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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)

CONTINUING CONNECTED TRANSACTIONS

On 20 June 2008 each of Kaifa Technology and China Great Wall, both subsidiaries of the Company, entered into the Deposit Agreements with CEC Finance in connection with the deposit of the Kaifa Deposit and CGW Deposit respectively with CEC Finance for a period of three years. CEC Finance is owned as to 55.21% by CEC, the ultimate controlling shareholder of the Company indirectly holds 62.11% of the total issued shares of the Company through its wholly owned subsidiary Great Wall Group. CEC Finance is therefore a connected person of the Company. The transactions contemplated under the Deposit Agreements constitute continuing connected transactions of the Company under the Listing Rules.

On 20 June, China Great Wall entered into the Purchase Agreements in relation to the purchase of computer related products from each of China Great Wall (HK), Amoi Electronics, Shenzhen Huaming and Shenzhen Sandberry. On 20 June, China Great Wall entered into the Sale Agreements in relation to the sale of computer related products to each of Hunan Communications and Wuhan Systems. The transactions under the Purchase Agreements and the Sale Agreements are for a one year term from 1 January 2008 to 31 December 2008.

As China Great Wall (HK), Amoi Electronics, Shenzhen Huaming, Shenzhen Sandberry, Hunan Communications and Wuhan Systems are companies controlled by CEC, each of them is considered connected person of the Company. The transactions contemplated under the Purchase Agreements and the Sale Agreements constitute continuing connected transactions of the Company under the Listing Rules.

As the relevant percentage ratios calculated in accordance with Chapter 14A of the Listing Rules for the transactions under each of the Purchase Agreements, the Sale Agreements and the Deposit Agreements exceed 2.5% and the total value of the transactions under each of the Purchase Agreements, the Sale Agreements and the Deposit Agreements is more than HK\$10,000,000, the Transactions are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the Transactions. The Company will appoint an independent financial advisor to advise the Independent Board Committee and the Independent Shareholders. A circular containing, among other things, (i) details of the Transactions; (ii) a letter from the independent financial adviser to the Independent Board Committee containing its advice to the Independent Board Committee and the Independent Shareholders on the approval of the Transactions; (iii) the recommendation of the Independent Board Committee regarding the approval of the Transactions; and (iv) a notice of the EGM, will be despatched to the Shareholders as soon as practicable. Great Wall Group and its associates will abstain from voting on the resolution to approve the Transactions at the EGM.

THE DEPOSIT AGREEMENTS

(i) Kaifa Deposit Agreement

The principal terms of the Kaifa Deposit Agreement are as follows:

Date

20 June 2008

Parties

Kaifa Technology and CEC Finance

The Kaifa Deposit

Kaifa Technology agrees to open the Account with CEC Finance with an Agreed Minimum Amount. The annual cap, being the maximum principle amount to be deposited into the Account by Kaifa Technology together with interest thereon, shall not exceed RMB210,000,000 from time to time during the three years agreement period.

For the part of the Kaifa Deposit which is equal to or below the Agreed Minimum Amount, interest will be calculated pursuant to the savings deposit interest rate. For the part of the Deposit in excess of the Agreed Minimum Amount, the interest will be calculated pursuant to the agreed deposit interest rate as stipulated by the People's Bank of China from time to time. CEC Finance shall calculate the interests by date product computation method (日積數計算法) and pay the interest on a quarterly basis.

The Kaifa Deposit can be used for Kaifa Technology's current account transfer. If the Kaifa Deposit is below the Agreed Minimum Amount for three consecutive months or above, CEC Finance shall treat it as a normal settlement account and it shall no longer enjoy the agreed deposit preferential rates.

The Kaifa Deposit Agreement is for a term of three years and shall take effect immediately after approval from the Independent Shareholders at the EGM has been obtained. The Board proposes the EGM to be held on 25 August 2008 and on the basis that approval from the Independent Shareholders is obtained thereat, the three years agreement period covered for the Kaifa Deposit Agreement will commence on 25 August 2008 and end on 24 August 2011.

