


CHINA WIRELESS 2013 INTERIM REVENUE HITS A HISTORICAL HIGH OF HK\$9,632 MILLION

* * * * *

SALES RANKING SURGES TO TOP THREE IN CHINA'S 3G SMARTPHONE MARKET
Financial Summary (Unaudited)

(HK\$'000)	For the Six Months Ended 30 June		
	2013	2012	Change
Revenue	9,631,723	6,217,957	↑54.9%
Gross Profit	1,253,861	743,956	↑68.5%
Net Profit Attributable to Ordinary Equity Holders of the Company	212,844	152,518	↑39.6%
Earnings per Ordinary Share:			
- Basic	HK10.10 cents	HK7.10 cents	↑42.3%
- Diluted	HK9.94 cents	HK7.02 cents	↑41.6%

(Hong Kong, 21 August 2013) – **China Wireless Technologies Limited** (“China Wireless” or the “Company”) (stock code: 2369), China's leading provider of smartphones and integrated wireless data solutions, announced its unaudited interim results for the six months ended 30 June 2013.

During the period under review, benefiting from the increasing popularity of 3G networks and enormous market demand in China, the sales volume and sales revenue of the Group maintained rapid growth. The sales revenue of the Group hit a historical high of HK\$9,631.7 million, an increase of 54.9% year on year. The Group has achieved a net profit attributable to ordinary equity holders of the company at approximately HK\$212.8 million, up by 39.6% over the corresponding period in 2012. Basic earnings per ordinary share and diluted earnings per ordinary share were HK\$10.10 cents and HK\$9.94 cents respectively. The Board has resolved to recommend the payment of an interim dividend of HK2.0 cents per ordinary share in respect of the first half of 2013.

Mr. GUO Deying, Chairman of China Wireless, said, “In the first half of 2013, the major domestic telecommunications carriers in China continued promoting the 3G network, through more affordable monthly fees and attractive subscription packages for users to purchase or replace the 3G smartphones. To grasp this great opportunity, the Group aggressively enlarged the scale of sales through aggressively exploiting the sales channels and expanding market reach, as well as launching a series of more competitive products. Benefiting from the greater market share, we are pleased to announce that the sales volume of our Coolpad smartphone has surged to Number 3 in China's smartphone market.”

Currently, the ongoing innovations of the mobile internet have led the information era into a new PMCC era, representing Personal, Mobile, Cloud, and Computer. In the PMCC period, the Group has strengthened R&D efforts on the code-opened Android smartphone operating system platform. Meanwhile, the Group has maintained the advantages of the traditional Coolpad DNA. Highlights of the Coolpad DNA included individualized applications such as dual-mode dual-working, private models, better handwriting identification, and three-step contacts search. At the same time, it has boosted the development of cloud strategy and optimizing the Coolcloud platform to enable users to connect their personal data with smartphones and cloud platforms safely and conveniently.

In the first half of 2013, the Group accelerated the R&D cycle and speeded up the product launch of the new models, leveraging the advantage of its leading technology, and the mature Android differentiated platform with unique Coolpad DNA. During the period under review, the Group launched 31 new models, covering CDMA 2000, TD-SCDMA, and WCDMA networks respectively. In mobile hardware design, the Group collaborated with several 3G mobile chipset providers and related core components suppliers, while successfully introducing several popular low-cost smartphones. In addition, the Group also successfully launched its Coolpad online shopping mall during the period, laying a solid foundation for its new E-commerce sales channel.

During the period under review, the Group exerted efforts to strengthen its market share in China, as well as increase the brand recognition of Coolpad smartphones, while expanding its market share overseas. After collaborating with telecommunications carriers in America and India, the Group successfully started its smartphone business in Europe, due to the high quality of Coolpad smartphones and the products' wonderful user experience. The overseas expansion not only enlarged the shipment volume of Coolpad smartphones, but also increased brand recognition in the global smartphone market.

In the face of the fiercer competition in the 3G smartphone market, the Group has adopted a refined management model since the first half of 2013. By implementing a series of measures aimed at improving administrative efficiency, refining internal operating procedures, and optimising infrastructure for product testing and assembly, the Group has markedly boosted operating efficiency and cost control capability.

Mr. GUO concluded, "In the first half of 2013, the Group will continue to focus on the customized smartphone market collaborating with the domestic telecommunications carriers, and launching new products with a more user-friendly interface, advanced industry design, and color options. Furthermore, the Group will also establish more Coolpad flagship stores in the tier-one and the tier-two cities of China as a communication exchange for Coolpad users, helping the new Coolpad users to experience the wonderful features of Coolpad smartphones. Besides, the Group plans to launch more 4G new models based on FDD-LTE to expand coverage overseas. The Group expects that 4G network technology will be the next major development direction of the telecommunications carriers. In the wake of greater subsidy payments from the telecommunication carriers, the Group will continue to expand our partnership with domestic telecommunication carriers to prepare for the historical opportunity presented by the next generation 4G networks, while assuring the continued increase in shipments of 3G smartphones."

~ End ~

About China Wireless Technologies Limited

China Wireless Technologies Limited, a leading developer and supplier of integrated smartphones, wireless data platform systems and value added business solutions in China, was founded in 1993, and listed on the Main Board in Hong Kong in December 2004. Leveraging its expertise and knowledge in wireless communications, the Company provides integrated solutions mainly for industry applications from back-end systems to wireless intelligent terminals with proprietary operating system 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 China’s smartphone market.

For Enquiries:

Strategic Financial Relations (China) Limited

Winne Lau	(852) 2864 4876	winnie.lau@sprg.com.hk
Jason Liang	(852) 2864 4899	jason.liang@sprg.com.hk

China Wireless Technologies Limited

Cao Yuanfu	(86-755) 3302 3607	ir@yulong.com
------------	--------------------	--