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CHINA WIRELESS TECHNOLOGIES LIMITED

中國無線科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

ANNOUNCEMENT

This announcement is issued pursuant to Rule 13.10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of China Wireless Technologies Limited (the “**Company**”) has noted today’s increases in the price and trading volume of the shares (“**Shares**”) of the Company. The Board wishes to state that it is not aware of any reasons for such increases.

The Board also refers to the statements made in various newspaper articles (“**Articles**”) published on 4 July 2005 regarding a grant of RMB2,000,000 given by the Ministry of Information Industry (“**MII**”) of the Government of the People’s Republic of China (“**PRC**”) to Yulong Computer Telecommunication Scientific (Shenzhen) Co., Ltd. (“**Yulong Shenzhen**”), a wholly-owned subsidiary of the Company, to further its research in operating system and smart phones. The Board confirms that the Company has received approval for such grant from the MII, which is generally granted by the MII to support the development of electronic information industry of the PRC. The Company is not required to repay the above grant but shall achieve certain targets in research and development.

Save as disclosed above, the Board also confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09, which is or may be of a price-sensitive nature.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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This announcement is made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

By order of the Board
China Wireless Technologies Limited
Guo Deying
Chairman

Hong Kong, 4 July 2005

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Guo Deying and Mr. Jiang Chao; two non-executive Directors, namely, Ms. Yang Xiao and Ms. Ma Dehui and three independent non-executive Directors, namely, Dr. Huang Dazhan, Mr. Xie Weixin and Mr. Chan King Chung.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained herein and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained herein, the omission of which would make any statement in the announcement misleading.