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CHINA WIRELESS TECHNOLOGIES OBTAINS GSM AND CDMA HANDSET PRODUCTION LICENCES FROM NDRC

(Hong Kong, 20 July, 2006) – China Wireless Technologies Limited (“China Wireless Technologies” or the “Company”) (stock code: 2369), China’s leading provider of integrated wireless system solutions, announced that its wholly owned subsidiary Yulong Computer Telecommunication Scientific (Shenzhen) Co., Ltd. (“Yulong”) has obtained both GSM and CDMA mobile phone production licences from the National Development and Reform Commission (NDRC). China Wireless Technologies has become one of the few companies that possess two handset production licences. This will greatly help the Company develop its “Coolpad” brand, and reduce the handset production costs.

Previously, the absence of GSM and CDMA mobile phone production licences had prevented the Company from fully developing its “Coolpad” brand and cultivating awareness of the brand. The possession of the two handset production licences will be conducive to the Company’s effective marketing campaigns and brand-building. China Wireless Technologies will step up efforts to promote the brand with an aim to make “Coolpad” a household brand.

It is estimated by China Center of Information Industry Development (CCID) that smartphone sale in China will increase at a compound annual growth rate of about 80% between 2005 and 2008. China Wireless Technologies’ smartphone sale surged by 120% to 100,000 units in 2005 from 45,000 units in 2004, exceeding the estimated growth rate of the national demand. The Company’s smartphone sale is expected to maintain the growth momentum on the back of the handset production licence ownership and the enhanced brand awareness.

Mr. Guo Deying, Chairman of China Wireless Technologies, said, “The licences will be conducive to the effective development of our “Coolpad” brand, and thus the consumer awareness of the brand. This will help boost the Company’s profitability. Meanwhile, NDRC has granted us the tax incentives such as the exemption of customs duty and import value-added tax on imported production equipment. To further its effort, the Company is applying to the relevant authorities for the TD-SCDMA mobile phone production licence, hoping to become one of the first companies to be granted the licence to produce the most advanced model of handsets.”

China Wireless Technologies' mainstay product is a most advanced smartphone that functions as both a PDA, mobile phone, mobile office and provides on-line entertainment. The Company's major models are "Coolpad 858" and "Coolpad 728". The "Coolpad 858" model is the world's first dual-mode smartphone, which was customized specifically for China Unicom's "Worldwind Dual-mode mobile phone" series, while the "Coolpad 728" dual-mode model is the world's first dual-mode smartphone to enable two SIM cards of GSM and CDMA networks to work simultaneously in one smartphone, and save the users from having to switch SIM cards of different wireless networks.

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About China Wireless Technologies Limited

Established in 1993, China Wireless Technologies is a leading developer and supplier of wireless data total solutions. Leveraging its expertise and knowledge in wireless communication, the Group 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.

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