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# **GWT**

**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)

## **TERMINATION OF MAJOR AND CONNECTED TRANSACTION AND RESUMPTION OF TRADING**

Reference is made to the announcement and the circular of the Company dated 12 December 2007 and 23 January 2008 in relation to the major and connected transaction involving the disposal of equity interest in ExcelStor GWT and Shenzhen ExcelStor and acquisition of shares in Iomega. The Board wishes to announce that Iomega had served a notice of termination under the Agreement, pursuant to which the Agreement was terminated with effect from 8th April 2008.

At the request of the Company, trading in the shares of the Company was suspended with effect from 10:06 a.m. on 9 April 2008 pending the release of this announcement. The Company has made application to the Stock Exchange for resumption in trading of its shares from 9:30 a.m. on 10 April 2008.

### **INTRODUCTION**

Reference is made to the announcement and the circular (the "Circular") of the Company dated 12 December 2007 and 23 January 2008 respectively in relation to the major and connected transaction involving the disposal of equity interest in ExcelStor GWT and Shenzhen ExcelStor and acquisition of shares in Iomega. Terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

### **TERMINATION OF MAJOR AND CONNECTED TRANSACTION**

The board of directors of Iomega ("Iomega's Board") received a third party proposal in relation to a cash tender offer and determined that it constituted a superior proposal (i.e. a proposal which is more favourable from a financial point of view to Iomega's stockholders than the Transaction) for purposes of the Agreement. Iomega's Board authorized Iomega, subject to the payment of termination fee set forth in section 8.3(f) of the Agreement, to terminate the Agreement and to enter into a written agreement relating to the consummation of the abovesaid third party proposal.

On 8 April 2008, Iomega served a notice of termination to the Vendors, by which Iomega terminated the Agreement with effect from 8th April 2008 pursuant to the terms of the Agreement. The Board has confirmed that no deposit and/or consideration in respect of the Transaction have been received by the Company and Iomega has paid to the Vendors the termination fee in the total amount of US\$7,500,000. The Company, being one of the Vendors, has received US\$4,626,000 (i.e. 61.68% of US\$7,500,000) of such termination fee.

The Board (including the independent non-executive Directors) confirms that such termination will not have any adverse effect on the business or financial position of the Group and the Board will continue to seek other suitable investment or business opportunities for the Group.

At the request of the Company, trading in the shares of the Company was suspended with effect from 10:06 a.m. on 9 April 2008 pending the release of this announcement. The Company has made application to the Stock Exchange for resumption in trading of its shares from 9:30 a.m. on 10 April 2008.

By order of the Board  
**Siu Yuchun**  
*Company Secretary*

Shenzhen, PRC, 9 April 2008

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