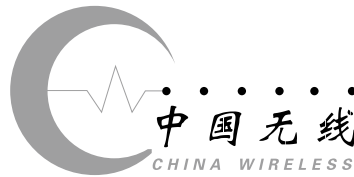

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of China Wireless Technologies Limited.

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Wireless Technologies Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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China Wireless Technologies Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY INTERESTS

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DEFINITIONS

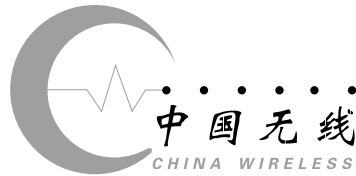
In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Announcement”	the announcement of the Company dated 28 December 2007;
“associates”	has the meaning ascribed thereto in the Listing Rules;
“Auction”	the public auction held by the Auctioneer in Shenzhen on 20 February 2006 on which, among others, the Property was put up for auction;
“Auctioneer”	深圳市土地房產交易中心 (Shenzhen Property Transaction Centre);
“Board”	the board of Directors;
“Company”	China Wireless Technologies Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange;
“Consideration”	RMB100,000,000, being the consideration of the Property Interests;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	independent third party(ies) not connected with any of the Directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or their respective associates;
“Joint Bid Agreement”	an agreement dated 16 February 2006 entered into between Yulong Shenzhen and Pusheng pursuant to which the parties agreed to bid for the Property subject to the terms and conditions therein;
“Latest Practicable Date”	14 January 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers issued by the Stock Exchange;
“PRC”	the People’s Republic of China, excluding Hong Kong for the purpose of this circular;
“Property”	the land use rights of Lot No. T401-0091, North District, Hi-New Technology Industrial Park, Shenzhen and buildings thereon;
“Property Interests”	25% of the underlying interests in the Property with 8,223.7 sq.m. of the gross floor area of the Property with a construction area of 16,152 sq.m. of a building situated thereon;
“Pusheng”	深圳市普晟經貿有限公司 (Shenzhen Pusheng Trading Limited);

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transfer Agreement”	the transfer agreement dated 28 December 2007 entered into between Yulong Shenzhen and Pusheng pursuant to which Pusheng had agreed to transfer the Property Interests to Yulong Shenzhen at the Consideration;
“Yulong Shenzhen”	宇龍計算機通信科技(深圳)有限公司(Yulong Computer Telecommunications Scientific (Shenzhen) Co., Ltd.)
“sq.m.”	square metre(s); and
“%”	per cent or percentage.

LETTER FROM THE BOARD



China Wireless Technologies Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

Executive Directors:

Mr Guo Deying (*Chairman*)
Mr Jiang Chao

Non-Executive Directors:

Ms Yang Xiao
Ms Ma Dehui

Independent Non-Executive Directors:

Dr Huang Dazhan
Mr Xie Weixin
Mr Chan King Chung
Mr Yang Xianzu

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place of
business in the PRC*

No.2 Flat
Coolpad Cyber Park
Mengxi Boulevard, Northern Part of
Science & Technology Park
Nanshan District
Shenzhen
PRC

*Principal place of business
in Hong Kong:*

Room 1902, MassMutual Tower
38 Gloucester Road
Wanchai
Hong Kong

18 January 2008

To the Shareholders

Dear Sir/Madam,

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY INTERESTS

INTRODUCTION

Reference is made to the Announcement. On 28 December 2007 (after trading hours), Yulong Shenzhen, an indirect wholly-owned subsidiary of the Company and which is a wireless solution and equipment provider in the PRC, entered into the Transfer Agreement with Pusheng, pursuant to which Pusheng had agreed to transfer the Property Interests to Yulong Shenzhen at the Consideration.

LETTER FROM THE BOARD

The acquisition of the Property Interests by Yulong Shenzhen constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The purpose of this circular is to give you further information of the acquisition and other information as required under the Listing Rules.

Details of the Transfer Agreement are as follows:

Date of signing:	28 December 2007 (after trading hours)
Parties:	<ol style="list-style-type: none">1. Yulong Shenzhen (as transferee), an indirect wholly-owned subsidiary of the Company2. Pusheng (as transferor), an Independent Third Party
Subject matter:	25% of the underlying interests in the Property with 8,223.7 sq.m. of the gross floor area of the Property with a construction area of 16,152 sq.m. of a building situated thereon
Property Address:	land use rights of Lot No. T401-0091, North District, Hi-New Technology Industrial Park, Shenzhen and buildings thereon
Gross floor area:	32,894.7 sq.m. There are four buildings on the Property with a total construction area of 64,607 sq.m.