Connection between the parties

Kaifa Technology is owned as to 49.64% by the Company but as the Company maintains management control over Kaifa Technology, it is considered a subsidiary of the Company. CEC Finance is owned as to 55.21% by CEC, the ultimate controlling shareholder of the Company indirectly holds 62.11% of the total issued shares of the Company through its wholly owned subsidiary Great Wall Group. CEC Finance is therefore a connected person of the Company and the transactions contemplated under the Kaifa Deposit Agreement constitute continuing connected transactions for the Company under the Listing Rules.

(ii) CGW Deposit Agreement

The principal terms of the CGW Deposit Agreement are as follows:

Date

20 June 2008

Parties

China Great Wall and CEC Finance

The CGW Deposit

China Great Wall agrees to open the Account with CEC Finance with an Agreed Minimum Amount. The annual cap, being the maximum principle amount to be deposited into the Account by China Great Wall together with interest thereon, shall not exceed RMB157,500,000 from time to time during the three years agreement period.

For the part of the CGW Deposit which is equal to or below the Agreed Minimum Amount, interest will be calculated pursuant to the savings deposit interest rate. For the part of the CGW Deposit in excess of the Agreed Minimum Amount, the interest will be calculated pursuant to the agreed deposit interest rate as stipulated

by the People's Bank of China from time to time. CEC Finance shall calculate the interests by date product computation method (日積數計算法) and pay the interest on a quarterly basis.

The CGW Deposit can be used for China Great Wall's current account transfer. If the CGW Deposit is below the Agreed Minimum Amount for three consecutive months or above, CEC Finance shall treat it as a normal settlement account and it shall no longer enjoy the agreed deposit preferential rates.

The CGW Deposit Agreement is for a term of three years and shall take effect immediately after approval from the Independent Shareholders at the EGM has been obtained. The Board proposes the EGM to be held on 25 August 2008 and on the basis that approval from the Independent Shareholders is obtained thereat, the three years agreement period covered for the CGW Deposit Agreement will commence on 25 August 2008 and end on 24 August 2011.

Connection between the parties

China Great Wall is owned as to 47.82% by the Company but as the Company maintains management control over China Great Wall, it is considered a subsidiary of the Company. As mentioned above, CEC is a connected person of the Company and therefore, the transactions contemplated under the CGW Deposit Agreement constitute continuing connected transactions for the Company under the Listing Rules.

PURCHASE AGREEMENTS

(i) China Great Wall (HK) Agreement

Date

20 June 2008

Parties

China Great Wall (HK) and China Great Wall

Principal Terms and Conditions

- (1) China Great Wall shall purchase various computer related products including main board and memory module from China Great Wall (HK) at market price. The prices for the above products shall be determined fairly, openly and in accordance with market practice;
- (2) The estimated total amount to be paid by China Great Wall to China Great Wall (HK) for product purchases from 1 January 2008 to 31 December 2008 will not exceed RMB850,000,000;

- (3) Payments to be made by China Great Wall to China Great Wall (HK) for the products ordered shall be made within such time and in such manner in accordance with normal market practice;
- (4) Each of the parties shall exercise their rights and comply with their obligations as stipulated in the relevant purchase orders. Should either party fail to comply with their obligations, the defaulting party shall indemnify the non-defaulting party for losses incurred;
- (5) The parties shall endeavour to resolve disputes through negotiation, failing which the parties may resort to legal proceedings;
- (6) The term of the agreement commences from 1 January 2008 and ends on 31 December 2008; and
- (7) The agreement is subject to approval of China Great Wall's shareholders (which has been obtained on 13 May 2008) and the Company having complied with the relevant Listing Rules requirements.

Connection between the parties

China Great Wall (HK) is a company controlled by CEC, the ultimate controlling shareholder of the Company, is therefore a connected person of the Company. The transactions between China Great Wall (HK) and China Great Wall, a subsidiary of the Company, therefore constitute connected transactions of the Company.

Annual Cap

The computer products purchased by China Great Wall from China Great Wall (HK) amounted to approximately RMB446,650,000 for year ended 31 December 2007. The annual cap for year ending 31 December 2008 of not exceeding RMB850,000,000 has been determined with reference to the projected growth in business and the widened scope of business for year 2008.

