channels
- Expand overseas sales

■ Enhance Brand Image

- More advertising and promotion
- Establish image shops and provide qualified after-sale services

■ Invest in Technology R&D

- Develop more 3G smartphones and 3G wireless data solutions
- Develop more value-added services based on 3G network
- Put more resources in R&D and human resources deployment
- Establish wireless internet department (1st domestically)

21

Product & Technology Roadmap



Handset Models & Technology

- Dual mode: TD-SCDMA+GSM
- Dual mode: TD-SCDMA+CDMA2000
- Dual mode: TD-SCDMA+WCDMA
- WiMax and Wi-Fi

Features & Applications

- Multimedia capabilities (Video, etc.)
- Location based applications (GPS)
- Mobile games
- Office Applications (Email, OA)
- Securities trading

22

Q & A

