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長城科技股份有限公司

Great Wall Technology Company Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0074)

DISCLOSEABLE TRANSACTION

Reference is made to the announcements of the Company dated 17 January 2007 and 2 March 2007.

The Company announces that Great Wall Kaifa, a subsidiary of the Company whose A shares are listed on the Shenzhen Stock Exchange, had in aggregate disposed on market of 4,994,339 tradable shares in CITIC during the period from 2 March 2007 to 27 December 2007.

The Disposal constitutes discloseable transactions of the Company under Chapter 14 of the Listing Rules. The Disposal became a discloseable transaction of the Company on 20 November 2007 when Great Wall Kaifa disposed of 3,370,339 tradable shares in CITIC during the period from 2 March 2007 to 20 November 2007 and the applicable percentage ratios under Chapter 14 of the Listing Rules first exceeds 5% but not exceed 25%. Following the Disposal, Great Wall Kaifa ceased to hold any shares of CITIC.

A circular containing details of the Disposal will be dispatched to the shareholders of the Company in accordance with the Listing Rules.

DISPOSAL OF SHARES IN CITIC

During the period from 2 March 2007 to 27 December 2007 (both dates inclusive), Great Wall Kaifa had disposed on market of the Shanghai Stock Exchange in the PRC of 4,994,339 tradable shares in CITIC. Great Wall Kaifa is owned as to 49.64% by the Company but as the Company maintains management control over Great Wall Kaifa, it is considered a subsidiary of the Company. The A shares of Great Wall Kaifa are listed on the Shenzhen Stock Exchange in the PRC.

The Directors are not aware of the identity(ies) of the counterparty(ies) of the Disposal but to the best of their knowledge, information and belief and after having made all reasonable enquiry, the counterparty(ies) is/are third parties independent of the Company and is/are not connected persons (as defined in the Listing Rules) of the Company. Detailed transaction records of the Disposal are set out below.

Transaction date	No. of shares sold	Sales proceeds (RMB)	Average disposal price per share (RMB)
2007.03.02	81,000	2,914,590	35.98
2007.03.06	45,000	1,674,812	37.22
2007.03.07	653,657	25,888,738	39.61
2007.03.08	760,000	31,663,840	41.66
2007.03.09	420,000	18,205,500	43.35
2007.03.12	275,000	11,569,686	42.07
2007.03.13	143,000	6,300,690	44.06
2007.03.14	49,600	2,072,500	41.78
2007.03.15	34,800	1,453,412	41.76
2007.03.16	23,000	937,000	40.74
2007.03.19	31,000	1,274,528	41.11
2007.03.20	2,000	80,900	40.45
2007.03.21	41,000	1,699,278	41.45
2007.03.22	61,425	2,573,927	41.90
2007.03.27	16,000	668,742	41.80
2007.03.29	161,000	6,896,800	42.84
2007.04.02	37,000	1,695,675	45.83
2007.04.03	20,000	933,800	46.69
2007.04.04	5,000	236,000	47.20
2007.04.05	65,000	3,175,850	48.86
2007.04.06	12,000	619,000	51.58
2007.04.26	10,000	533,250	53.33
2007.04.27	20,000	1,098,850	54.94
2007.04.30	116,000	6,633,162	57.18
2007.05.08	63,548	3,902,066	61.40
2007.05.25	24,000	1,553,900	64.75
2007.05.28	93,000	6,046,559	65.02
2007.05.29	5,000	324,950	64.99
2007.06.13	10,000	621,000	62.10
2007.06.18	75,000	4,730,865	63.08
2007.10.16	10,309	1,139,565	110.54
2007.10.17	4,000	453,080	113.27
2007.10.18	3,000	315,580	105.19
2007.12.04	6,000	520,100	86.68
2007.12.05	62,000	5,544,948	89.43
2007.12.07	41,460	3,708,125	89.44
2007.12.11	186,620	16,953,926	90.85
2007.12.12	202,920	17,833,884	87.89

Transaction date	No. of shares sold	Sales proceeds (RMB)	Average disposal price per share (RMB)
2007.12.13	161,078	13,528,115	83.98
2007.12.14	86,000	7,263,178	84.46
2007.12.17	128,800	10,459,886	81.21
2007.12.18	154,900	12,465,892	80.48
2007.12.19	163,400	13,300,572	81.40
2007.12.20	100,589	8,388,706	83.40
2007.12.21	68,411	5,753,519	84.10
2007.12.24	51,822	4,586,946	88.51
2007.12.25	74,000	6,546,148	88.46
2007.12.26	27,100	2,392,315	88.28
2007.12.27	108,900	9,769,320	89.71
Total	<u>4,994,339</u>	<u>288,903,675</u>	<u>57.85</u>

The total consideration in cash from the Disposal was approximately RMB288,903,675. The net profit realised by Great Wall Kaifa from the Disposal will be accounted for in the financial results of Great Wall Kaifa for year 2007, which is currently estimated to be approximately RMB280,000,000. The net proceeds will be used as Great Wall Kaifa's general working capital.