(ii) Amoi Electronics Agreement

Date

20 June 2008

Parties

Amoi Electronics and China Great Wall

Principal Terms and Conditions

- (1) China Great Wall shall purchase various computer related products including notebook computers' barebone from Amoi Electronics at market price. The prices for the above products shall be determined fairly, openly and in accordance with market practice;

- (2) The estimated total amount to be paid by China Great Wall to Amoi Electronics for product purchases from 1 January 2008 to 31 December 2008 will not exceed RMB10,000,000;
- (3) Payments to be made by China Great Wall to Amoi Electronics for the products ordered shall be made within such time and in such manner in accordance with normal market practice;
- (4) Each of the parties shall exercise their rights and comply with their obligations as stipulated in the relevant purchase orders. Should either party fail to comply with their obligations, the defaulting party shall indemnify the non-defaulting party for losses incurred;
- (5) The parties shall endeavour to resolve disputes through negotiation, failing which the parties may resort to legal proceedings;
- (6) The term of the agreement commences from 1 January 2008 and ends on 31 December 2008; and
- (7) The agreement is subject to approval of China Great Wall's shareholders (which has been obtained on 13 May 2008) and the Company having complied with the relevant Listing Rules requirements.

Connection between the parties

Amoi Electronics is a company controlled by CEC, the ultimate controlling shareholder of the Company, is therefore a connected person of the Company. The transactions between Amoi Electronics and China Great Wall, a subsidiary of the Company, therefore constitute connected transactions of the Company.

Annual Cap

The computer products purchased by China Great Wall from Amoi Electronics amounted to approximately RMB450,000 for year ended 31 December 2007. The annual cap for year ending 31 December 2008 of not exceeding RMB10,000,000 has been determined with reference to the projected growth in business and the launch of new products for year 2008.

(iii) Shenzhen Huaming Agreement

Date

20 June 2008

Parties

Shenzhen Huaming and China Great Wall

Principal Terms and Conditions

- (1) China Great Wall shall purchase various computer related products including triode from Shenzhen Huaming at market price. The prices for the above products shall be determined fairly, openly and in accordance with market practice;
- (2) The estimated total amount to be paid by China Great Wall to Shenzhen Huaming for product purchases from 1 January 2008 to 31 December 2008 will not exceed RMB1,500,000;
- (3) Payments to be made by China Great Wall to Shenzhen Huaming for the products ordered shall be made within such time and in such manner in accordance with normal market practice;
- (4) Each of the parties shall exercise their rights and comply with their obligations as stipulated in the relevant purchase orders. Should either party fail to comply with their obligations, the defaulting party shall indemnify the non-defaulting party for losses incurred;
- (5) The parties shall endeavour to resolve disputes through negotiation, failing which the parties may resort to legal proceedings;
- (6) The term of the agreement commences from 1 January 2008 and ends on 31 December 2008; and
- (7) The agreement is subject to approval of China Great Wall's shareholders (which has been obtained on 13 May 2008) and the Company having complied with the relevant Listing Rules requirements.

Connection between the parties

Shenzhen Huaming is a company controlled by CEC, the ultimate controlling shareholder of the Company, is therefore a connected person of the Company. The transactions between Shenzhen Huaming and China Great Wall, a subsidiary of the Company, therefore constitute connected transactions of the Company.

Annual Cap

The computer products purchased by China Great Wall from Shenzhen Huaming amounted to approximately RMB1,020,000 for year ended 31 December 2007. The annual cap for year ending 31 December 2008 of not exceeding RMB1,500,000 has been determined with reference to the projected growth in demand for monitors for year 2008.