Background

On 16 February 2006, Yulong Shenzhen and Pusheng entered into the Joint Bid Agreement, pursuant to which the parties had agreed to bid for the Property. It was agreed that Yulong Shenzhen and Pusheng would contribute 75% and 25% of the price of the Property and other related expenses respectively and would obtain ownership of the Property in such proportion, i.e. Yulong Shenzhen would obtain ownership of 24,671 sq.m. of the gross floor area of the Property with a construction area of 48,466 sq.m. of the three buildings situated thereon whilst Pusheng would obtain ownership of the remaining 8,223.7 sq.m. of the gross floor area of the Property with a construction area of 16,152 sq.m. of the remaining building situated thereon.

On 21 February 2006, Yulong Shenzhen confirmed that it had successfully bid at the Auction, thereafter, Yulong Shenzhen and Pusheng hold the Property as to 75% and 25% of the interests therein respectively.

The building on the Property Interests is still under construction and hence no income has been generated from it as at the Latest Practicable Date.

LETTER FROM THE BOARD

Consideration

The Property Interests will be transferred from Pusheng to Yulong Shenzhen at a Consideration of RMB100,000,000. A deposit of RMB10,000,000 was paid to Pusheng by Yulong Shenzhen within 10 days after the date of the Transfer Agreement. The transfer will be completed when the remaining sum of RMB90,000,000 is paid within 1 month after the date of the Transfer Agreement.

According to a valuation report dated 7 June 2007 prepared by an independent valuer jointly engaged by Pusheng and Yulong Shenzhen, the value of the Property was approximately RMB512,076,550 as at 6 June 2007. The Consideration was the value of the Property Interests minus the costs of renovation and various tax payments in respect of the Property paid by Yulong Shenzhen previously.

INFORMATION ON THE GROUP

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are provision of wireless solution and equipment in the PRC.

INFORMATION ON OTHER PARTIES

Pusheng and its ultimate beneficial owners are Independent Third Parties. The principal activities of Pusheng are import and export, research and development of hi-tech electronic products in the PRC.

CONFIRMATION OF THE DIRECTORS

The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiries, Pusheng and its ultimate beneficial owners are Independent Third Parties.

There were no other prior relationships or transactions between the Company and Pusheng and its beneficial owners that require aggregation under Rule 14.22 of the Listing Rules.

SOURCE OF FUNDING

The Consideration will be paid by Yulong Shenzhen from its internal resources. The acquisition has no significant effect on the earnings and assets and liabilities of the Company.

LETTER FROM THE BOARD

REASONS FOR THE ACQUISITION

Due to expansion of business, the existing office of Yulong Shenzhen and the Group has almost reached its maximum capacity and the Group has been seeking opportunities to expand or relocate its office. In addition, given the blooming property market in Shenzhen, the Directors consider that the acquisition is beneficial to the Group as a whole. The Board considers the terms of the Transfer Agreement are fair and reasonable and the acquisition of Property Interests is in the best interest of the shareholders of the Company and the Company as a whole.

DISCLOSEABLE TRANSACTION

The acquisition of the Property Interests constitutes a discloseable transaction of the Company under the Listing Rules.

ADDITIONAL INFORMATION

Your attention is also drawn to the appendix headed “General Information” to this circular.

Yours faithfully,
For and on behalf of
China Wireless Technologies Limited
Guo Deying
Chairman

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiries, Pusheng and their ultimate beneficial owner(s) are Independent Third Parties.

2. DISCLOSURE OF DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors, the chief executives of the Company or their associates in the Shares and in respect of equity derivatives, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long positions in the Shares

Name of Director	Note	Number of Shares in which interested					Total	% of Company's issued share capital
		Directly beneficially owned	Through spouse or minor children	Through controlled corporation	Beneficiary of a trust	Founder of a discretionary trust		
Mr Guo Deying	1&2	—	831,171,248	28,096,000	—	831,171,248	859,267,248	42.48%
Ms Yang Xiao	1	—	831,171,248	28,096,000	—	831,171,248	859,267,248	42.48%
Mr Jiang Chao	3	1,456,000	—	—	28,096,000	—	29,552,000	1.46%

(ii) Long positions in shares of associated corporation

Name of Director	Note	Name of associated corporation	Number of shares held, capacity and nature of interest			% of issued share capital of the associated corporation
			Through Spouse or minor children	Founder of a discretionary trust	Through Founder of a discretionary trust	
Mr Guo Deying	1	Data Dreamland Holding Limited	1,000	1,000	100	
Ms Yang Xiao	1	Data Dreamland Holding Limited	1,000	1,000	100	

Notes:

- 1 The entire issued share capital of Data Dreamland Holding Limited (“Data Dreamland”) is held by Barrie Bay Limited (“Barrie Bay”), which is acting as the trustee of the Barrie Bay Unit Trust. The Barrie Bay Unit Trust is a unit trust, of which 9,999 units are held by HSBC International Trustee Limited (“HSBC Trustee”) acting as the trustee of the Barrie Bay Unit Trust and the remaining 1 unit is held by Ms. Yang Hua. The Barrie Bay Unit Trust is a discretionary trust set up by Mr. Guo Deying (“Mr. Guo”), an executive Director, and his spouse, Ms. Yang Xiao (“Ms. Yang”), a non-executive Director, the beneficiary objects of which include the minor children of Mr. Guo and Ms. Yang. Each of Mr. Guo and Ms. Yang is taken to be interested in the 831,171,248 Shares held by Data Dreamland as each of them is a settlor of the Barrie Bay Unit Trust and by virtue of the interests of their children under the Barrie Bay Unit Trust. The long position of each of Mr. Guo and Ms. Yang under the column “Through spouse or minor children” and the column “Founder of a discretionary trust” in the table headed “Long positions in Shares” above refer to the same 831,171,248 Shares.

Each of Mr. Guo and Ms. Yang is taken to be interested in the entire issued share capital of Data Dreamland as each of them is a settlor of the Barrie Bay Unit Trust and by virtue of the interests of their children under the Barrie Bay Unit Trust. The long position of each of Mr. Guo and Ms. Yang in the column “Through spouse or minor children” and the column “Founder of a discretionary trust” under the table headed “Long positions in shares of an associated corporation” above refer to the same 1,000 shares.

- 2 M. Guo is taken to be interested in the 28,096,000 Shares held by Wintech Consultants Limited as he is interested in the entire issued share capital of Wintech Consultants Limited. As the spouse of Mr. Guo, Ms. yang is taken to be interested in the 28,096,000 Shares held by Mr. Guo through Wintech Consultants Limited.
- 3 Mr Jiang Chao, an executive Director, is taken to be interested in the 28,096,000 Shares held by Wintech Consultants Limited as he is one of the discretionary objects under the China Wireless Employee Benefit Trust, a discretionary trust established for the benefit of the employees of the Group.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interest or short position in the Shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES WHICH ARE DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons, other than a Director or chief executive of the Company, who had interests or short positions in the Shares, underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group and interests in such securities and the particulars of any options in respect of such capital, were as follows:

Long positions in the Shares:

Name	Note	Number of Shares in which interested	Number of Shares in which interested under equity derivatives	Nature of interest	Total number of Shares	% of Company's issued share capital
Data Dreamland Holding Limited	1	831,171,248	—	Beneficial owner	831,171,248	41.09%
Barrie Bay Limited	2	831,171,248	—	Interest of controlled corporation	831,171,248	41.09%
HSBC International Trustee Limited	2	831,171,248	—	Trustee	831,171,248	41.09%

Notes:

- The entire issued share capital of Data Dreamland is held by Barrie Bay. Barrie Bay is acting as the trustee of the Barrie Bay Unit Trust. The Barrie Bay Unit Trust is a unit trust of which 9,999 units are held by HSBC Trustee, which is acting as the trustee of the Barrie Bay Unit Trust and the remaining 1 unit is held by Ms. Yang Hua. The Barrie Bay Unit Trust is a discretionary trust set up by Mr. Guo and Ms. Yang and the discretionary objects of which include the minor children of Mr. Guo and Ms. Yang.
- The 831,171,248 Shares are held by Data Dreamland, the entire share capital of which is held by Barrie Bay, which is acting as the trustee of the Barrie Bay Unit Trust and the entire issued share capital of which is held by HSBC Trustee.

Saved as disclosed above, as at the Latest Practicable Date, so far as the Directors were aware, there were no other persons, other than the Directors and chief executives of the Company, who had interests or short position in the Shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and were required to be recorded in the register required to be kept pursuant to Section 336 of the SFO.

4. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any pending or threatened litigation or claims of material importance, and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any other members of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation other than statutory compensation).

6. COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in, apart from the Group's businesses, any business which competes or is likely to compete, either directly or indirectly, with businesses of the Group.

7. GENERAL

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (b) The head office and principal place of business of the Company in the PRC is at No.2 Flat, Coolpad Cyber Park, Mengxi Boulevard, Northern Part of Science & Technology Park, Nanshan District, Shenzhen, PRC.
- (c) The principal place of business of the Company in Hong Kong is at Room 1902, MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong.
- (d) The principal share registrar and transfer office of the Company is Butterfield Bank (Cayman) Limited, whose office is at Butterfield House, 68 Fort Street, P.O. Box 705, George Town, Grand Cayman, Cayman Islands.
- (e) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, whose office is at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (f) The company secretary and qualified accountant of the Company is Mr Jiang Chao. Mr Jiang is as associate member of the Association of Chartered Certified Accountants, and a certified public accountant in the PRC.