Following the Disposal, Great Wall Kaifa ceased to hold any shares of CITIC.

INFORMATION ON CITIC

CITIC is principally engaged in securities underwriting and sponsorship, proprietary trading, asset management and securities dealing. Based on the latest published annual report of CITIC for the year ended 31 December 2006 which were prepared under the PRC GAAP, the consolidated net profit before taxation and extraordinary items of CITIC for the two financial years ended 31 December 2005 and 2006 were approximately RMB379,498,515 and RMB3,249,908,479 respectively, and the consolidated net profit after taxation and extraordinary items of CITIC for the two financial years ended 31 December 2005 and 2006 were approximately RMB400,041,573 and RMB2,371,040,864 respectively.

The net profit in respect of the Disposal was approximately RMB280,000,000. The book value of such shares was approximately RMB8,701,637. The net profit is calculated by deducting the original share prices and transaction levies from the selling prices of the shares sold in the market.

REASON FOR DISPOSAL

The Board (including independent non-executive directors) considers that the Disposal represents a good opportunity for Great Wall Kaifa to divest and to realize profit from its investment in CITIC. The Board (including independent non-executive directors) is of the

view that the terms of the Disposal are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL

The Company and its subsidiaries are principally engaged in the development, manufacture, sale and research and development of personal computer (“PC”), PC peripheral products, hard disk drives (“HDD”), HDD related products, broadband network services, network transmission, add-on products and software and system related products and services.

Great Wall Kaifa is principally engaged in the manufacture, sale and research and development of HDD magnetic heads, remote control meter, tax-control products, memory module, video heads and automation equipments.

Great Wall Kaifa is owned as to 49.64% by the Company and whose A shares are listed on the Shenzhen Stock Exchange in the PRC. As the Company maintains management control over Great Wall Kaifa and to profit from its operation, Great Wall Kaifa is considered a subsidiary of the Company.

Since 1 January 2006, Great Wall Kaifa has disposed of in aggregate 13,774,923 CITIC shares for a consideration of RMB594,824,686. The consideration in aggregate does not exceed 25% of the applicable percentage ratios under Chapter 14 of the Listing Rules.

The Disposal constitutes discloseable transactions of the Company as it exceeds 5% but not more than 25% of the applicable percentage ratios under Chapter 14 of the Listing Rules. The Disposal became a discloseable transaction of the Company on 20 November 2007 when Great Wall Kaifa disposed of 3,370,339 tradable shares in CITIC during the period from 2 March 2007 to 20 November 2007 and the applicable percentage ratios under Chapter 14 of the Listing Rules first exceeds 5% but not exceed 25%. A circular containing details of the Disposal will be dispatched to the shareholders of the Company in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

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| “Board” | means the board of Directors of the Company; |
| “CITIC” | means CITIC Securities Co., Ltd. a company whose shares are listed and traded on the Shanghai Stock Exchange in the PRC; |
| “Company” | means 長城科技股份有限公司 (Great Wall Technology Company Limited), a joint stock limited company incorporated in the PRC with limited liability, whose H shares are listed on the Stock Exchange; |
| “Directors” | means the directors of the Company; |

“Disposal”	means the sale of 4,994,339 tradable shares in CITIC by Great Wall Kaifa at the market prices on the market of Shanghai Stock Exchange in the PRC during the period from 2 March 2007 to 27 December 2007 (both dates inclusive);
“Great Wall Kaifa”	means 深圳長城開發科技股份有限公司 (Shenzhen Kaifa Technology Co., Ltd), a joint stock limited company incorporated in the PRC with limited liability, whose A shares are listed on the Shenzhen Stock Exchange in the PRC, a subsidiary of the Company, currently held as to 49.64% by the Company;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	means the People’s Republic of China;
“RMB”	means Renminbi yuan, the lawful currency of the PRC;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited.

By Order of the Board
Great Wall Technology Company Limited
Siu Yuchun
Company Secretary

Shenzhen, PRC, 9 January 2008

As at the date of this announcement, the board of directors of the Company comprises five executive directors, namely Lu Ming, Tam Man Chi, Wang Jincheng, Yang Jun, Su Duan; and three independent non-executive directors, namely Li Sanli, Wang Qin Fang and Kennedy Ying Ho Wong.