(iv) Shenzhen Sandberry Agreement

Date

20 June 2008

Parties

Shenzhen Sandberry and China Great Wall

Principal Terms and Conditions

- (1) China Great Wall shall purchase various computer related products including monitors from Shenzhen Sandberry at market price. The prices for the above products shall be determined fairly, openly and in accordance with market practice;
- (2) The estimated total amount to be paid by China Great Wall to Shenzhen Sandberry for product purchases from 1 January 2008 to 31 December 2008 will not exceed RMB10,000,000;
- (3) Payments to be made by China Great Wall to Shenzhen Sandberry for the products ordered shall be made within such time and in such manner in accordance with normal market practice;
- (4) Each of the parties shall exercise their rights and comply with their obligations as stipulated in the relevant purchase orders. Should either party fail to comply with their obligations, the defaulting party shall indemnify the non-defaulting party for losses incurred;
- (5) The parties shall endeavour to resolve disputes through negotiation, failing which the parties may resort to legal proceedings;
- (6) The term of the agreement commences from 1 January 2008 and ends on 31 December 2008; and
- (7) The agreement is subject to approval of China Great Wall's shareholders (which has been obtained on 13 May 2008) and the Company having complied with the relevant Listing Rules requirements.

Connection between the parties

Shenzhen Sandberry is a company controlled by CEC, the ultimate controlling shareholder of the Company, is therefore a connected person of the Company. The transactions between Shenzhen Sandberry and China Great Wall, a subsidiary of the Company, therefore constitute connected transactions of the Company.

Annual Cap

The computer products purchased by China Great Wall from Shenzhen Sandberry amounted to approximately RMB1,900,000 for year ended 31 December 2007. The annual cap for year ending 31 December 2008 of not exceeding RMB10,000,000 has been determined with reference to the projected growth in monitors business and the widened scope of business for year 2008.

(v) Annual Caps for Purchase Agreements

On the basis of the projected maximum amount of products to be purchased from various parties set out under the Purchase Agreements, the annual caps under the Purchase Agreements for the year commencing on 1 January 2008 and ending on 31 December 2008 will not exceed RMB871,500,000.

SALE AGREEMENTS

(i) Hunan Communications Agreement

Date

20 June 2008

Parties

Hunan Communications and China Great Wall

Principal Terms and Conditions

- (1) China Great Wall shall sell various computer related products including personal computers and monitors to Hunan Communications at market price. The prices for the above products shall be determined fairly, openly and in accordance with market practice;
- (2) The estimated total amount of products to be sold by China Great Wall to Hunan Communications from 1 January 2008 to 31 December 2008 will not exceed RMB14,000,000;
- (3) Payments to be made by Hunan Communications to China Great Wall for the products ordered shall be made within such time and in such manner in accordance with normal market practice;
- (4) Each of the parties shall exercise their rights and comply with their obligations as stipulated in the relevant purchase orders. Should either party fail to comply with their obligations, the defaulting party shall indemnify the non-defaulting party for losses incurred;
- (5) The parties shall endeavour to resolve disputes through negotiation, failing which the parties may resort to legal proceedings;

- (6) The term of the agreement commences from 1 January 2008 and ends on 31 December 2008; and
- (7) The agreement is subject to approval of China Great Wall's shareholders (which has been obtained on 13 May 2008) and the Company having complied with the relevant Listing Rules requirements.

Connection between the parties

Hunan Communications is a company controlled by CEC, the ultimate controlling shareholder of the Company, is therefore a connected person of the Company. The transactions between Hunan Communications and China Great Wall, a subsidiary of the Company, therefore constitute connected transactions of the Company.

Annual Cap

The computer products sold by China Great Wall to Hunan Communications amounted to approximately RMB4,640,000 for year ended 31 December 2007. The annual cap for year ending 31 December 2008 of not exceeding RMB14,000,000 has been determined with reference to the projected growth in business for year 2008 and the sales volume of the products for the beginning of year 2008.

(ii) Wuhan Systems Agreement

Date

20 June 2008

Parties

Wuhan Systems and China Great Wall

Principal Terms and Conditions

- (1) China Great Wall shall sell various computer related products including personal computers and speakers to Wuhan Systems at market price. The prices for the above products shall be determined fairly, openly and in accordance with market practice;
- (2) The estimated total amount of products to be sold by China Great Wall to Wuhan Systems from 1 January 2008 to 31 December 2008 will not exceed RMB40,000,000;
- (3) Payments to be made by Wuhan Systems to China Great Wall for the products ordered shall be made within such time and in such manner in accordance with normal market practice;

- (4) Each of the parties shall exercise their rights and comply with their obligations as stipulated in the relevant purchase orders. Should either party fail to comply with their obligations, the defaulting party shall indemnify the non-defaulting party for losses incurred;
- (5) The parties shall endeavour to resolve disputes through negotiation, failing which the parties may resort to legal proceedings;
- (6) The term of the agreement commences from 1 January 2008 and ends on 31 December 2008; and
- (7) The agreement is subject to approval of China Great Wall's shareholders (which has been obtained on 13 May 2008) and the Company having complied with the Listing Rules requirements.

Connection between the parties

Wuhan Systems is a company controlled by CEC, the ultimate controlling shareholder of the Company, is therefore a connected person of the Company. The transactions between Wuhan Systems and China Great Wall, a subsidiary of the Company, therefore constitute connected transactions of the Company.

Annual Cap

The computer products sold by China Great Wall to Wuhan Systems amounted to approximately RMB14,490,000 for year ended 31 December 2007. The annual cap for year ending 31 December 2008 of not exceeding RMB40,000,000 has been determined with reference to the projected production capacity and sales for year 2008.

(iii) Annual Caps for Sale Agreements

On the basis of the projected maximum amount of products to be sold to various parties set out under the Sale Agreements, the annual caps under the Sale Agreements for the year commencing on 1 January 2008 and ending on 31 December 2008 will not exceed RMB54,000,000.

REASONS FOR AND BENEFITS OF THE ONGOING CONNECTED TRANSACTIONS

The deposit interest rates offered by CEC Finance under the Deposit Agreements are agreed deposit interest rate as stipulated by the People's Bank of China, which is the ceiling interest rate for savings deposits specified by the People's Bank of China. Therefore, the deposit interest rates on deposit offered by CEC Finance to each of Kaifa Technology and China Great Wall are comparable to those offered by other PRC commercial banks. Further, CEC Finance has agreed to waive all administrative charges in respect of transfer of fund to and from the Accounts. The Directors consider that the transactions contemplated under the Deposit Agreements are beneficial to Kaifa Technology and China Great Wall as they will facilitate the business operation of the

members of the Group with other CEC members and will also save the administrative costs which would otherwise be paid to other PRC commercial banks providing the same services. The Company has not entered into any agreement with CEC Finance in the past.

Save for the independent non-executive directors who will give their views on the abovementioned continuing connected transactions under the Deposit Agreements upon receipt of the opinion of the independent financial adviser to be appointed by the Company, the Directors consider that the Deposit Agreements have been negotiated at arm's length and on normal commercial terms, the caps are fair and reasonable and that the entering into the Deposit Agreements and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

By virtue of the Purchase Agreements, China Great Wall will be able to secure a steady supply of raw materials from the relevant supplying parties with whom China Great Wall has a working relationship, without incurring extra costs from purchasing them through third parties. The computer products purchased from China Great Wall (HK) are in particular difficult to source from third parties and are required for the business operations of China Great Wall. The transactions entered into under the Purchase Agreements will also enhance intra-Group relations.

By virtue of the Sale Agreements, China Great Wall can generate revenue from selling the relevant computer products to the relevant purchasing parties.

Save for the independent non-executive directors who will give their views on the abovementioned continuing connected transactions under the Purchase Agreements and the Sale Agreements upon receipt of the opinion of the independent financial adviser to be appointed by the Company, the Directors consider that the Purchase Agreements and Sales Agreements have been negotiated on an arm's length basis and are on normal commercial terms and in the ordinary course of business, the caps are fair and reasonable and the entering into the Purchase Agreements and the Sale Agreements and the transactions contemplated thereunder is in the best interests of the Company and its shareholders as a whole.

INFORMATION ON THE COMPANY

The Company is principally engaged in the development, manufacture, sale and research and development of personal computer ("PC"), PC peripheral products, hard disk drive ("HDD"), HDD related products, broadband network services, network transmission, add-on products and software and system related products and services.

INFORMATION ON CHINA GREAT WALL

China Great Wall is principally engaged in the manufacture and trading of PC and PC peripheral products. China Great Wall is owned as to 47.82% by the Company and whose A-shares are listed on the Shenzhen Stock Exchange in the PRC. As the Company maintains management control over China Great Wall, it is considered a subsidiary of the Company.

INFORMATION ON KAIFA TECHNOLOGY

Kaifa Technology is specializing in the R&D, manufacture and sales of Head Stack Assembly (HSA), meter products, Fiscal Cash Register (FCR) products, memory products and electronic products. It 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 Kaifa Technology, it is considered a subsidiary of the Company.

INFORMATION ON THE CONNECTED PARTIES

In relation to the Deposit Agreements

CEC Finance is a non-bank financial institute approved by the Bank of China to engage in the provision of financial services to the CEC group of companies, including taking of deposits, effecting fund transfers and settlement, providing loans, guarantee and factoring services etc within the CEC group of companies.

In relation to the Purchase Agreements

(i) China Great Wall (HK)

China Great Wall (HK) is principally engaged in commercial purchasing and sourcing activities, product storage and import and export of goods.

(ii) Amoi Electronics

Amoi Electronics is principally engaged in manufacture of various products including communication terminals, DVD players, LCD televisions and notebook computers.

(iii) Shenzhen Huaming

Shenzhen Huaming is principally engaged in research, development and sale of computer software and hardware products, exterior equipment, electronic components, system integration, network design and after-sale services.

(iv) Shenzhen Sandberry

Shenzhen Sandberry is principally engaged in the manufacture of generators, flyback transformers, coil products, measuring devices, communication components, switch-mode transformers and various electrical and plastic injection products.

In relation to the Sale Agreements

(v) Hunan Communications

Hunan Communications is principally engaged in the development, manufacture, sale and servicing of financial equipment, tax controlling products, commercial electronic products; the development of computer hardware and software products, system integration; manufacture and enhancement of electronic products and components.

(vi) Wuhan Systems

Wuhan Systems is principally engaged in development, research, provision of technical services and sale of electronic components, calculators, computer integration, meters and measuring devices.

GENERAL

As the relevant percentage ratios calculated in accordance with Chapter 14A of the Listing Rules for the transactions under each of the Purchase Agreements, the Sale Agreements and the Deposit Agreements exceed 2.5% and the total value of the transactions under each of the Purchase Agreements, the Sale Agreements and the Deposit Agreements is more than HK\$10,000,000, the Transactions are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company does not have any prior transactions with any of the counterparties of each of the Purchase Agreements, the Sale Agreements and the Deposit Agreements which required aggregation for the purpose of Chapter 14A of the Listing Rules.

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the Transactions. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders.

A circular containing, among other things, (i) details of the Transactions; (ii) a letter from the independent financial adviser to the Independent Board Committee containing its advice to the Independent Board Committee and the Independent Shareholders on the approval of the Transactions; (iii) the recommendation of the Independent Board Committee regarding the approval of the Transactions; and (iv) a notice of the EGM, will be despatched to the Shareholders as soon as practicable.

Great Wall Group and its associates will abstain from voting on the resolution to approve the Transactions at the EGM.

DEFINITIONS

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

“Accounts”	means CGW Account and Kaifa Technology Account maintained by CEC Finance;
“Agreed Minimum Amount”	means agreed minimum deposit amount under the Kaifa Deposit Agreement and CGW Deposit Agreement, which is RMB100,000;
“Amoi Electronics”	means Amoi Electronics Co. Ltd. (夏新電子股份有限公司);
“Amoi Electronics Agreement”	means the framework agreement entered into between China Great Wall and Amoi Electronics in relation to the purchase of various computer components by China Great Wall from Amoi Electronics for the period from 1 January 2008 to 31 December 2008;
“associates”	has the meaning ascribed to it under the Listing Rules;
“Board”	means the board of Directors;
“CEC”	means China Electronic Corporation(中國電子信息產業集團公司), a company incorporated in the PRC, the sole shareholder of Great Wall Group and the ultimate controlling shareholder of the Company;
“CEC Finance”	CEC Finance Co., Ltd (中國電子財務有限責任公司), a non-bank financial institute of CEC and a company incorporated in the PRC, owned as to 55.21 % by CEC;
“CGW Account”	means the account of China Great Wall held with CEC Finance;
“CGW Deposit”	means the fund being deposited by China Great Wall in the CGW Account from time to time;
“CGW Deposit Agreement”	means the deposit agreement entered into between China Great Wall and CEC Finance;

“China Great Wall”	means China Great Wall Computer (Shenzhen) Co. Ltd. (中國長城計算機深圳股份有限公司), a subsidiary of the Company whose A-shares of Shenzhen Great Wall are listed on the Shenzhen Stock Exchange;
“China Great Wall (HK)”	means 中國長城計算機(香港)控股有限公司;
“China Great Wall (HK) Agreement”	means the framework agreement entered into between China Great Wall and China Great Wall (HK) in relation to the purchase of various computer components by China Great Wall from China Great Wall (HK) for the period from 1 January 2008 to 31 December 2008;
“Company”	means Great Wall Technology Co., Ltd (長城科技股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose H shares are listed on the Stock Exchange;
“connected persons”	has the meaning ascribed to it under the Listing Rules;
“Deposit Agreements”	means CGW Deposit Agreement and Kaifa Deposit Agreement together;
“Directors”	means the directors of the Company;
“EGM”	means the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Purchase Agreements, the Sale Agreements and the Deposit Agreement and the transactions contemplated thereunder;
“Great Wall Group”	means China Great Wall Computer Group Corporation (中國長城計算機集團公司), a company incorporated in the PRC and wholly-owned by CEC, is a substantial shareholder holding 62.11% of the Company;
“Group”	means the Company and its subsidiaries;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Hunan Communications”	means 湖南長城信息金融設備有限責任公司;

“Hunan Communications Agreement”	means the framework agreement entered into between China Great Wall and Hunan Communication in relation to the sale of various computer products by China Great Wall to Hunan Communications for the period from 1 January 2008 to 31 December 2008;
“Independent Board Committee”	means an independent committee of the Board comprising Li Sanli, Wang Qinfang and Kennedy Ying Ho Wong established to review and consider the transactions under the Purchase Agreements, the Sale Agreements and the Deposit Agreements;
“Independent Shareholders”	means Shareholders other than Great Wall Group and its associates;
“Kaifa Deposit”	means the fund being deposited by Kaifa Technology in the Kaifa Technology Account from time to time;
“Kaifa Technology Account”	means the account of Kaifa Technology held with CEC Finance;
“Kaifa Deposit Agreement”	means the deposit agreement entered into between Kaifa Technology and CEC Finance;
“Kaifa Technology”	means Shenzhen Kaifa Technology Co., Ltd (深圳長城開發科技股份有限公司), 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;
“Purchase Agreements”	means the China Great Wall (HK) Agreement, Amoi Electronics Agreements, Shenzhen Huaming Agreement and Shenzhen Sandberry Agreement together;
“RMB”	means Renminbi, the lawful currency of the PRC;
“Sale Agreements”	means Hunan Communications Agreement and Wuhan Systems Agreement together;

“Shareholders”	means shareholders of the Company;
“Shenzhen Huaming”	means 深圳市華明計算機有限公司;
“Shenzhen Huaming Agreement”	means the framework agreement entered into between China Great Wall and Shenzhen Huaming in relation to the purchase of various computer components by China Great Wall from Shenzhen Huaming for the period from 1 January 2008 to 31 December 2008;
“Shenzhen Sandberry”	means 深圳桑達百利電器有限公司;
“Shenzhen Sandberry Agreement”	means the framework agreement entered into between China Great Wall and Shenzhen Sandberry in relation to the purchase of various computer components by China Great Wall from Shenzhen Sandberry for the period from 1 January 2008 to 31 December 2008;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Transactions”	means the transactions contemplated under the Purchase Agreements, the Sale Agreements and the Deposit Agreements;
“Wuhan Systems”	means 武漢長軟華成系統有限公司;
“Wuhan Systems Agreement”	means the framework agreement entered into between China Great Wall and Wuhan Systems in relation to the sale of various computer products by China Great Wall to Wuhan Systems for the period from 1 January 2008 to 31 December 2008; and
“%”	means percentage.

By Order of the Board
Siu Yuchun
Company Secretary

Shenzhen, PRC, 20 June 2008

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